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ELITE CONFIGURATIONS AT THE APEX OF POWER

INTERNATIONAL STUDIES
IN
SOCIOLOGY AND SOCIAL ANTHROPOLOGY

EDITED BY
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VOLUME LXXXV

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BRILL
LEIDEN · BOSTON
2003

This book is printed on acid-free paper.

Library of Congress Cataloging-in-Publication Data

Elite configurations at the apex of power / edited by Mattei Dogan.
p. cm. - (International studies in sociology and social anthropology, ISSN 0074-8684 ; v. 85)
Includes bibliographical references and index.
ISBN 90-04-12808-5
1. Political leadership. 2. Elite (Social sciences) 3. Power (Social sciences) I. Dogan, Mattei. II. Series.

JC330.3.E45 2003
305.5'2-dc21

2003041894

ISSN 0074-8684
ISBN 90 04 12808 5

PRINTED IN THE NETHERLANDS

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Introduction: Diversity of Elite Configurations and Clusters of Power

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This book has been prepared in the framework of the Research Committee on Political Elites, sponsored by the International Political Science Association. Several chapters of this book are revised versions of papers presented at the World Congress of Political Science in Quebec City in July 2000. It follows another book generated by our research group: *Elites, Crises and the Origins of Regimes*.

The notion of configuration which appears in the title of this book has the same meaning as in astronomy: the position of planetary corps in relation to one another. In elite studies, configuration means the relative position and size of various elite circles (political, bureaucratic, capitalist, managerial, cultural, religious, military, etc.) in the constellation of power.

By "apex of power," we are referring to an infinitesimal part of the population; perhaps one person per thousand of the adult population. In countries like Britain, Italy and France, a few thousand individuals would be included in the highest circles of power. Around them gravitate other elites of lesser weight, who may or may not be included in the analysis.

Elite interlock or interpenetration signifies movements from one power summit to another, not movements within the same sphere: for instance, a jump from the summit of the civil service to a political elite position, from the leadership of a State corporation to that of a private corporation, from union to party leadership. The essentially horizontal concept of elite interpenetration is not related to Pareto's vertical concept of elite circulation.

Functional elite diversity refers to the differentiation of elites according to structural functions — political, economic, administrative, military, cultural, etc., as opposed to "elite cohesion" in a strictly political sense,

i.e., common adherence to political game rules and the acceptance of each other's actions and roles as legitimate.

By elite cousinhood is meant common parentage across summits, indicating a narrow social base of recruitment and the phenomenon of elite reproduction, in contrast to recruitment by meritocratic criteria. This is an empirically grounded concept somewhat more neutral than the concept of ruling class. Likewise, a clear distinction should be drawn between "upper class" membership and location at specific decision-making sites.

When we started this project, we expected to find many similarities, which would permit the formulation of some generalisations, but we have ended in a kaleidoscope: moving from one country to another, the elite configuration changes. Idiosyncrasies of each country loom large. This book does not suggest a unique configuration; on the contrary, it emphasises a diversity of national situations. Why such a diversity? Historical developments are obvious explanations, but institutional frameworks and levels of economic development seem equally important.

There is a gap in the literature between the theoretical level, predominantly American, and the empirical knowledge of elite stratification in dozens of countries in the four corners of the world.

Most of the significant books on elite theory are either classical contributions formulated a century ago, before the development of post-industrial societies, by European scholars such as Weber, Pareto, Mosca, Michels, or by contemporary American scholars who devoted their work almost exclusively to the American situation in the 20th century, for instance, C. Wright Mills, Robert Dahl, John Galbraith, E. Digby Baltzell, Kenneth Prewitt and Alan Stone, Donald Matthews, Suzanne Keller, Gabriel Kolko, Arnold Rose, James David Barber, Vance Packard, G. William Domhoff, Thomas R. Dye, Paul Sweezy, David Riesman, Floyd Hunter, Victor Perlo, Grantt McConnell, Charles L. Clapp, Michael Parenti, and many others.

The elite configurations reflect in large part the social, economic, cultural and political structures of the society itself. Because of space constraints, we have not given this relationship the full attention that it merits.

All chapters of this book focus on the interpenetrations at the highest levels between elite categories: politicians, owners of capital, corporate managers, higher civil servants, union leaders, military officers, and outstanding intellectuals.

The documentation presented in these chapters reveals contrasting patterns of recruitment and selection among countries in terms of career paths, elite roles, and the relative influence, visibility, power and prestige of different elite groups. This diversity of national elite configurations

challenges C. Wright Mills' theory of an integrated power elite, which appears from a comparative perspective to be peculiar to the United States during the early post-war period. Nonetheless, even Mills admits implicitly the existence of the notion of national elite configuration, where he emphasizes "the structural position of the high and mighty" and the intermingling between three kinds of elite: the political directorate, the corporate rich and the military establishment. As James Meisel notices, "elites entrench themselves in institutions" (Meisel 1962: 361).

Obviously, the theories based on American patterns cannot be always extrapolated to other countries. Some of these American theories were not validated when tested in other national contexts. This book brings additional evidence of the inadequacy of many American theories for the study of elites in France, Germany, Britain, Mexico, East-Central Europe, Southeast Asia or sub-Saharan Africa. It is not by accident that in this book priority has been given to countries other than the USA.

If it were possible to include in this book studies on other countries, the diversity of elite configurations would have been enhanced. If Thailand had been included, the role of the military behind the scenes would have had to be described. If the Scandinavian countries were included, other elite categories would have received more attention, such as the union officers and the party leaders. If Israel had been included, the role of ex-generals at the summit of the State would have been emphasized, and the army headquarters would have appeared as a greenhouse of civil politicians. Obviously, the historical and social context explains such a diversity.

The elite configuration depends largely on the political systems. The structure of power and the recruitment of elites are not, and cannot be the same in a multi-party system, a two-party system (like the British one) and in a one-party-dominant system (like the Italian, Japanese, Mexican, Irish or Indian system at a certain epoch). Within the category of multi-party systems, they cannot be similar in a presidential system and in a parliamentary system. They function differently in advanced post-industrial societies and in developing societies. These parameters are extremely important. The diversity of elite configurations is related to the typology of political systems.

In the literature on elites, there is an agreement to distinguish two categories of elites: the mono-hierarchical interpretation, called the elitist school, and the polyarchical interpretation, called the pluralist school. According to the monolithical interpretation, the various elite circles overlap; there is a high concentration of power and a strong cohesion among elites. Except for the classical Marxist writers, the best known exponents of this school are all American scholars — C. Wright Mills, C. William Domhoff, Paul Sweezy, among others. According to the

pluralist school, there are different sets of leaders in different sectors who are recruited by different channels; power is divided among many institutions, and there is a limited concentration of corporate power. The best-known representatives of this pluralist school are Robert Dahl, Arnold Rose, David Riesman and many other American sociologists who have focussed their analysis exclusively on the American case. Some of these American studies have, however, worldwide theoretical validity, for instance, the following statement by Robert Dahl: "Neither logically nor empirically does it follow that a group with a high degree of influence over *one scope* will necessarily have a high degree of influence over *another scope* within the same system. This is a matter to be determined empirically" (Dahl 1958). This statement could be rewritten in terms of elite configuration and interlocking.

Thomas R. Dye deals also only with the American elites, but he takes an intermediate position, admitting the pertinence of many contributions of both schools. The elite theory, which was Italian by birth, is today overwhelmingly American.

Robert D. Putnam has adopted in his *Comparative Study of Political Elites* an international framework, but he deals in his book, published a quarter of a century ago, only with the political elites, neglecting the other elite categories. He does not treat the interpenetration of various elites as a crucial feature.

In several books, John Higley, in collaboration with other scholars, has studied various elite categories in different contexts, such as East-Central Europe, Latin America or Australia, but his interpretations of elite structures are contextual, and do not venture into extended international comparisons.

Important books on elites have been published also in Europe during the last decade, particularly in Germany and in Britain. Most of these books are based on solid empirical data, but they did not have the same impact on the theoretical debate as the American authors. (See the bibliography cited by Erwin Scheuch, John Scott, Dennis Kavanagh, David Richards and Andras Bozoki in their respective chapters.)

Interestingly enough, the traditional Marxist theory, according to which power is based on the control of the means of production, and which reflected the XIXth century capitalism is less and less cited, even by neo-Marxists who advocate that in the XXth century, power is rooted in the State bureaucracy which expropriates the surplus value.

The common denominator of all chapters in this book is the linkage between the ruling elites, the interconnections at the summit of power. These interpenetrations suggest the concept of interlocking, which may form, in different contexts, different types of clusters.

Elite interlocking as a basic feature implies much less an "unified elite class," advocated by the elitist school. Elite interlocking takes various forms in time and space. The most famous historical interlocking is the alliance between the throne and the altar in all European countries, and in most Islamic countries (but not in the Buddhist societies). In contemporary Africa, the elite configuration appears as an undifferentiated elite, as the chapter by Jean-Pascal Daloz clearly demonstrates. In Southeast Asia, the leadership represents a fusion of various roles in the same person, as the chapter by William Case attests. In the Mexican presidential system, the structure of elites leaves room and freedom to the sector elites, as suggested by Roderic Camp in his chapter. Even among the Western European countries, the elite configurations mark significant differences.

In the dispute between the elitist school and the pluralist school, the concept of interlock seems to be the Gordian nexus. How much is enough? How much concentration of wealth and power would be sufficient to conclude that we are facing a single, high pyramid? How many channels for recruiting the various functional elites are needed in order to admit that, instead, we are facing a chain of high peaks? How much specialisation is required from the various elite categories? A lot of specialisation would imply a plurality of elites. How much cohesion exists among the different elite sectors? In analytical terms, cohesion means interpenetration, overlapping, network. Here appears the concept of interlock as an essential factor of elite configuration. If the convergence and the overlapping between the functional elites are strong, we may perceive the shadow of a monolithic elite. If on the contrary, the osmosis between the various elite categories is relatively weak, if the separation generated by specialisation and expertise is clear and solid, we may lean towards the pluralist interpretation of elite configuration.

The phenomenon of interlock has been studied carefully for the big financial and industrial corporations. In most countries the sequential move is from higher civil service towards high business, and except in the United States, almost never in the opposite direction. This issue is of great importance (see the chapters by John Scott and Michael Ornstein). There could not be a capitalist class without a strong network among capitalists. If big corporations pursue their objectives, each one separately without cooperating or defending common interests, then we are in the presence of capitalists, who may be powerful, but not of a "class." Analytically, an elite interlock is a pre-condition of any ruling class.

A distinction is needed between elite interlocking and elite interchangeability. The two phenomena do not appear in the same kinds of societies. Interlocking is the passage from one elite sphere to another. It implies necessarily the existence of separate elite categories, and a process of pro-

fessionalisation within each category. On the contrary, interchangeability supposes the existence of a common stock of undifferentiated elites, able to move back and forth between various elite sectors: from military to political functions, from administrative to economic positions and back again. The same family may have representatives as landlords, officers in the army, administrative governors and so on. The ruling class in Tsarist Russia during the XVIIIth and XIXth centuries was the perfect example of positional interchangeability.

Elite studies seem to be shut in a conceptual Tower of Babel, where scholars gamble with non-specified words. Athony Giddens formulates his own diagnosis: "…we should be able to recognise … that there can exist a 'governing class' without it necessarily being a 'ruling class'; there can exist a 'power elite' without there necessarily being either a 'ruling' or a 'governing class', that there can be a system of 'leadership groups' which constitutes neither power 'elite', nor 'governing class' or 'ruling class'; that all of these social formations are compatible with the existence of an 'upper class'; and finally, that *none* of these categories prejudices the question of the relative primacy of the 'political' and 'economic' spheres within the class structure" (Giddens 1974: 2).

It is hopeless to attempt to formulate a universally valid theory for such a diversified world (for the moment, the process of globalisation has succeeded in reducing the diversity among capitalists and the international bureaucrats, but not between political systems). It would be more promising to have recourse to typologies and to configurations.

Comparing countries consists in crossing similarities against diversities. But depending on the scope of the comparison, and on the choice of countries, the differences may outweigh the similarities. On the other hand, the analogies may prevail if other theoretical frameworks are adopted. In the studies of elites, the higher the level of theoretical abstraction adopted, the greater the number of similarities, or at least of their functional equivalencies. When the research is truly empirically grounded, when we use the microscope rather than the macroscope, the chances are greater to discover more differences than analogies. The distance between the observer and the object observed is an element of crucial importance. Such a strategy should not be confounded with the ideographic-ideocratic dimension. All the authors of this book are immersed in the realities of the country or region that they observe directly. All are at the same time *insiders* by the intimate knowledge of "their" country, and *outsiders* by the theoretical framework to which they constantly refer.

Given the diversity of national elite configurations, an appropriate strategy for scrutinising them is the comparison by pair of countries, called binary comparison (Dogan 2002). For such a dichotomic analysis, I have

chosen the country that I know best (France), and I shall compare its elite with other national elites. But such an approach would be equally pertinent if the country of reference was Germany, Argentina, Russia or India. As a matter of fact, the binary comparison is the most frequent strategy adopted in comparative research in sociology and in political science (but not in social anthropology and economics).

Let's start with a comparison between the French elites and the American elites. One of the most striking differences is the preponderance of extremely wealthy personalities in the American government and Congress, and the small number of their equivalents in contemporary French politics. Another contrast appears when we compare the role of the higher civil servants across the Atlantic: they have a primordial place in France, and in other European countries, but apparently are almost absent in the US national leadership, to such a degree that C. Wright Mills neglects them completely. America has not bred the higher civil servants for political leadership, while quite the opposite is true in France. As D. Stanely, D. Martin and J. Doig suggest in *Men Who Govern* (1967), C. Wright Mills has underestimated the autonomy and the role of the higher civil servants in the US. In France in the 1990s, one of every two deputies and the majority of cabinet ministers come from the civil service: the political elites are "functionarised"; on the contrary, in the US the recruitment of politicians dips deeply into the private sector. The role of parliament in the selection of political leaders is anther contrasting feature.

Some analogies for elite recruitment in the two countries can also be noticed. In France, the selection of the political and of the politico-administrative personnel is made overwhelmingly among the alumni of a few selective schools (Ecole Nationale d'Administration, Ecole Polytechnique and a few others). Similarly, almost half of American top governmental leaders are alumni of just twelve Ivy League universities, particularly of the law schools of these privileged universities.

The American and French political systems are both considered to be presidential systems. In reality, there are more differences than analogies between them. No wonder that there is not in the specialised literature a single major book with the ambition of comparing them systematically.

The comparison between the British and the French ruling elites is full of contrasts. In Britain, there is a complete impermeability between high administration and high politics, while in France there is an overlapping and a heavy interlocking. In Britain cabinet ministers are recruited in parliament by a non-written constitutional rule: all ministers have to belong to parliament. On the contrary, in the Fifth Republic, there is on the contrary a constitutional incompatibility between being member of the government and a member of parliament. In Britain, the collaborators of

cabinet ministers, called "junior ministers" are recruited among the MPs. In France, they are recruited among the *grand corps* (exclusive greenhouses). In both countries, the school fills an elitist function, but in Britain the selection is based mostly on wealth and on the education of teenagers, while in France it is in large part based on meritocratic competition among young adults.

It could be said that French society is more democratic than the French political system, while the British political system is more democratic than the structure of British society.

A comparison between elites in Italy and in France also reveals striking differences, in spite of the fact that these two countries are related from many other points of view. In 1946, Italy adopted a complicated electoral system which has engendered a "partyocracy" and a very fragmented political class. The "partitocrazia" contrasts with the weakness of the political parties in France. With a few exceptions (Bank of Italy, State Council, the prefects and the *carabinieri*), the high administration became of limited efficiency soon after the war. This contrasts with the powerful position of the higher civil servants in France. The regime's centre of gravity was the parliament, as in France during the Fourth Republic. The selection of leaders in Italy, particularly the cabinet ministers, has been accomplished according to ten non-written rules which reveal the fights between factions inside the parties, and the refinement of the rules of the political game. These rules generated a *sui-generis* elite configuration (Dogan 1984). The party leaders played a Byzantine game; no one predicted the "revolution of the judges." From January 1993 to March 1994, Italian citizens witnessed the agony of the old Italian political class, brought about by the blows of the judges, with the massive support of public opinion, and with daily contributions from most journalists. Italian society is, however, in good economic health. Italy has experienced an impressive economic growth in the last five decades, overtaking Britain in terms of GNP per capita. This fact raises an important theoretical question: what is the role of the elites in the economic achievements of a regime? Despite their ministerial instability, Italy and France have both experienced considerable economic growth after World War Two, while in Britain the governmental stability has been accompanied by economic stagnation and relative regression among the European countries.

The main contrast between the elite configurations in Germany and in France concerns the role of political parties as agencies of elite recruitment, as channels for promotion, as networks of decision-making, and as patronage for the selection of top State bureaucrats. The parties hold a central position in Germany, and a secondary one in France. In Germany, there are no filtering schools as privileged greenhouses of elites,

in contrast with the French elite schools. The routes to higher positions pass largely through the parties, whereas in France party affiliation is just a strategic choice. In the economic interlockings, the financial sector plays a crucial role as big linkers, whereas in France the map of interlocks is more diversified. In exchange, as Erwin Scheuch reports in his chapter, there is much less elite circulation between the political and the economic sectors. In Germany, most CEOs are recruited and socialised within the companies; they are not detected and "borrowed" from the higher ranks of the State administration as in France. In addition, the selection of the various elite categories is carved out through the Landers, while the French elites are largely Parisian. Nonetheless, in both countries, the role of the parliamentary elite in the power configurations seems to decline in the actual working of the system, except as sources of electoral legitimacy.

An interesting analogy can be observed at the summit of power between the Japanese elite configuration and the French counterpart, in spite of the many contrasts existing between the two countries at other levels of the society and of the State. Japan, although lacking natural resources and cultivable land has become in one generation one of the richest countries in the world. Who should be credited with this achievement? The politicians, the higher bureaucracy, the capitalist entrepreneurs, the engineers in the high technology sectors? Various replies could be given to this question. The most persuasive would be a reply in terms of elite clusters.

In both countries, there is a triad at the apex, which consists of an interpenetration of political leaders, higher civil servants, and capitalist entrepreneurs. In spite of the importance of studies done separately of each one of these two elite pyramids — notwithstanding the many similarities between their configurations — there is not a single comprehensive study attempting to compare them. Only an outline of such a comparison could be presented here, in terms of functional equivalencies. This would be an implicit binary comparison, assuming that the reader is familiar with the French situation, analysed in Chapter 2.

In both countries, the higher civil servants are recruited by competitive examinations. They are selected in both countries among several thousand candidates. Finally, some 400 young bureaucrats in Japan, and 300 in France are recruited each year. The equivalent of the *Ecole Nationale d'Administration* is in Japan the faculty of law of the University of Tokyo, but also of Kyoto University and of Hitotsabashi. There is also an equivalent of the *Ecole Polytechnique* called *gikan*. The most striking analogy is the swarming of higher civil servants from the administration to corporations and to high politics. Such a sequential interlocking is called respectively *amakudari* (descent from heaven) and *pantouflage* (jargon suggesting refuge in a comfortable position).

Such a transfer has been interpreted by some observers as a collusion between high administration and big corporations. It could also be interpreted as a rational interlocking. In order to favour the circulation at the highest ranks of the public administration, retirement is almost mandatory at an early age, 50-55. The move to corporations compensates also for the modesty of pensions. The assurance of a second career prevents dysfunctions in the public bureaucracy. The corporations need for their dealings with the State officers who are familiar with the labyrinth of the bureaucracy. According to recent data, some 200 higher civil servants benefit each year from *amakudari*; they are welcome in high positions within big corporations or middle-sized firms. The old networks of the cohorts could theoretically leave room for decisions favouring the corporations, particularly for various authorisations and public subventions, but the rule is that when the administrative vice-minister (equivalent to the German *Staatsekretare*) retires from the ministry, the entire cohort of condisciples are also obliged to retire. Except the important difference between the French *grand corps* and the Japanese "cohort group", the dynamics of the interlocking is very similar in both countries.

Another analogy between the French and Japanese elite configurations appears clearly in the osmosis between high administration and high politics. In both countries an impressive proportion of political rulers were recruited in the last decades from among former high civil servants (in Japan since 1946, in France since 1958). It is significant that in neither country have big businessmen ever become prime minister. In exchange, about half of the Japanese prime ministers and most of the French had been former higher civil servants. In both countries, many of them jump directly from the top of the administrative pyramid to the governmental high sphere, in some cases without needing a long parliamentary experience or an electoral legitimacy. In both countries a high proportion of cabinet ministers were selected among former high State bureaucrats. Because of the basic difference between the presidential system and the one-dominant-party-system, the proportion of former higher civil servants among the parliamentarians is higher in Japan than in France, but the proportion is similar at the level of cabinet ministers. In both countries, the role of top civil servants has been decisive for the preparation of the national budget, for the formulation of long-term priorities, and for the tendency to replace laws by decrees. So the triads of power are very similar in both countries. The most appropriate strategy for comparing their ruling elites is the recourse to the concepts of elite configurations and elite interlocking.

Binary comparison is not the only way for detecting differences between elite configurations. Contrasting types of political systems is another way.

An interesting type is the consociational democracy, which contrasts with other types of democracy. It has been depicted by several scholars, in particular by Arend Lijphart. (We may call it more simply consociative democracy.) This type is characterized by elite accommodation in spite of the fact that the society is fragmented (Lijphart 1975; McRae 1974). In a vertically segmented society, where a well-organised elite necessarily exists within each societal segment, in each camp the followers show deference to their leaders. A consociative democracy is more elitist than a competitive democracy. Leaders of communities would not have sufficient authority in negotiation processes if their leadership was contested in their own camp. Within each camp, the articulation of interests is performed in an effective manner. But since no camp is in a position to win a majority, the aggregation of interests must be performed by accommodation between elites. The more important and controversial the issue, the higher the level at which a compromise has to be reached. Contrary to competitive democracies, which rest on the principle of majority rule, consociative democracies retain the principle of proportionality. Each camp is represented in institutions proportionally to its electoral strength. But this principle turns ineffective as soon as the decisions to be reached are of a dichotomous nature. To overcome such a risk, several rules and strategies are adopted. Decisions have to be made in small committees in secrecy as often as possible; the leadership is insulated from the knowledge of the rank and file. Membership in government is not compatible with membership in parliament. All positions and resources are allocated proportionally to the strengths of the blocs. The result is a proliferation of *intra* bloc elite connections for interlocking directorates of various bloc organisations, with overarching contact among the blocs limited to the elite level. The terminology adopted by various scholars is very suggestive: *consociatio* for Nigeria (D. Apter); *Verzuiling* for the Netherlands (A. Lijphart); *Konkordanzdemokratie* and *Proportzdemokratie* for Austria and Switzerland (G. Lembruch); *Entscheidungsstructuren* for Switzerland (H.P. Kriesi); amicable agreement for Austria (J. Steiner); *Junktim* and *Koalitionsanschluss* for Austria.

The elite network, particularly the inner circle, has different features in the political systems characterizes by high governmental turnover and in the systems where governments are relatively stable. The literature on cabinet stability/instability has neglected the notion of ministerial core. In regimes with governmental instability, a change of government does not, most of the time, mean the replacement of all outgoing ministers by newcomers (Dogan 1989). One can observe two types of ministers in these regimes: a core of quasi-irremovable leaders, and a much larger number of politicians who hold a fraction of power for a short period of time. The core of irremovable leaders can be called the "governmental nucleus"

and the ministers of a day "ephemeral personages." The governmental nucleus includes ministers who hold the most important positions and who remain in power most of the time. Without such a notion of governmental nucleus, it would be difficult to explain why, in spite of the ministerial dance, the French Third Republic lasted for 70 years, and how, in spite of an equivalent ministerial instability, democracy has flourished in Finland since 1917, and in Italy has functioned for half a century.

Power is implicit in the notion of ministerial core because survivors are more prestigious than those eliminated in the process. Reappointment reflects a strengthening of political influence. It also supposes, in most cases, advancement to a higher rank — based on acquired experience — from a technical ministry to a more important one (from Transportation to Finance, for instance). There is, within the cabinet, a hierarchy, generated in large part by seniority. In most cases, the key members of the ministerial core are simultaneously becoming more powerful at the summit of their political party.

The existence of a ministerial core can be explained by the fact that political parties tend to delegate their leaders to government. This is particularly true in regimes with proportional representation and rigid lists of candidates, which favour well-organized and centralized parties controlled by leaders who tend to perpetuate themselves at the summit of their party.

The ministerial core fulfils a function different from that of the interlocking directorates in consociational democracies. In the Netherlands of yesteryear, the "intrabloc overlapping membership in the governing bodies of the bloc institutions [were] clear symptoms of the cohesiveness of each of the four elites" (Lijphart 1968: 60). There are interlocking directorates in most multiparty systems. In Italy, for instance, there was a Catholic interlocking directorate (which included the Episcopacy, Catholic Action, Coltivatori Diretti), a Communist one (including strong labour unions), a Socialist one, a Liberal one. A ministerial core is an "intimate" locus of power where delegates of the interlocking directorates face each other as peers behind closed doors. A few of the most important cabinet ministers, who meet in a kind of supercabinet to choose among crucial options, all belong to the ministerial core.

It is time to revise the old views about ministerial instability and revolving ministerial cabinets, because ministerial instability was accompanied by the maintenance in power of a core of political leaders who ensured the continuity of State leadership. The elite configuration in these regimes has its own logic and dynamic, which contrasts with the British or American two-party systems.

Nowadays, power is personalised in the majority of independent nations in spite of the institutional framework adopted everywhere. A large variety of elite configurations can be observed, resulting from the combination of regime types and of the idiosyncrasies of the leaders. The diversity is such that the Weberian classical typology of legitimacy, with its three "boxes" seems obsolete for the study of contemporary leadership, since the "boxes" concerning the charismatic and the traditional authorities are today almost empty, and the third box — rational legal authority — paradoxically amalgamates several dozen varieties, combining personalised power and institutional scaffoldings (Dogan 1994). The approach in terms of elite configurations facilitates a better understanding of the diversity of personalised political leaderships.

We may distinguish different forms of personalisation of power according to the types of regimes. Obviously the degree of personalisation is not the same in a civilian authoritarian regime as in a military dictatorship, it does not have the same features in Southeast Asia (see the chapter by William Case) and in sub-Saharan Africa (see the chapter by Jean-Pascal Daloz), or in some Arab countries. Distinctions are needed between political idolatry, engineering charisma, the cult of personality, the plebicitarian ruler and the genuine heroic leader. Founding fathers of new nations are a privileged sub-type. Within the category of presidential regimes we can perceive a dozen sub types of personalisation, reflecting institutional contexts (Riggs 1994: 72-152). The same kind of varieties of personalisation of power and elite configurations can be detected among the prime-ministerial regimes such as those in Britain, Germany, Japan, India, Sweden and Ireland. Personal rule (see Jackson and Rosberg), caudillismo, camarilla, party oligarchy, and armed prophets are other forms of personalisation of power. Some types of regimes are resisting strong personalisation of power, particularly the consociative democracies and the new-corporatist regimes, for instance, Switzerland, the Netherlands or Belgium.

In case of abrupt regime changes, an analogy has been noticed across countries: the economic and administrative elites resist better the upheaval than the political and military elites (Dogan and Higley 1999). The phenomenon is confirmed in this book by Erwin Scheuch for Germany and Andras Bozoki for East-Central Europe.

Given this diversity of elite configurations, generated by the diversity of social structures and of political systems, the formulation of theoretical generalisations is more difficult in elite studies than in other domains of the social sciences. But precisely because of this diversity, the specificity of a national elite configuration appears clearly only in a comparative perspective.

We can learn a lot by comparing separately each elite category: the political leaders, the capitalists and managers of corporations, the higher State bureaucrats, the cultural elites. There is a valuable literature on each of these categories, encompassing many countries and continents. But where the comparative perspective is combined with the cross-sector approach in order to investigate the elite configurations, imbrications, interminglings, interlocks and clusters, all difficulties are accumulated because of the diversity of the nations, social systems, structures and levels of development. It is for this reason that an agreement between scholars about "who rules" and "who is running" has not yet been reached. The only point on which a consensus seems to emerge is that in sociological terms in the contemporary world, the rulers do not constitute a "class", except in Saudi Arabia, not even in dictatorial regimes. They represent something else today. By adopting the notion of elite configurations, we may make a further step.

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Is there a Ruling Class in France?

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The concept of ruling class, widely used by scholars and essayists, is not an operational concept. It has an ideological tonality. It has been criticized or avoided by leading theorists. For C. Wright Mills it is "a badly loaded phrase. Class is an economic term, rule a political one… The phrase 'ruling class' does not allow enough autonomy to the political order and its agents" (Mills 1956: 277). He replaced it with "power elite," which in turn has been severely criticized by many scholars, among them Arnold M. Rose (1967). Robert Dahl in *Who Governs* has not used it at all, and has chosen instead the concept of non-cumulative inequality: "In the political system of the patrician oligarchy, political resources were marked by a cumulative inequality: when one individual was much better off than another in one resource, such as wealth, he was usually better off in almost every other resource — social standing, legitimacy, control over religious and educational institutions, knowledge, office. In the political system of today, inequalities in political resources remain, but they tend to be *non-cumulative, dispersed inequalities*" (Dahl, 85). The notion of non-cumulative inequalities is very useful for the study of elite stratification in the societies characterised by cultural, ethnic, religious social or racial cleavages. It is much less useful for the study of relatively homogenous societies, where the economic criteria predominates to such a degree that wealth and income are still strongly correlated with most other resources. Democratic processes reduce the inequalities, but they do not really disperse them. So the notion of non-cumulative inequalities is not operational for testing the theory of ruling class.

Raymond Aron in 1950, concentrated his analysis on a discussion of the theories of Marx and Pareto, saying nothing on Mosca. "Why I choose Marx and Pareto, whose works were, in one case, written nearly a century and, in the other, several decades ago? Does recent literature offer nothing more scientific?… I do not think that any theory has been elaborated which can take the place of either of those doctrines" (Mills's book would

be published a few years later). Using almost by accident the word "ruling class," he explains that he has avoided it, because this concept implies a unity of elites, which does not exist in reality. He proposed the notions of structure: "By structure of elite I mean the relation between the various groups in the elite, which is peculiar to each society. Indeed, although there are everywhere business managers, government officials, trade union secretaries and ministers, they are not everywhere recruited in the same way, and they may either form a coherent whole or remain comparatively distinct from one another" (Aron 1950: 10).

Comparing the concepts of political class and ruling class in 1960, and accepting implicitly this time the word "class," R. Aron wrote: "Every regime has a political class. But a society does not have a ruling class if the managers of the industry, the leaders of unions, and those of political parties see each other as enemies, at the point of not sharing a feeling of solidarity" (Aron 1960: 268). He was obviously referring to the French Fourth Republic.

Five years later, in 1965, R. Aron presented his most comprehensive view about the ruling class. Admitting that contemporary democracies do not suppress oligarchies, the important question for him was to know if there is only one hierarchy, or several. Rejecting this time the word "class," he suggested the adoption of the notion of "ruling categories." "The notion of ruling category is an analytical category" (Aron 1965: 15). He insisted on the significance of the relations between ruling categories, because they characterize the nature of the political regime: "the differentiation of various ruling categories is typical of pluralist democracies" (p. 18).

The thesis that a ruling class exists in France has been sustained by many Marxist writers, and also by eclectic social scientists, for instance by Pierre Birnbaum *et al.* in *La classe Dirigeante Française* (1978). This book has been virulently criticized by Pierre Favre (1978): "the reading leaves a feeling of uneasiness — the reasoning is based on a series of presuppositions — the authors are juggling, what they put in the hat is their image of the ruling class" (pp. 1102-08).

Other observers, like A. Wickham and S. Coignard in *La Nomenclatura Française* (1986), have described in detail the oligarchical structures, and François de Closets, the privileges of some categories in *La France et ses mensonges* (1977). These books continue a traditional literature, where rich documentation and polemical interpretations are combined. If so many social scientists, essayists and influential journalists are advocating that France is governed by a ruling class, it is not surprising to find often in the media the words "political class," and "ruling class." In Marxist literature, ruling classes were a key concept both before and after World

War Two. It would take too long to refer here to these essays and articles. However, this literature has generated a popular myth.

The thesis of ruling class appears, explicitly or in filigree, not only in the reasoning of many theorists and ideologues but is present in the minds of millions of French citizens, dissatisfied with the real functioning of the political systems, who distrust important institutions and, in particular, what they call "the political class" (Dogan 2002). This concept, concocted a century ago by Gaetano Mosca has today taken place in all dictionaries. The spread of this concept is a posthumous revenge for the alienated scholar born at the periphery of Italy, in Sicily. The concept of "ruling class" had the same fortune. Its roots are very old; it is implicit in Machiavelli's writings. It has become the focus of a vivid debate between two opposite conceptions of power and legitimacy. It has spread so much that it has become, in Durkheim's terminology, a "sociological fact," in the sense that it is present in the mental perceptions of many people.

What is needed for this debate is substantial empirical evidence. A few words about the empirical data: this study is based on research that I started long ago in the archives of the National Assembly and of the Senate, as well as on the documentation collected from many old and recent directories and dictionaries. The data that I have collected consists of a card-index of 8,000 individual biographies concerning all cabinet ministers, all legislators elected to the Chamber of Deputies and later to the National Assembly, and all senators and leaders of political parties for the period 1870 to 2000. The research has been supported by the CNRS in Paris. Because of the need to distinguish several historical periods, the number of persons in each category of the political elites is too small for a statistical treatment by regression analysis. The tables included here are based on cross-tabulations. In previous publications, some of which are cited in the references, I have presented a wealth of statistical data concerning the political elites during 130 years between 1870 and 2000. The original documents will be available for consultation at the library of the French Senate.

What criteria should be adopted for testing the hypotheses of a ruling class? We may start by keeping in mind the basic characteristics of an ideal ruling class. These characteristics are outlined in the following definition by John P. LeDonne, which seems to me the best ever formulated:

> A ruling class enjoys a monopoly of the function to rule. This monopoly is buttressed by privileges that enhance the status and sustain its consciousness. The ruling class is a relatively unified group in which its members carry out a variety of responsibilities interchangeably: the emphasis is not on professional separateness but on the exercise of power over all members of the dependant population. In such a society, wealth does not confer power, but power gives

> access to the sources of wealth… Although this comes close to the Marxist concept of monopoly ownership of the means of production, the concept of a ruling class is not a variation on the theme of Marxism, if only because the class struggle — the heart of Marxist theory — is alien to it. (LeDonne 1993: 285)

Having in mind these basic characteristics of an ideal ruling class, I see several criteria and questions of different natures. For analytical needs, I shall discuss them separately, but none of them could be considered, alone, as decisive. They have a cumulative effect. I shall try to reply to the following questions, bringing empirical evidence from various sources: Are the power-positions transmitted by heredity? Is the social basis of elite recruitment open to social climbers? Is there a collusion between "capitalists" and the other elites? Is there, at the elite level, separation of functions, and if so, to what extent? Finally, how professionalized are the elites?

1. The Constellation of the Various Elite Circles

Whatever definition we give to the various elite categories, it is necessary to delineate them quantitatively. In effect, the proportion of each category — political, administrative, technocratic, economic, intellectual — is not the same if the summit delimits 2,000 people as if it is extended to 10,000. In the first case, defined narrowly, we risk neglecting powerful protagonists and exclude many influential people from the complex structure of the power hierarchy. If, on the contrary, we enlarge the notion of elite, making room for several tens of thousands of people, we are drifting away from the nucleus of power.

In the case of an elite of 10,000 people, we would include most of the mayors of cities, the provincial officers of political parties, several hundred union leaders, a great number of journalists and intellectuals, a large part of the high ranks of the State administration, the representatives of the Catholic organisations, the headquarters of State enterprises and the managers of several thousand important enterprises. The ruling elites would then tend to be confused with the social elites of the country. Limited to 10,000 people, the elite strata would be composed mostly of individuals who are not politicians, and whose influence is based on the privileged position that they occupy in other sectors of the society.

Theoretically, we may conceive that one per cent, or one per thousand, or one per ten thousand of the 30 million adult French citizens belong to the highest elite strata. If we adopt the first hypothesis, we get an elite configuration of 300,000 persons. If we adopt the second hypothesis, we get 30,000. And if we adopt the third hypothesis, we get 3,000. What matters

is the fact that in each case, the respective proportion of politicians, of owners of capital, of higher State bureaucrats, of corporate managers and technocrats varies greatly.

Assuming arbitrarily that the size of all kinds of top elites combined in the Paretian sense includes about 5,000 people, the political circle would represent one-fifth or one-sixth of the global elite configuration. If we enlarge the size of the elite strata, the configuration structure and the intersecting of elite circles would be different: in particular, the proportion of politicians would increase.

It is difficult to evaluate the proportion of each elite category for different elite sizes. What interests us here is the fact that the triad of political leaders, State administrators and corporate managers would not increase at the same rate as the other elite categories. The State central administration represents, by definition, a restricted superelite. As a sociological rule, the larger the size of the elitist strata, the smaller the proportion of State high bureaucracy in the structure of power, but not necessarily in its steering capacity. According to historical circumstances the various elite categories can expand or shrink. As we will see below, in May 1968 the majority of elites were excluded from the decision-making process. When, a few years later, the franc was devalued, only five people were involved in the decision-making process: the president, the prime minister, the minister of Finance, the minister of Foreign Affairs, and the governor of the Bank of France. No one else was informed. In other circumstances, the party and union leaders may occupy the center of the forum.

The French elite are structured into a great number of decisional groups by sectors and issues, called in the administrative jargon "interministerial committees," "ad-hoc committees" or "commissions of experts." The fragmentation of power is obvious. For instance, a political actor can be influential in the domain of public transportation, but incompetent in the domain of social security. A prefect in his provincial post never has an opportunity to communicate with a diplomat, but he is connected by a direct and secret telephone line with the cabinet of the minister of Internal Affairs. Political elites are also fragmented in rival political parties and factions.

In each political organization, a certain number of vigourous personalities dominate their lesser colleagues. How do we identify these leaders? What should be the criteria — representativity or efficiency? In the political forum, the best do not always succeed. The subtlety of the political game does not allow the citizen to recognize the personality traits behind the mask of the personage. It is a well-known fact that since the beginning of the Third Republic, great men have been kept away from executive

power, whereas men of lesser talent have been placed in key positions. From Gambetta to Clemenceau and to Pierre Mendes-France, many examples are given by historians.

If we ask informed observers of French political life to designate the 500 men who, in their opinion, exercise the most effective influence in the society and in the State, they would agree readily on about 100, 200 or 300 names. The experiment has been attempted and the experts who were willing to participate (among them several politicians, higher civil servants, corporate managers, and journalists) have admitted that after a selection of a certain number of personalities, the choice becomes increasingly difficult. The technique of using a pool of experts gives valid results when the choice is limited to a particular sector of activity (foreign policy, income tax, or public housing, for instance) or a specific decision (unemployment, fiscal problems), that is, when the responsibilities can be identified.

From this experiment, several lessons can be drawn. Robert Dahl, in his classic *Who Governs?* (1961) used what is known among specialists of elites as the decisional method. This method has been applied by Dahl to the study of a mid-sized city (New Haven). Other scholars have used the reputational method for other cities, for instance Floyd Hunter in *Top Leadership U.S.A.*, in 1959, without bringing solid empirical evidence for defining a "national power structure." In Germany it has been applied to the study of elites in an entire major nation (Hoffmann-Lange 1986). From the French experiment, which was stopped after the first test, we have learned a lot. The reputational method is not operational for the study of elites in a country of the size, regional diversity and complexity of France. For a country of this size, the interviewed observers confessed that after having designated a certain number of influential power-holders, they feel increasingly incompetent to continue to concoct a list of decision-makers.

We have learned from this experiment that the point of observation, that is, the position of the observer on the elitist map is of crucial importance, because his location has direct consequences on his perception of the elite configuration. Since the tasks of the various elite are of different natures, and because the partitioning of elites is considerable, the observer cannot have sufficient information to rate the respective influence of so many personalities. If the observer belongs to the State administration, he will tend to choose people in charge of the central bureaucracy. If he is a journalist who follows daily the debates in Parliament, he will tend to indicate many politicians as powerful people. If he is a technocrat he would be more knowledgeable about corporate directors and famous capitalists.

The physiognomy of elites is not perceived in the same manner by all observers. If one is reasoning in terms of political legitimacy, the tendency is

to enlarge the silhouette of the parliamentarians and of the ministers. If one believes that economic rationality should prevail, the economic elites, the finance inspectors and the State technocrats gain in importance. Those who prize the civil society against the cult of the State tend to emphasize the role of party leaders, union officers and of managers of private firms. The distribution of roles depends on the theoretical or ideological perspective of the observer. None of the observers who were invited to participate in the test pretended that he or she had a general view of the various power circles. They admitted that they had a "prismatic" perception.

The implication for ruling class theory is significant: the observers have implicitly admitted that this notion was not present in their mind, in spite of the fact that most of them had not abstained from formulating many criticisms against the regime and its representatives, by complaining about the hyper-centralisation of the State, the inadequacy of the presidential system, the inefficiency of some sectors of the public administration and of the negative effects of actions taken by some partisan oligarchies.

A careful elite analysis requires a distinction between three concentric circumferences: a central one, and around it, a second, larger circumference, composed of people who occupy a privileged position by one or several criteria, in one or several domains, but who are not included in the central perimeter, and a third circumference which includes people of lesser national visibility.

The second circumference is composed as follows:

- Several thousand very rich people, who may belong to the first percentile in terms of wealth and/or income, or who pay the tax on the *grandes fortunes*, but who are not rich enough to appear among the few hundred richest people.
- Several thousand politicians whose names are mentioned in the national media, who are well-known within political organisations, but who have not reached the top of the political pyramid.
- Several thousand higher civil servants, holding positions in the upper ranks of the State apparatus, but who have not been promoted to its summit.
- Several thousand leaders of unions in industry, commerce and agriculture, and leaders of civil organisations, but who are not influential enough to be included in the core perimeter of the national elites; among them the members of the Conseil Economique et Social.
- Several thousand corporate businessmen who run some of the largest ten thousand companies that employ many people, but who are not among the top 500 CEOs selected for the first circumference.

- Several thousand journalists and owners of mass-media (printed and electronic), who supervise the behaviour of all other elites, who can play sometimes a decisive role, but among whom only a minority belong to the first circumference.
- Several thousand representatives of the traditional elites (high-ranking generals, bishops), old and new aristocracy, notables, the "vanity fair," few of whom are in the core circumference.
- Several thousand "intellectuals" (scientists, writers, actors, artists, professors), well-known in their domain and even by the general public but who are not famous enough to merit their inclusion in the core circumference.
- Several thousand very successful individuals in each profession (medical doctors, architects, lawyers, musicians, fashion designers, explorers, athletes, etc.), who enjoy great prestige, but who are not among the super-elite of their professions.

All together, these elites belonging to the second circumference may amount, according to the criteria adopted, to 50,000-70,000 individuals, representing less than three per thousand of adult French citizens. Paradoxically in appearance, this proportion is infinitesimal, but in absolute figures is enormous.

Around the second circumference gravitates a third one, more extended, but less notorious at the national level. It is visible in some particular sectors of the society, influential at the provincial level. It is extremely diversified: the entourage of political leaders and of the top corporate managers, union leaders in industrial branches, editors of newspapers (except the editors of a few newspapers such as *Le Monde*, *Le Figaro*, *Le Canard Enchainé* and a few others, who are located near the epicenter of the national power), civil servants in relatively privileged positions, but not at the highest hierarchical ranks (and among them a majority of *enarques*), leaders of many social movements and civic associations, middlemen in political parties, and many other in the upper strata of the complex post-industrial society. Thousands of names can be found in old and recent books, such as *Les Proletaires Intellectuels en France* by Henry Berenger *et al.* (1900), *Les Responsabilités des Dynasties Bougeoises*, by E. Beau de Lomenie (3 vol.), and by the same author *La Mort de la Troisième Republique* (1951); *Les Gens du Bottin Mondain* by Cyril Grangé (1996), *La Nomenklatura Française*, by A. Wickham and S. Coignard (1986), *Dans les Beaux Quartiers* by M. Pinçon and M. Pinçon-Charlot (1989); and by the same authors *Grandes Fortunes* (1998); *L'Elite Rose* by M. Dagnaud and D. Mehl (1982); and a large number of books published by outstanding and perspicacious journalists. Thus, this circumference is at the same time large and restricted. Large, because it tends to overlap with the highest elite strata, including wealth and income as possible criteria.

It is restricted because it does not represent more than the first percentile of the population (possibly one-third of the first decile). To apprehend it, the best method is to divide it by epochs and sectors as has done Cyril Grangé in his book *Les Gens du Bottin Mondain* by focusing on "la société proustienne," "le monde de Vichy," [1] "la liste mondaine" in the 1970s and 1980s. But with this mundane world we are at the periphery of the ruling elites.

This essay focuses on only the first circumference. It is difficult to delineate it precisely, because its borders are blurred. They are blurred because they are porous, as a result of constant elite circulation. As a working hypothesis, it could be evaluated at 5,000 people. A little more or a little less would not change the nature of the problem that we have to face: to test the hypothesis of a coherent class of rulers in France.

2. How Often are Elite Positions Transmitted Hereditarily?

Most studies of social stratification and mobility, particularly those of Pierre Bourdieu for the French society, emphasize "the social reproduction," and the importance of the family in the transmission of privileged positions in the society. More specifically, these studies underline the transmission of a "cultural capital," generating an inequality of chances in the competition operated by the school selection. In the study of the upper strata, too much emphasis has been given to the notion of insufficient upward mobility, and not enough to the downward movement. Too much emphasis was given to those who succeeded in their careers in each generation, forgetting those who failed.

Many fragmented historical studies have suggested that at the highest levels of the French society, most social functions are not inherited. In order to validate empirically the intergenerational mobility, two generations are needed: for instance, that of the 1930s and that of the 1970s.

For the interbellum period I use an important documentary source by Augustin Hamon, *Les Maîtres de la France* (1936), in three volumes. In the 1,028 pages of these three volumes, more than 90 percent of the content consists of biographical information. A limited number of pages contain commentaries which we do not need to take into consideration, because they are complaints about social inequality and concentration of capital, or polemical statements about oligarchies and the capitalist system. Ignoring these commentaries, the three volumes are in fact a biographical dictionary of contemporaries. This dictionary required many years of work

[1] The period June 1940 to August 1944 is not covered in this essay. For this period, see Robert O. Paxton, *La France de Vichy* 1940-1944, Seuil, English edition, *Parades and Politics at Vichy*, Princeton University Press, 1966.

with numerous collaborators; the collection of biographies was done with care, since the number of factual errors seems to be minimal.

In these three volumes Hamon mentioned the names of some 2,500 families including about 6,000 individuals and covering three generations from the period 1890 to 1935. The most valuable information that we get from this publication is the relation between families, even when the names change by female filiation. The amount of endogamy in these privileged strata during this epoch is impressive. We also learn that the inheritance of wealth and status are not necessarily accompanied by continuity in the same domain of activity. The son of a banker, for example, may become an academician, and his grandson a politician.

Taking together all these privileged positions — famous politicians, old aristocracy, the nouveaux riches, the most renowned people in each profession, great proprietors, highest civil servants, managers of large corporations, high military officers, many bishops, famous writers, and so on — we may estimate at 20,000-25,000 the number of persons whose names have appeared in various biographical dictionaries and professional directories during the generation 1900-1936. Among these individuals only 20 to 30 percent were heirs in the sociological sense, that is, sons born in elite families. The newcomers are particularly numerous among politicians, intellectuals and celebrities.

By combining various social registers and directories, some evaluations are possible. Even if the empirical data are incomplete and incongruous, it is possible to estimate that 70 percent of the 10,000 individuals in the highest positions, a more restricted strata of ruling elites, during the period 1920-1935 were not the sons, nephews, nor sons-in-law of the 10,000 individuals in the same or equivalent positions during the previous generation (at that time few women were mentioned in biographical dictionaries). The proportion of heirs was considerable for the patrimonial elite, and much less for administrative elite.

For the generation 1960-1990, the most plausible hypothesis, based on a sample, is that 80-85 percent of the people in the 10,000 highest elite positions were not the sons, sons-in-law, nephews or daughters of the 10,000 individuals in similar positions during the interbellum period.

Among 100 sons of individuals at the summit of politics, economy, or State administration, 5, or 20, or 30 — according to the social context and to the historical period — succeeded in maintaining themselves at the highest level; the others stepped down the social ladder. This downward movement has been accelerated by eleven regime changes since 1789, phenomenon to be discussed below.

Look at the social mobility around yourself: some people are moving up, others are coming down. In some large families, one son may be

successful, but his brothers and sisters may not remain on the first rank; they are not visible, even if they live comfortably, thanks to the inheritance they received from their parents. Let's consult the *Who's Who in France* at two different periods. Most of the sons, nephews and son-in-laws of those who were included in the 1955 edition were not mentioned in the 1995 edition. Simultaneously, several thousand people who were mentioned in the 1995 edition were not descendants of those who were included in the 1955 edition. However, this analysis raises several problems because in many cases the female filiations do not appear, since the names are listed by the paternal line.

The downward social movement from one generation to the next cannot be analysed separately for each elite category, because the son of a general may make a career in industry, and the son of a political leader, in the higher state administration, or vice-versa.

In order to measure the upward and downward movements, meticulous research is necessary. My own investigations do not permit me to present precise statistics. It is nonetheless possible to estimate that the downward movement, that is to say the exclusion from the highest elitist circles over a period of 40 years approaches 85-90 percent. In other words, from one generation to the next at a distance of 40 years, at the summits of the society and the State, the social reproduction of elites is limited to a tiny minority. The large majority of personalities who dominated and governed the French society in 1995 were not the heirs or the descendents of those who dominated or governed 40 years earlier. In each annual edition of *Who's Who in France* about 5 percent of the 20,000 personalities accounted for are new entries. We should not draw from this that in 20 years the elite has been changed entirely, because the annual editions of this reference book reflect mostly a demographic movement. In effect, many of the names that disappear from one edition to the next are those of deceased personalities. The exclusion from the listing for the reason of downward social movement, like electoral defeats or loss of privileged positions in organizations and corporations, explains only part of the change. The demographic replacement of elites leaves room for a social reproduction in a proportion that we estimate to be less than one-tenth over a period of 40 years.

The hereditary transmission of wealth is a component of any theory of ruling class. How much of wealth is transmitted hereditarily in France? A distinction is needed between two kinds of wealth: the professional wealth, that is the capital invested in enterprises, and the personal possessions, which do not necessarily produce income. In France, the first category is tax-exempt, the second is submitted to taxation.

An important documentary source is available for the evaluation of professional wealth. The monthly economic magazine, *Challenges*, with the help of a specialized financial institution, has inventoried every year since 1996 the capital of thousands of enterprises, and has selected each year the 500 most important of them according to their capital, amount of trade and benefits. The 500 largest enterprises in 1996 can be divided into two categories: those which have as principal owner an heir; and those who are run by a new "capitalist," by a builder who has started from very little and has succeeded in a relatively short period (20-30 years) to develop it and to raise it to the top 500 largest private enterprises.

In spite of the massive nationalization of banks, insurance companies and large enterprises in the aftermath of World War II and again in the 1980s, when the socialist party came to power, a large part of the French industrial, financial and commercial enterprises in 1996 were in the hands of private owners of capital, represented in most cases by families rather than individuals. Contrary to some stereotypes, the majority of these businessmen did not inherit their capital. Most of them are the founders of their enterprises, or at least have developed it enough to reach the top circle of the 500 largest companies. This fact is well established, and no debate about ruling class can avoid taking it into consideration.

Related to the hereditary transmission of elite positions is the problem of cousinhood. An interesting feature is the intermingling by marriage among the economic elite, and the absence of such an alliance by intermarriage between the economic elite and the political elite. The intervening factor is age. Most political aspirants get married before age of 30. At that age, the aspirant politician of middle class origin is a man whose future is uncertain; he does not yet have relations in the upper class; he has not yet established himself. He marries a woman of his own social milieu. When twenty or thirty years later he becomes an important politician, it is too late for him to marry a rich heiress. The daughter of a rich industrialist would be more attracted by a young man detected by one of few selective schools and who therefore is promised to a nice career. The annual ball of the *Ecole polytechnique* and of other select schools is organized precisely to facilitate encounters between promising young men and potential rich heiresses.

Among the owners of capital, endogamy is widely practised, and this custom is a supplementary reason for their relative isolation in the elite configuration.

Intervening in the elite circulation is a factor which is neglected in the sociological literature, and which is of an interdisciplinary nature. Everyone, even if he or she is not a sociologist, can perceive around him or her people of unequal intelligence and a great variety of intellectual endowment: millions of people see among their own children, among their

nephews and nieces, among their grandchildren and among the children of friends and colleagues, and in more general terms among youngsters who benefit from the same education and instruction, that there are unequally gifted. No professional category is in a better strategic position than teachers to observe intellectual inequality among children and teenagers. In France, for generations, schoolteachers have been able to detect in primary schools among the rural and modest populations, gifted children at the age of 10, who merited the aid of scholarships.

Such an inequality and diversity results in large part by what has been called "the genetic lottery," that is the combination of hundreds of genes in the minutes which follow the fertilization of the ovule by the spermatozoid. We should not confuse genetic chance and biologic heredity. The hereditary characteristics are often transmitted, particularly in the physical traits. On the contrary, the genetic selection escapes from heredity. It sorts the effects of heredity, precisely because it occurs at each birth from the genetic puzzle.

What we know today, thanks to genetic science, was necessarily ignored by the elitist school of the beginning of the last century, particularly by Pareto. The genetic selection results from chance, the biological heredity is determined. These are clearly two different notions. Two historical examples would help to understand the difference. King George VI of Britain was a stutterer as a result of the genetic lottery. The Austrian imperial family suffered at a certain historical period from poor hereditary traits, well-captured by several Austrian painters. The genetic lottery is a significant factor in elite circulation.

It seems that the thesis of social reproduction of elites, defended by Pierre Bourdieu, and which is justified when it refers to the elitist selection by scholarly success in privileged social milieu in school systems, appears in a sense exaggerated when one considers the problem of elite circulation over a long historical period. The social reproduction by scholarly tracks is not a specific French phenomenon. The school as a springboard for vertical social mobility exists, in different forms, in Britain, the United States, and Japan, as well as in other countries.

Each generation experiences a significant downward movement from the summits of power. What is surprising is not so much, for example, that a certain number of sons of higher civil servants are themselves becoming higher civil servants, but that a high proportion of sons of privileged families do not succeed in maintaining themselves at the same rank as their parents. Such a metabolism of elites is not particular to France. It has been observed in many countries.

It is a sociological fact that most of the power positions in France are not today, and have not been in the past, transmitted by heredity. At the

highest level, only a minority have benefited from the hereditary privilege. So the humble citizen needs not be afraid that the sons of his masters will become the masters of his own sons, as it is the case in the typical ruling class systems.

3. How Much Social Self-Reproduction within the Political Personnel?

The hereditary transmission of wealth has its own logic and justification in all industrial and post-industrial societies. But the transmission of political positions by direct inheritance is impossible in a democratic regime based on universal suffrage. We should not confound the direct juridical transmission of wealth with the more complex phenomenon of social self-reproduction.

According to the analysis of the documentation that I have collected for the Third and Fourth Republics (1871-1958), some 6,000 deputies were elected. Among them, about 1,000 — a proportion of 15 percent — were the sons, grandsons, sons-in-law or nephews of deputies, senators, leaders of parties, mayors of big cities or of political journalists. (In some cases, the fathers or grandfathers were active in politics before 1871.) The proportion of 15 percent is not outrageous since in a typical ruling class system the rate of social reproduction would reach almost 100 per cent. In a democratic regime, it is not conceivable to forbid the descendants of politicians to make themselves a political career, as it would not be admissible to forbid the sons of lawyers or of architects to become, in their turn, lawyers or architects.

In politics, social reproduction implies the transmission of vocation, of a precious understanding of the rules of the political game, of a network of useful relationships, or the inheritance of a name, but not the automatic transmission of the political mandate. The descendants have to succeed themselves in the electoral battle. There is another way to read these figures: instead of emphasizing that 15 percent of deputies were born into a family active in politics, it would be equally significant to stress that 85 percent of deputies had not grown up in a political milieu, that for a very large proportion of deputies there is no "social reproduction." It is true that there are many other ways to succeed in life outside politics, so that social reproduction could appear in other domains, such as the high ranks of the public administration, the headquarters of large corporations, in academia and in the arts. The available documentation does not permit to present here precise figures, but from what is available, it appears that in most cases the sons, grandsons, nephews, of the 6,000 deputies have slipped down the social ladder, since their names do not appear in the select directories and social registers one generation later.

Among the 1,000 deputies of this period who have in one way or another benefited from social reproduction, it is possible to distinguish three categories. First of all, there are the heirs of the great political families of the older regimes — monarchy or empire — who were present in a significant number in the first legislatures of the Third Republic: de Broglie, de Larochefoucauld, Bonaparte, Colbert, de Breteuil, de Chabaud-Latour, de Choiseul-Praslin, Decazes, Duvergier de Hauranne, de Girardin, d'Harcourt, de Juigné, de Rohan-Chabot and a hundred others; some of these families were represented in politics during several generations.

The second type of deputy generated by social reproduction is the landlord, the *châtelain*, who benefited locally from a good electoral situation: his constituency was a family fiefdom. When the father died, one of his sons succeeded him in Parliament. As the patrimony, the parliamentary seat was transmitted from father to son, or from uncle to nephew. This phenomenon occurred everywhere in France, but more frequently in the northwest and in the southwest. It is possible to estimate at 300 the number of deputies, who, during the 70 years of the Third Republic "inherited" from an ascendant the votes of the electors. These deputies manifested a conservative ideology. None of them, to repeat Max Weber's comment, had lived either *from* or *for* politics. They were fortunate: their resources came from their land, and contrary to their British homologues, most adapted themselves badly to the economic changes of the country. Few of them abandoned their land in order to invest in industry. Their conservatism was based on land ownership. Generally, the political career was not for them a means of enrichment. At the moment of their election, they belonged already to the social elite, but not to the most prestigious. They represented the traditional forces, economically and politically. Few of them became famous in national politics, even if they were popular in their own constituency.

The third type of deputy generated by social self-reproduction is very different from the two others. First of all, by his social origin, in most cases from the middle or lower-middle bourgeoisie; and also by his political orientation, since most were oriented towards the centre or leftist parties. What he inherited was an interest in politics, but he did not receive the parliamentary seat as an inheritance; he had to fight for it. Certainly, he was better prepared for a political career, better armed in the political arena than his adversary whose name was less known by the voters. Usually he obtained more easily, thanks to his family relations, the investiture of the party. But in this case, there was not a hereditary transmission of the seat itself. Some 600 deputies of the Third Republic, and some 150 deputies of the Fourth Republic belonged to this third type.

Social self-reproduction among politicians limited to one-sixth of the deputies means that in 85 percent of the cases there is no such reproduction. Too much importance has been given to political genealogies by the mass media. But if we look to the summit of the political pyramid, at the highest national elite strata, less than 10 percent of the descendants of the political personalities in 1950-60 appear at the same highest national level forty years later in 1990-2000, and in many cases, they succeeded in other sectors than the political domain; for instance, in science, letters or mass-media. The correct reading of these figures tends to invalidate the thesis of a "class," both yesterday and today.

Thus, from one generation to the next there is a downwards social mobility in the Paretian sense of the term, which is compensated by an upward movement in an equivalent number. This analysis was made by several samples per category of elite, comparing various directories at a forty-year interval, in particular, in the *Who's Who in France*. The social positions of the fathers and sons were entered when they were at full maturity, i.e., around the age of 55-65. Social reproduction is the weakest among artists, novelists, stage actors, movie stars, renowned academics; in other words, creators by excellence; it is the strongest among the sons of founders of great enterprises and other successful entrepreneurs, but their sons had to demonstrate in their turn that they had the qualities required to be an efficient entrepreneur.

Three illustrations, among dozens of possible examples, are given here. The Gaullist Louis Joxe and his son, Pierre Joxe, a socialist, have both acceded to the pinnacle of the higher administration as president of the *Cour des Comptes*. Both have occupied powerful positions as ministers, the first at the time of de Gaulle, the second at the time of Mitterrand. Both were born in a golden cradle, since the father had himself been the grandson of a famous academic and historian, Daniel Halevy. But the son did not receive these positions as a gift, he had to conquer them in his turn. His trajectory started at ENA and ended in the *Conseil Constitutionnel*. Another emblematic example of what some sociologists call "reproduction" is the career of the two sons of the former prime minister Michel Debré; one has become a minister, the other, president of the National Assembly. The two sons of President François Mitterrand have certainly benefited from the aura of their father, but they have not succeeded in climbing to the summit: one has obtained a seat in the National Assembly, the other, a middle-rank position in the hierarchy of a large State enterprise. These three examples show the diversity of cases that have to be taken into consideration, when we analyse the phenomenon of "social reproduction."

4. Political Recruitment: From Notables to Meritocracy

Kenneth Prewitt and Alan Stone recall to all the elementary truth that democracy does not deny the inevitability of elites (1973: 133). What matters are the modalities of their recruitment.

In the literature on elites, too many social scientists confuse social inequalities in the society at large and the unequal propensity of various social strata to generate governing elites (Dogan 1998). Social inequalities can be striking and deplorable, but they are not by themselves necessarily the proof of the existence of a ruling class. For instance, in the United States in the 1980s, the richest one-half percent of American families owned 40 percent of all corporate stocks. In France at the same moment, 10 percent of the families owned half of the real estate. Similar figures could be given for most advanced democracies. Such figures are not comparable to statistics concerning the land distribution in Tsarist Russia of the 18th century, where the ruling class had exclusive access to most resources. If we dilute the concept of ruling class so much as to confound it with social inequality, we risk seeing ruling classes everywhere. We know from history that even an outrageously inegalitarian society which knows how to provide a societal safety-valve, can survive for centuries without creating a true ruling class.

How are the various elite categories recruited in France? We may start with the category which is viewed by folklore and by many social scientists as the most closed: the "capitalists." Recent research provide alternatives to this view. Surveys in 1996 conducted by a financial monthly magazine, *Challenges*, already referred to, ranked the 500 largest professional patrimonies, counting only the capital invested in enterprises, and excluding the investment of other forms of property not involved in economic activities. The principal managers of these 500 largest patrimonies (in most cases, families rather than individuals) were divided into two groups according to the status of the principal managers: heir or builder of the enterprise. The distinction between the two is not always clear enough, but on this point we have to trust the judgement of those who conducted the survey. By "family patrimony" it is meant all heirs of the founder, not only the nuclear family, since the number of shareholders can be, at the third generation, in some cases, relatively important.

In 1996, among the 500 owners of richest patrimonies the number of builders of enterprises almost equals the number of heirs. This is a surprising fact, neglected by many economists, and largely unknown by the general public.

If almost one of every two of the 500 most creative and dynamic private entrepreneurs in this society have succeeded, starting from a modest level, in building enormous enterprises in a few decades, such a performance

means that even in the economic domain, where inheritance of capital is often a condition of success, the door is not closed to social climbers. The starting point of these fortunes is, in many cases, an original and seminal idea or a technological discovery and available venture capital, a crucial factor for the stock market start-up firms. Some of these successful persons have not benefited from education beyond the *baccalaureat*. A society in which one out of every two multi-millionaires or billionaires starts from a low level and is propelled in one generation to a high and admired position in the economy cannot be a society controlled by a ruling class.

We should not forget "the interchange of ranks," revealed by sociologists: for every upward move, there must be a downward move. Indeed, comparing the lists of the 500 richest families over a period of five or six years, about one fifth of the names in the edition of *Challenges* 1996 are "degraded," and disappear from the list of 500 in 1999 and in 2000. Such a phenomenon would be inconceivable in a ruling class system. If so many of the most successful capitalists are not the sons of the greatest capitalists, then, evidently, the inheritance is limited.

Before the revolution of 1789 there a was true ruling class in France, lacking a safety-value, which was almost hermetically closed to newcomers of the bourgeoisie. What is the position of the old aristocracy among the elites of modern France? Using a list of 475 families of the oldest aristocracy, having five centuries of presence in the nobility (Jougla de Morenas 1938) and comparing it with the lists of various kinds of higher elites in politics, state bureaucracy, finance, diplomacy, science and arts, one does not detect, two centuries after the revolution, more than 2 or 3 percent of names of the old aristocracy among the names of the most privileged, powerful or prestigious elites. "History is a cemetery of elites," wrote Pareto.

In two domains, diplomacy and finance, aristocratic names have survived more easily. Curiously enough — and this should not be considered as an anecdote, but as a significant historical fact — two dozen aristocratic names, or old patrician names with *particules*, have surrounded several presidents and prime ministers, particularly in the entourage of Ch. de Gaulle, V. Giscard d'Estaing in the Elysée and Ed. Balladur in the Matignon palace. How can such a predominance of aristocratic names at the heights of the Republic be explained? Should we see here a grain of anachronistic vanity or some hereditary trait? [2]

[2] General de Gaulle surrounded himself with quite a number of military officers whose names carried the *particule de*: generals de Lattre, de Hautecloque, de Monsabert, de Larminat, the admiral d'Argenlieu. He gave his daughter in marriage to colonel de Boissieu

Table 1

The declining nobility and the rising middle class: Trends in the social origins of French Deputies (in percentages)

Elections de	1871	1893	1919	1936	1945	1956	1981	1998
Nobility	34	23	10	5	3	2	2	2
Upper bourgeoisie	36	32	30	24	18	16	15	15
Middle bourgeoisie	19	30	35	36	43	46	47	48
Lower bourgeoisie	8	10	15	20	19	21	24	25
Working class	3	5	10	15	17	15	12	10

Source: From my own research based on my dataset. Same source for tables 2, 3, 4, 5, 7 and 8.

In a democracy, for ordinary people the most significant avenue for rising to the elite level is, obviously, through elections. Historically, in most Western countries, the electoral battle has been a fight against the traditional ruling class. In many countries, in spite of the logical contradiction between the ruling class and parliamentary representation, the two have coexisted for generations. In Britain, the traditional elites, called the establishment, already in decline, was still visible in 1950s.

Since 1871 the electoral representation has progressively corroded the highest ranks of the State and of the society. For the study of the upwards mobility at the elite level one of the most important categories is the "elected elite": the parliamentarians. The replacement of the old ruling elites by new ones has been incremental, cumulative, and longitudinal. Each change of regime resulted in the elimination of part of the ruling elite (royalists or bonapartists).

At the first elections of the Third Republic in 1871, 226 nobles were elected. So too were many other candidates having prominent names. In 1871-1876, one every three deputies had blue blood. Aristocrats were less numerous in the following assemblies. They continued to represent nevertheless, until the end of the 19th century, an important group in the rightist rows of the parliamentary hemicycle. During the period 1898-1919, 11 percent of the deputies were of aristocratic or patrician origin; between the two wars 9 percent; during the twelve years of the Fourth Republic, 3 per cent (Dogan 1967). Since 1945, the percentages have held steady between 2 and 3 percent.

During the first thirty years of the Third Republic the bourgeoisie furnished 40 percent of the deputies; between 1898 and 1919, 35 percent;

and appointed as aide colonel de Bonneval and as chief of his personal staff general de Beaufort.

between the two wars, 21 percent, during the Fourth Republic, 18 percent. As they were invited by the famous leader Gambetta, these grand bourgeois rapidly took the best places in the political forum: "You can play in this Republic an immense role, a privileged role because you have the advantage of wealth, of education and of social influence. Come with us, we will guarantee you a high rank, honour and power which will enable you to exercise your aptitudes for the benefit of all." The grand bourgeois played this role during several decades, but they later had to share it with the representatives of lower middle classes. The working class, urban or rural, sent, until the end of the nineteenth century only a few deputies to parliament.

In 1900 it was possible to count 30 deputies of modest social origin, who had climbed the social ladder through the free schools of the democratic regime and through the unions. They had to confront 175 deputies born into the aristocracy and 130 to 140 into the upper bourgeoisie. The physiognomy of the parliament at the end of the Third Republic was very different: confronting 40 nobles and patricians were 110 deputies who had risen from the proletariat and 120 from the lower bourgeoisie. A new change intervened after the second world war: among the 1112 deputies elected between 1945 and 1958, two-fifths came from the upper and middle bourgeoisie, one-fifth from the lower middle class, and one-sixth from the working class (Dogan 1961).

The proportion of deputies born into the middle or lower bourgeoisie went from one-third during the period 1898-1919, to about one-half between 1919 and 1940, to 70 percent for the Fourth Republic, and remained at this level with slight variations between 1958 and 1980. It reached 75 percent between 1981 and 1995. This dominance of the middle classes was achieved to the detriment of the nobility and of the upper bourgeoisie. A silent revolution was accomplished in parliamentary representation. The same transformation has been documented for cabinet ministers.

Detailed studies have been published on the distribution of deputies and ministers according to their profession (Dogan 1957, 1958, 1961, 1967, 1989, 1998). These studies have shown that the recruitment of the parliamentary elite, in comparison with the other elite categories, has the largest social basis. Similar studies conducted in other European countries have shown that this is a general phenomenon in Europe, which could be formulated as a sociological rule: elites recruited by election plunge their social roots deeper than the elites selected, appointed or co-opted at the top of the State administration or of the great corporations. Such a tendency was anticipated by all revolutionary or radical movements. History confirmed their hopes. The programmed decline of the old ruling

Table 2

Social origins of ministers. From the grand bourgeoisie to the middle and lower bourgeoisie

	1870-1898	1898-1940	1945-1958	1958-1981	1981-1991
Nobility	14	4	3	3	2
Grande bourgeoisie	51	37	12	14	12
Middle bourgeoisie	25	33	57	54	53
Lower bourgeoisie	4	17	16	18	22
Working class	4	7	7	6	6
No information	2	2	5	5	5
Total ministers	242[1]	389	227	211	110

[1] 38 ministers have exercised their functions before and after 1898.

elites began in 1848 with the universal suffrage and the adoption of the electoral representation. The old elites have been eliminated from the political forum mostly by electoral fights and meritocracy. Violent actions have accelerated the process. But contrary to old and naive views, it has not been replaced by a representative sample of the population. Such a utopia continues even today to titillate those who persist in placing the "ruling class" on a pedestal.

In reality, politicians are recruited from a few professional categories, which require the same qualities as those necessary for political careers. The notion of osmosis explains the parliamentary recruitment (Dogan 1998). Parliamentary representation is not and cannot be based on proportionality, otherwise it would result in a kind of corporatism. If, in the electoral process, some professions are favoured more than others, such a distortion of the proportional distribution is in fact a selective process, even if it implies some unequal promotion. Three meritocratic professional categories: lawyers, professors and journalists, have dominated the French parliamentary assemblies during the 20th century.

The lawyers and other juridical Elites. The number of lawyers, notaries, barristers, and magistrates among legislators has always been very high in the French parliament, even in the revolutionary assemblies at the end of the 18th century. People like Danton and Robespierre were lawyers. There were 237 men of law in the Assembly elected in 1871; 192 in 1876; 202 in 1877; 193 in 1881; 186 in 1885; 174 in 1889; and 175 in 1892. One finds a continuous diminution beginning with World War I. In 1928, jurists were no more that 140; in 1936, 122; in 1945, 73; and in 1956, the last elections of the Fourth Republic, 69 lawyers were elected.

Table 3

Year	Chamber of Deputies Professions with proximity to politics %									
	Lawyers	Journalists	High civil servants	Professors	School teachers	Union leaders[1]	Civil servants[2]	Total PPP[3]	Effective parl.	%
1871	237	44	43	19	1	4	1	349	727	48%
1876	192	26	52	15	1	5	4	295	529	58%
1877	202	29	50	18	1	3	4	307	560	55%
1881	192	36	40	21	2	15	9	315	534	59%
1885	186	37	45	25	1	18	9	321	588	55%
1889	174	40	38	21	1	24	2	300	598	51%
1893	175	28	37	33	3	36	4	316	588	54%
1919	182	45	22	39	8	24	5	325	624	52%
1924	162	28	19	43	14	44	5	315	584	54%
1928	145	31	25	45	15	39	10	310	625	50%
1932	164	41	24	46	16	34	10	335	617	54%
1936	121	40	21	44	33	59	16	334	626	53%
1945-1958	142	64	42	99	66	180	31	624	1112	56%
1986	38	17	69	149	18	20	32	343	577	59%
1993	56	13	91	87	15	11	16	289	577	50%

[1] Private sector union organisers and party militants.
[2] Civil servants of middle rank.
[3] Professionals in the proximity of politics (PPP).

In the first legislatures of the Third Republic, two deputies out of five were lawyers. Lawyers represented 29 per cent of the actual legislators of the period 1898 to 1914; 24 per cent of those elected between the two world wars; and only 13 per cent of the deputies of the Fourth Republic. However, even in the years after World War Two, lawyers were the most numerous occupational group in parliament (Dogan 1961).

The lawyer is one of the most familiar figures in the legislative forum, because juridical vocations seem to predispose men to a political career. The important role that lawyers play in political life, a phenomenon not unique to France, is largely explained by the fact that they possess many of the qualities required from political men: the habit of speaking in public, oratorial talent, knowledge of legal questions and so on. Knowledge of

legal techniques is a great advantage for those engaged in politics, where each action is translated into a legislative text.

Successful lawyers are those who know the techniques and legal procedures and those who make use of them with talent, not those who seek only clients whose causes are just. Lawyers comport themselves the same way in political life. Many of them adhere to a party without much preoccupation with ideological problems. Very often, the lawyer who is a deputy can, better than a deputy who was once a businessman, defend the interests of businessmen on the legislative stage, in the same way that, in court, he can better defend an accused person that the accused could himself.

The large number of lawyers among legislators is also explained by the possibility for the legal profession to be temporarily abandoned and taken up again in case of electoral defeat. There is no incompatibility between the legislative function and the vocation of law, as there is for many other professions. On the contrary, political success improves the lawyer's reputation at the bar.

The professors and other educators. In 1981, a quarter of deputies were originally professors or schoolteachers. During the Fourth Republic (1945-1958), more than one hundred among the 1,112 came also from the educational profession. During the previous period, between 1898 to 1940, 175 deputies had formerly been engaged in either secondary or university instruction.

In France, as in several other Catholic countries — before the era of television and of mass communication — the schoolteacher and the priest were the intellectuals of small towns. Both of them came from modest social strata, but politically they were involved in opposite camps. Only the schoolteachers succeeded in politics. The priests, for a variety of historical reasons that do not need to be mentioned here, remained outside the political arenas. Since 1900, there were never more than three or four ecclesiastics in parliament. The schoolteachers were predominant among the socialist and communist ranks, as militants and middlemen in the parties. A large number (several thousand) of them were secretaries of town halls (a function to be distinguished of that of the mayor). During the Fourth Republic, about one quarter of the elected members of the local and regional committees of the Socialist party were teachers. Political activity was for them one of the few roads of promotion. If the son of a teacher could hope to improve his social status and arrive at a better social position than his father, the schoolteacher himself had few means of advancement.

It is significant that quite a number of the most prestigious French politicians were sons or grandsons of teachers: de Gaulle, Pompidou,

Chirac, Jospin, Chevenement, Giraud, Herriot and one hundred other politicians were born in the family of a teacher. No other profession favours as much the vertical social mobility as that of teaching. This fact is significant for a country where the Catholic priesthood, for obvious reasons, cannot reproduce itself, while in many Protestant countries one of the most important vectors of social promotion was precisely the clergy.

The journalists and specialists of mass media. The French press has long been decentralised; the circulation of the provincial press — made up of a very large number of small local or regional newspapers — has in older times been larger than that of the Parisian press. The man who sought a legislative seat had to assure himself of a newspaper's support, or found a new periodical. Often, running a newspaper was a point of departure for parliament.

One may distinguish three types of parliamentary journalists. The first is the authentic journalist who came to politics through journalism, the man whose principal political weapon is his newspaper. The second is the legislator who is not a professional journalist, much less a first-class one, but a person for whom a newspaper is nevertheless one of the means of action and attack. He has not come to politics through journalism — rather, political activity has led him to an interest in journalism. First he was a political militant, then a political journalist, finally a deputy. The third is the amateur journalist — the occasional journalist who is neither the publisher, nor editor, nor a regular contributor to a newspaper. He simply collaborates with various newspapers in his constituency. This kind of legislator, for whom the press has not really been a political device is very common, so much that it is scarcely an exaggeration to say that every legislator is a part-time journalist. In his book, *The Parliamentary Profession* (1937), André Tardieu remarks, "all members of the parliamentary profession need journals, but not all in the same way. Parliamentarians of the first rank need journals with large a circulation … and parliamentarians of the middle rank small local journals… No provincial journal is without a parliamentary representative, and reciprocally, no parliamentarian is without a journal."

It is difficult to establish precisely the numerical importance of each of these three types of journalists and to measure how political careers have been advanced by journalism. However, for the period 1898 to 1940, out of a total of 2,786 deputies, at least 900 — that is, one-third — found in journalism a route for rising, to some degree at least, in the political hierarchy. Among these, about 150 were professional journalists, and between 250 to 300 started in a different occupation, but became regular journalistic contributors before reaching the legislature (Dogan 1961).

Table 4

Election	The professionalisation of the parliamentary representation by recruitment in the civil service %					
	Professors Teachers	Grand corps	High civil servants	Other civil servants	Total civil servants	Majority
1946	8	2	2	2	14	left
1951	10	2	3	3	18	center
1956	14	4	1	2	21	left
1958	10	5	3	2	20	center
1962	10	6	3	3	22	right
1967	14	6	6	1	27	center
1968	9	9	2	1	21	right
1973	15	10	4	1	30	center
1978	21	6	9	7	43	center
1981	35	6	3	8	52	left
1986	25	8	7	7	47	right
1988	27	9	4	11	51	left
1993	18	9	9	2	38	right

In France, teachers and professors are civil servants.

Since 1945, the number of lawyers and journalists has declined, and the number of civil servants has increased, among them the schoolteachers and the professors, who, in France, are civil servants.

In democratic regimes, political life is largely composed of written and spoken words. It is therefore not surprising to see that so many politicians are recruited among professions who know how to craft words. Max Weber had already observed, just after World War One, that politics was increasingly being carried out publicly with spoken and written words. The talent to craft words is a meritocratic achievement. It is not favoured in a society controlled by a ruling class.

Even sons and grandsons of immigrants have succeeded in climbing to the top of the political pyramid. Raymond Forni, president of the National Assembly (1998-2002), is the son of an Italian worker; Edouard Balladur, former prime minister, is the grandson of an Armenian immigrant, and so is the minister Patrick Devedjian, Rene Monory, former president of the Senate, is the son of a garage keeper. Nicolas Sarkozy, minister of Finance and later minister of the Interior is the son of a Hungarian aristocrat who fled the Communist regime. Since 1945, among the political leaders of

humble origin, one can count two dozen sons of manual workers: J.C. Gaudin, Paul Bacon, Quillot, and many leaders of the Communist party.

5. The Professionalization of the Political "Class"

For the elected politicians, the main criteria of professionalization are the length of career and the source of income. These two criteria are cumulative. We should add a third one, political ambition, but such a vocation can be implicitly admitted.

Professionalization implies the acquisition of a specific competence. It is the opposite of amateurism. There are professional politicians as there are professional musicians, actors or athletes. In many occupations the word professionalization is synonymous with specialization, but in politics it means general competence. A politician does not need to be an expert in a particular domain, but he needs non-specialized knowledge in many domains. He is a generalist, like the general physician.

A long full time political career

A man who devotes the major part of his adult life to politics can be considered a professional politician. However, the criterion to be retained is not only the length of the parliamentary mandate, since one can be active for a long time in politics before being elected deputy or senator. One does not improvise a candidature to legislative elections, there is no spontaneous generation in politics, since almost all new members of parliament are in fact experienced campaigners. It is necessary to take into consideration the various stages of the career *before* election to parliament, and also *after* the end of the last mandate. Does the defeated parliamentarian return to his original profession? Does he continue to fight for a new political position or to be re-elected? We have to keep in mind three aspects: the length of the parliamentary mandate; the early choice of a political career, and the reluctance to quit the political forum.

The length of parliamentary mandate. Even at the time of the Third Republic, when the process of the professionalization of politicians was in its infancy, of a total of 4,982 deputies, 265 had held their seat for more than thirty years (for some, partly in the senate), 441 for more than a quarter of century, 828 for more than twenty years, and 1,300 for more than sixteen years (Dogan 1989, 2002). The 828 parliamentarians who held their positions for more than twenty years were true professional politicians, because they had spent in parliament the best part of their mature life (for most of them, between the ages of 40 and 60).

The Fourth Republic had a short life of 13 years, but many deputies had started their political career before 1945 (some in the Resistance movement) or continued it after 1958. From a total of 1,112 deputies,

Table 5

Typology of parliamentarians Third Republic

Length of career	Parliamentarians		Total
	Grands	Ordinary	
Long more than 16 years	700	800	1300 25%
Short less than 16 years	50	4250	4300 75%
Total	750 13%	4850 87%	5660 100%

Chamber of Deputies and Senate 1870-1940.

220 lasted more than twenty years, continuing their career after the fall of the Fourth Republic. In 1967 in the Palais Bourbon there were still 18 survivors of the Third Republic and 56 members first elected at the Constituent Assembly in 1945. Many senators were able to claim seniority of more than twenty years. By this criterion alone — longevity of the parliamentary mandate — it is possible to distinguish impressive cohorts of professional politicians. But this criterions is not sufficient.

The early entry in politics. The majority of deputies, today as yesterday, enter parliament after the age of 40. But they forge their arms early in their adult life. It is possible to count those who have started their political activity before the age of 35, and often before the age of 30. They may have spent many years in local politics, in a party or in a politicised union. About 60 percent of the 1,112 deputies of the Fourth Republic were members of municipal councils or other local bodies before their first election to parliament. Many were not elected at the first attempt; they tried several times. The same can be said for the first decades of the Fifth Republic. The legislative elections of 1981 brought many new faces (about 40 percent), but most of them were former campaigners who had patiently waited their turn in municipalities or other local councils for one or two decades. These years passed at the periphery of power elongate the political career.

The reluctance to leave the forum. Many parliamentarians suffer a mid-life electoral defeat. Their parliamentary experience may have been limited to less than ten years, but they have to lead an active life for another ten, twenty or thirty years. If they have the necessary support, they may turn up in the Senate — the most "comfortable" institution — but this solution is possible only for a few dozens politicians. The Economic and Social Council may offer an opportunity for reconversion. Failing these, the ex-parliamentarian may take refuge in a para-political institution, in a public

corporation, partly controlled by the government, or in a semi-sinecure. In some cases, he keeps the mayoralty of a city. The decentralization of some state administrations has created numerous positions at the regional level. The heavy penetration of civic society by the state in all domains has generated a myriad of positions to be occupied by defeated politicians. These positions are similar to "political cushions" in the United States.

The legislative elections of 1993 and again in 2002 were a hecatomb for the socialists, particularly for a category close to politics, which has long provided lateral recruitment to the political class: the professorate. Few former teachers dismissed by the electorate have accepted (as they have the right to do as civil servants) the roundabout way back to school. Indeed, the prospect of returning to the original "cabin" leaves a lot of bitterness. When one is either too young to get a pension or too old for reconversion, one clings to a job in politics. Defeated deputies reappear as candidates at the following elections. Ex-deputies are still visible, long after their electoral defeat, at conventions of their party or on local councils. This slide into obscurity is not unique to professional politicians. It is even more dramatic for singers, movie-stars, athletes and choreographers. High civil servants appointed by the discretionary power of the government can also fall precipitously from the spotlight to an obscure office.

If we add up the three periods in a political career, in most cases its longevity is tripled. We may hesitate about the threshold, but a simple computation may suggest one. If a man between the ages of 30 and 70 dedicates 25 years to politics, investing in it the best years of his life, we may say that he or she is a true professional politician. Unless he is rich, what does a politician who is devoted to politics live off?

The source of income: living from politics

The debate about the necessity of offering to the "representative of the nation" a salary for exercising his mandate is over. It has been admitted in all advanced democracies that an indemnity is the only way to avoid a plutocratic regime and to protect the parliamentarian against corruption. The indemnity has long been a simple compensation for the costs of serving in parliament. Progressively, it has become a real income. Max Weber noted in 1919 that the recruitment of "non-plutocratic" political personnel implies the need to offer them a substantial and regular income.

In France, the parliamentary indemnity is fixed by reference to the salary received by the highest civil servants. The French parliamentarian benefits from an income which places him in the top percentile on the civil service scale of salaries. He can add to this indemnity an income as a mayor, and can claim a pension at the age of 55. In 1993, 1,965 ex-parliamentarians received such a pension.

Assured of a substantial income, the representative is not, however, free from electoral charges, which are heavy and periodic. Notwithstanding the financial assistance offered by the state during election campaigns, candidates are obliged to raise campaign funds which, because of inadequate rules, has strewn scandals throughout political history.

Today in many democracies a completely different debate is carried on, concerning the personal enrichment of politicians. MacMahon was the last president to impoverish himself at the Elysée palace. Grevy came out richer. The wealth of the socialist deputies is more offensive than that of businessmen because they are bearers of social message. The practice of the Communist Party, which kept its representatives from receiving part of their indemnity, reinforces this popular belief that the devotion of representatives is linked to their penury. In *Leurs Figures* it was mainly the taste for money which scandalized Barrès. The obligation for representatives to declare their wealth was proposed in vain many times starting in 1920. It was finally adopted in October 1992, but publicizing these declarations was rejected as "an obvious attack on the private life of representatives, which opens the door to a pernicious curiosity." The *Conseil d'Etat* and the *Cour des Comptes* are in charge of controlling the level of wealth at the beginning and at the end of the parliamentary mandate. (In May 1993, the declarations of the patrimony of ministers mysteriously disappeared from the safe of the National Assembly!)

In recent decades, more than 90 percent of deputies and senators extracted most of their income from political or para-political functions. The others have found in inherited wealth — and in acquired wealth — a great part of their resources. The professionalization of the politicians contrasts with the interchangeability of functions characteristic of a ruling class system. The theoretical implication is that professionalization fragments the class structure.

6. The Springboard of the Selective Schools

In the social sciences there are very few paradigms (Dogan 2001). One of them is the ubiquity of social stratification. No one has ever discovered in space and time a flat society. The crux of the sociological investigation is to find out the degree of inequality and the amount of social vertical mobility. A society in which the inequality and the rigidity of the social structure are extreme would approach the model of a ruling class. At the other extreme, a society which promotes a massive levelling, which beheads those who emerge from the ranks, experiences after a certain period a phenomenon of stagnation and even a process of relative impoverishment. Studies in historical sociology have offered several examples. Obviously, contemporary France is far from these two extremes.

One of the most significant indicators of vertical mobility, particularly at the elite level, is the proportion of students of modest condition in the school system. On this subject, the international bibliography is enormous, containing the titles of hundreds of books and academic essays, published in recent decades.

France has not escaped this trend. Sociology of education is one of the most vigorous sociological fields. Within this field, the *grandes ecoles* have attracted a lot of attention.[3] If so many outstanding French scholars have devoted time and energy to study these selective schools, it is because of their role in the stratification process, and in the selection of elites at the summits of politics, technocracy, public bureaucracy, corporations, finance and culture. It is not possible to review here this literature. We will refer to only one recent study.

Euriat and Thélot (1995) have investigated the social background of students in four of the most selective schools during the last four decades: *Ecole Polytechnique*, *Ecole Normale Superieure* (two divisions, natural sciences and social sciences), *Ecole Nationale d'Administration* (ENA), and *Ecole des Hautes Etudes Commerciales*, which resembles the American business schools. The result of their investigation is like the metaphor of the half-filled glass of water: some tend to see that the glass is half-empty, others that it is half-full. If one of every five students of the *Ecole Polytechnique*, one of every four of the ENS, and one of every five from ENA, in the years 1950-55 were of modest social origin, this fact permits two conflicting interpretations. Between 1950 and 1993, the proportion of students recruited in lower social classes seems to have significantly diminished, and this trend has generated hot debates. But meanwhile, the criteria of "lower" has also changed.

The meritocratic interpretation stresses the need to recruit "well-filled" brains; for the democratic interpretation, equality of chance is a primordial dimension. The hot debate neglects the role of the family; in reality, education starts at the age of two. At age ten, children are already unequal, and in many cases, remain so for the rest of their lives. Euriat and Thélot rightly insist on the role of the family by stressing the better chances of success for children born in families of professors, schoolteachers, scientific researchers and administrators of schools. They made an interesting discovery: the children of professional educators had in 1973-77, twenty-seven times more chances than ordinary children to be accepted at the ENS and twelve times more chances to be selected for

[3] Approximately 160 schools with about 40,000 students are considered as *grandes écoles* (included the schools for business management). With a few exceptions, these schools are specialised in applied science and technology.

Table 6

Inequality among young people. The springboard of the selective schools

Students of modest social origin	Students of modest social origin in four selective meritocratic schools				
	1951-1955 %	1966-1970 %	1973-1977 %	1981-1985 %	1989-1993 %
Ecole Polytechnique	21	15	12	9	8
Ecole Nationale d'Administration	18	16	15	5	6
Ecole Normale Superieure ENS	24	17	16	12	6
Ecole de Hautes Etudes Commerciales HEC	38	32	–	–	12
All young people in France age 20-24	91	85	82	77	68

Source: M. Euriat and C. Thélot, "Le recruitement social de l'elite scolaire depuis 40 ans," *Education & Formations* 41, June 1995, Paris, Ministry of National Education.

the *Ecole Polytechnique*. The rates are less impressive for the period 1981-85, and 1984-93, but still significant. These figures do not validate Bourdieu's theory because the "professorate" is recruited from a large social strata.

Should the preoccupation of social justice go so far as to forbid to professional educators to give a private, privileged education to their own children? Such a policy would be conceivable only in a totalitarian system or in a ruling class system, where only the children of the rulers — as in the 18th century Tsarist Russia — could get a privileged education for insuring the social reproduction of the class system.

In the French educational system there are two major filters for elite selection: greenhouses for higher civil servants and greenhouses for technocracy.

Greenhouses for higher civil servants

In the great amphitheatre of Sorbonne there is an old and enormous wall-fresco depicting and symbolizing Rhetoric. This fresco could illustrate the frontispiece of an important greenhouse of French elites, the *Ecole Nationale d'Administration* (ENA). The "*enarques*" (a label widely used, comprising the initials of the Ecole Nationale d'Administration and the Greek suffix *arque*) enjoy a privileged place in the media. What is their real role in the political class?

Concerning their social provenance, less than one of every ten among the 5,800 *enarques*, recruited during half a century were sons or daughters or nephews of privileged people who belonged a generation earlier to the first percentiles of the French society and State. It is true that other *enarques* were born in the upper-middle social strata. In total, among 5,800 *enarques*, 1,500, that is, about one quarter, have become what we may call "mandarins."

Greenhouses for technocracy

Each year, some 6,000 to 7,000 students aged 18-19 are received in preparatory schools which prepare them for the competition to enter what is known as scientific *grandes ecoles*. They represent a small percentage of those who obtain, each year the diploma of baccalaureat in the scientific or technological domains. Several hundred of them are accepted, after two years of intense preparation, to one of the *grandes ecoles*: Polytechnic, Ecole Normale Supérieure, Mines, Ponts et Chaussées, Super Aéro, Génie Rural, Génie Maritime, and a few dozen other special technical schools. It is assumed that this training and the competitive examinations which give priority to mathematics, physics and other natural sciences (except for *Ecole Normale Supérieure* which has also section in the social sciences) are sufficient to reveal, at this age, intellectual capacities and potential for high achievement at a later stage. The result of such an early selection is that one percent of each cohort is singled out, at the age 20, as having exceptional qualities. The career of those selected will be protected or even privileged during their entire life.

Denouncing what they call "the tyranny of the initial diploma," M. Bauer and B. Bertin-Mourot (1997) ask how, in a complex society, a merit demonstrated at the age 20 on scholarly exercises could legitimise a position of authority during an entire lifetime (p. 48). We can also ask if a selection based on mathematics and physics guarantees competence in economics or industrial problems ten or twenty years later. How many of these who perform well at the end of the adolescence will continue to demonstrate outstanding qualities sometime later?

It is possible to reply to these questions by a retrospective analysis, over several decades, of the careers of these graduates. Two aspects should be emphasised. First, for a minority, the selection process proved to be efficient. Observed thirty or forty years after they have left these schools, some of them are found at the highest positions in the largest corporations and in the State technostructure. They performed well, otherwise the system would have been changed. Second, the majority of graduates, considered two or three decades later, cannot be credited with exceptional performances, only with normal achievements, and in a few cases, less than "normal."

The relatively large social basis of elite selection appears with particular clarity in the student recruitment of the most exclusive technical school, founded by Napoleon (1804), the *Ecole Polytechnique*, which, at its beginning was a military school for prospective engineers of the army, and which is today a polyvalent institution invested with the mission to detect early in life, at the age 20 to 23, gifted brains. In a study of 3,024 polytechnicians between 1948 and 1967 it has been shown (Grunberg 1969, 1973), that 44 percent of them were sons of families of modest social origin or of middle class ties. The fact that 22 percent of the "polytechnicians" of this period were sons, grandsons or nephews of "polytechnicians" would not surprise the sociologist. Nevertheless, this proportion represents only half of those who were recruited from modest social levels. Of particular interest is the relatively high number of successful people born into families of schoolteachers.

One of the most important criteria for the selection of engineers at the *Ecole Polytechnique* is their talent in mathematics. While originally intended to be a school for military engineers, during the last few decades has become a greenhouse for all kinds of civilian technologies needed by the post-industrial society. Nonetheless, the selection has remained even today, based on mathematics and the physical sciences. In fact, a high proportion of graduates are not involved in industrial production, but are in the administrative and economic management of State and private corporations. The inadequacy between the emphasis on math in the recruitment and the economic and administrative nature of their domains of activity has been periodically discussed, most recently by M. Bauer and B. Bertin-Mourot (1990, 1997).

I reproduce here the testimony of an insider, a former student of the *Ecole Polytechnique* about its network:

> Each polytechnicien keeps a bible on his desk, which permits him, when he contacts a company, to find immediately a network of privileged correspondents. Classmates or not, it does not matter, theeing (refers to the use of the familiar "tu" instead of the formal "vous") is standard practice; the contact is facilitated. Each year, he meets his "cocoons" (school code word for classmates) at the annual class dinner. He does not miss the professional meetings with his comrades. This network of friends and contacts accompanies him his entire life, from the moment he asked to meet with an "antique" (this is the nickname given to a senior polytechnicien) until the moment when he himself receives the younger generations in search of a tutor.
>
> The prestige of the mafia of the polytechniciens is reinforced by those who criticise it because by attacking it, its existence and pre-eminence is confirmed. The force of the polytechnicien comes not only from intimate solidarity, but also from the fact that they have persuaded their rivals that the polytechnicien network is efficient… So the mafia, as any secret society, is also a creation of

> the non-polytechniciens, since the reputation of polytechniciens is sufficient.
> (J. Kosciusko-Morizet, *La mafia polytechnicienne*, 1973)

Some of the most creative engineers *pantouflent*. This curious French word, used in the circles of the *Ecole Polytechnique* and other selective schools of engineers, describes the transfer-promotion from the state bureaucracy or technostructure to the management of large corporations. In France, too many talented brains are diverted from technological creativity and offered to the goddess of Rhetoric. The result may be that while France is better administered than some other countries, the price which has been paid until recently has been less imaginative technological performances in some important industrial branches.

7. Two Categories of *Enarques*: Rulers and Trimmers

France is the only country among the thirty-five advanced democracies to have created an institution like the ENA. To understand the role of this greenhouse, it is necessary to ask a incongruous question: what would happen if the ENA disappeared? What other institutions would fulfil the functions that have fallen to it? Before 1940, most of the young men who aspired to make a political career chose the schools of law. If theoretically the ENA were to disappear, those who have the ambition of making a political career would undoubtedly choose law or political economy, the Ecole Polytechnique, or the Hautes Etudes Commerciales (HEC) or the schools of political science. The ENA is not really a school. While the teaching is of high quality, the duration is short — several months — since priority is given to internships. What the *enarque* knows, he or she learned before or after his or her passage through the ENA. The essential function of ENA is to select by ranking at the entry and at the exit on criteria good enough to detect gifted young people, although not necessarily professional abilities.

The ENA selects the agents of the superior ranks of the public administration, but this selection does not give automatically access to the ruling strata. In effect, 90 percent of *enarques* do not belong to it. In order to arrive at the heights of the political or administrative scale, it is necessary to pass through another institution, which will be described below: the ministerial antechamber. Here it is necessary to indicate the general factors which favour the incorporation of part of the higher civil servants into the political class: the increasing intervention of the State in the economy and in the social domain, which is reflected in the part of the governmental budget in the GNP: in 2001, 51 percent of what all French people produced by their labour was collected and redistributed by the State. Another factor is the transformation of some family enterprises into

corporations, and also the disassociation between the function of manager and that of owner of capital. The nationalisations after World War Two and again in the 1980s, when the Socialists took power, became the natural outlet for many high State administrators. In fact, nationalisation meant the replacement of "capitalists" by high-ranking State bureaucrats at the head of the enterprises. The instauration of a presidential regime in 1958-1962 reinforced the role of the high administration. These factors also favour the professionalization of the political class.

How many of the *enarques* have become full-fledged politicians? Considering the period from 1958-2002, among sixteen prime ministers, from Michel Debré to Jean-Pierre Raffarin, only three did not come from the State administration (Edith Cresson, Pierre Bérégovoy and Jean-Pierre Raffarin). In most of the sixteen cabinets of this period, between one third and 45 percent of the ministers were former high civil servants, particularly in the governments of de Gaulle, Debré, Messmer, Chirac, Barre, Balladur and Juppé. This is also true for the secretaries of State.

Looking retrospectively at the careers of the *enarques*, one may distinguish five basic categories:

- Those who have been propelled to head the highest positions in the central State administration and who guide the State apparatus: about 500 *enarques* since 1960.
- Those who have become full-time politicians of high status (leaders of parties, cabinet ministers, great parliamentarians, executives in highly sensitive or strategic positions): about 350 during a period of 40 years.
- Those who have become managers of large public corporations, including State banks and insurance companies, or of the State technocratic infrastructure (railroads, airports, highways, harbours, air and maritime transports, energy, telecommunications, state edifices): about 400 during more than four decades.
- Those who became managers of important private enterprises, some of which belong to rich families: about 50.
- Those who have remained civil servants, enjoying an enviable position, but who have not succeed in attaining a position at the top of the State administration, nor at the top of the political pyramid, nor at the summit of the economic hierarchy: more than 4,000.

Among the 5,000 *enarques*, selected during 50 years, two categories should be distinguished: a few hundred who have reached one of the three summits (political, economic or administrative) and several thousand who, as J.F. Kesler described them, "remain during their entire professional life trimmers of the public administration" (Kesler 1996: 24). There is sufficient evidence in the specialised literature, that most of these *enarques* are frustrated, and that they aspire to leave the public administration for

more rewarding positions in politics and in the big corporations. Few of the *enarques* in this second category succeed in such a move, and then only later in their professional lives, by discretionary decisions in the Council of Ministers, on the recommendation of an influential cabinet minister with whom they have collaborated in the ministerial antechambers, to be described below. It seems that the work of a bureaucrat, even if he or she is in the upper ranks of the State apparatus, is not always rewarding.

Let's suppose that among the 5,000 *enarques*, 500 have reached one of the elite summits. These 500 would occupy, in a supposed elite core circle of 2,000, one quarter of the highest positions in politics, economics and administration. One quarter of former high civil servants among the top national leadership is a proportion without equivalent in Western countries (except the military) since Metternich two centuries ago. But high proportion does not mean monopoly. The golden legend of ENA as a "school for rulers" must be deflated.

8. The Grand Corps as a Nomenklatura

The *grands corps* have an old historical origin that we will not retrace here. It is sufficient to say that they play a crucial role in the recruitment of elites at the summit of the State administration, of the public corporations, and of a significant proportion of political leaders. There are two kinds of *grands corps*: a) the administrative corps, such as the Inspection de Finance, Conseil d'Etat, Cour de Comptes and the prefectoral corps, and b) several technical corps who do not fill anymore the tasks allocated to them in the past. Even if they still correspond to various sectors of the State's technostructure (mines, bridges, roads, telecommunications, atomic energy, etc.) they are in fact polyvalent. Paradoxically, a successful career in the *grands corps* means the possibility and opportunity to leave it for other, more powerful positions in the central administration of the State, the head of State enterprises, the board of private corporations, and for high political positions in government and parliament. [4]

[4] Illustration of the importance of the grands corps: the example of the tycoon Saint Gobain Camille Cavallier, one of the founders of the company, recruits André Grandpierre as his secretary, who succeeds Cavallier as top manager. In 1948 Grandpierre recruits Roger Martin, an engineer belonging to the Corps des Mines, who was deputy director of the Section of Siderurgy at the Ministry of Industry. At the company, Martin was in charge of the same domain of siderurgy before becoming CEO of the company. Martin recruits Roger Fauroux, ENA and Inspecteur de Finances, and collaborator of several influential cabinet ministers. Fauroux becomes the head of the financial department in the company before becoming, in turn, its CEO. He chooses as heir Francis Mer, engineer from the Corps de Mines and holder of an important position in the Ministry of Industry (F. Mer will later become Minister of Finance in the Raffarin government in June 2002). He is

The main function of the grand corps is to be a reservoir and a channel for elite recruitment outside the corps themselves. Let's take as an example the Inspection de Finances. Most of the Inspecteurs can be found today, as they were during the entire last century, as chief officers of the most important financial institutions and administrations: Bank of France, Credit Foncier, major public and private banks and most of the directorships in the Ministry of Finance: budget, treasury, industry, commerce, customs, etc. They control also many of the major financial and industrial private corporations. The members of the *grands corps* are powerful men, but cannot be considered as owners of capital. They prefer, to paraphrase Cicero, to command rich people, rather than to be rich themselves. (In fact, some of them became relatively rich at the end of their careers.) Two scholars who devoted a lot of work to the study of the French higher administration wrote: "the grand corps would be for high executive positions what the affiliation to the Communist party of the Soviet Union for the position in the nomenklatura has been. One has to be in, in order to obtain them" (Bodiguel and Quermonne 1983: 44).

A good conservative observer in a strategic position as a former general secretary of the presidency of the Republic does not hesitate to write the following:

> As in the colonial times, when the rulers did not care to know the language, customs, habits and beliefs of the population that they administered, so the French administrative regime does not consider it useful to place at its head individuals who could boast of good knowledge of the market economy, of international finance, of the sociological aspects of French society. The administration does not need to be acquainted with the realities, since in any case people will have to obey — the quasi monopoly of the *grands corps* and the key positions in the administrative hierarchy emphasises the lack of consideration that the State manifests towards the society. The State deprives itself of the many economic, financial, sociological and international competencies that it needs. This quasi-monopoly should be abolished and be replaced by a pluralist recruitment of elites. (Cannac 1996: 70-71)

The authors of one of the best books on the French high public administration share this opinion:

> The existence of the State *grands corps* raises a crucial issue for the French society. The capacity to innovate is restricted by the training received by the members of this *grands corps*. Thanks to the monopoly that they possess, they

succeeded by Louis Beffa, engineer for the Corps de Mines and deputy director in the Ministry of Industry, before becoming CEO of the company. His successor, Gomez, is an enarque and also an Inspecteur de Finance, who had previously been a cabinet minister of industry in the socialist government headed by Mauroy.

> forbid the civil society to propose any other solution than their own. They forbid with good conscience, since the selection process by which they have been recruited gives them the feeling of belonging to an elite. (Bodiguel and Quermonne 1983: 34)

In this book, the word "nomenklatura" appears several times in the chapter devoted to the *grands corps*. For these authors, the nomenklatura opens and closes, prematurely but definitively, a numerous doors for privileged positions and functions (p. 29).

Given these testimonies, (to which could be added many others) should we then concede that finally here we "catch" a ruling class in the very act, in *flagrant delit*?[5] What can be admitted is that there are serious dysfunctions at the top of the political system, but we cannot deduct that we really perceive a ruling class, because the "monopoly" is in reality only a preponderance, also because the "nomenklatura" is *sui generis*, based on merit and not on a rigid class system, and also because the *grands corps*, in spite of the enormous privileges that they benefit from, occupy only some of the most powerful positions in the economy, the State administration and high politics. In order to climb to positions of power, the members of the *grands corps* have one more step to pass, i.e. to approach influential politicians in the ministerial antechambers, a step which in many cases is not too difficult to go through, since many of the influential already in power are themselves former *corpsards*. What we see here is a phenomenon of cooptation, so frequent everywhere, not an act of solidarity among the members of an unseizable ruling class.

9. The Stepping Stone of the Ministerial Antechambers

The road towards the high political, economic and administrative spheres are multiple, but one royal avenue leads to them: the passage through a ministerial antechamber. Contrary to some current interpretations, the *grandes écoles* only pre-select the higher civil servants and the executives of the large corporations. The selection itself is made in most cases within

[5] In 2001, the following 30 CEOs or former CEOs accumulated 160 positions on the boards of the largest corporations. Bernard Arnault (several corporations), Patricia Barbizet (Artémis), Claude Bébéar (AXA), Jean-Louis Beffa (Saint Gobain), Daniel Bernard (Carrefour), Michel Bon (France Télécom), Bertrand Collomb (Lafarge), Thierry Desmarest (TotalFinaElf), Michel François-Poncet (ex-Paribas), Jacques Friedman (ex-UAP), Henri Lachman (Schneider), Jean-Marie Messier (Vivendi Universal), Gérard Mestrallet (Suez), Lindsay Owen-Jones (L'Oréal), Michel Pébereau (BNP Parisbas), Jean Peyrelevade (Crédit Lyonnais), Didier Pineau-Valencienne (ex-Schneider), Baudouin Prot (BNP Parisbas), Bruno Roger (Lazard), Edouard de Royère (Air Liquide), Ernest-Antoine Seillière (Wendel investment, Medef), Serge Tchuruk (Alcatel), Marc Vienot (ex-Société Générale).

a ministerial antechamber, which is a typical French institution. Georges Mandel started his career in the Clemenceau cabinet; Michel Debré in the cabinet of Paul Reynaud; Eduard Balladur in the entourage of Georges Pompidou, Bérégovoy in the cabinet of François Mitterrand, and Alain Juppé in the cabinet of Chirac. It would be easy to give dozens of examples.

Most members of ministerial antechambers are high civil servants in their forties belonging to the *grand corps* or to the higher echelons of the administration, but not yet at its summit. It is in the antechamber that the higher civil servants establish privileged relationships in the high circles and find their political "godfathers." The functional equivalent of the French ministerial antechamber in Britain is the position of "private parliamentary secretary," with this difference: the PPS is a junior minister recruited in the House of Commons among young MPs, and not in the civil service.

The number of members of the ministerial antechamber varies. For instance, in the Raymond Barre cabinet, there were 270 collaborators, and a few years later in the Balladur antechamber, 390. The average is 300 official members to whom should be added non-official members. The swelling of ministerial antechambers described by many authors is symptomatic of an increasing bureaucratisation.

One enters the cabinet with the clear intention of leaving it a few years later, and with the hope of an accelerated promotion in the state hierarchy or in a large public corporation, or in the headquarters of a public institution. Such a promotion is expected. It is rare to see someone leaving a ministerial cabinet without some compensation, even if his service was not very efficient or loyal: in these high circles, the civil servant is a tactful person who knows how to hold his tongue when solicited by rivals of the minister or simply by journalists. In case of disagreement between the minister and a member of the ministerial antechamber, the higher civil servant is not dismissed, because he is in the confidence of the minister, he is informed about the many intrigues and fights, and to avoid indiscretion the most convenient way to get rid of him is by promoting him elsewhere. This is a perverse effect of the system of the ministerial antechamber.

The promotional role of the ministerial antechamber for the *enarques* have been demonstrated by a comparison of career itineraries of those who have passed through one or several ministerial antechambers, and those who have not (Rouban 1990: 80). In this way, the *enarque* increases his chances of appointment to an enviable position. As Pierre Lalumiere pertinently stressed, the promotional role of ministerial antechambers does not imply favouritism. The appointment to high positions in the public administration or in the State corporations is not based only on seniority or other routine mechanisms. It is a prerogative of the government. To be chosen for such a promotion, one has to be known personally by an

influential cabinet minister who would make a formal proposal in the Council of Ministers. The passage through a ministerial antechamber is the best strategic way to demonstrate ones capacities and talents (Lalumiere 1959: 174).

The passage through a ministerial antechamber lasts in most cases from two to five years. It can be estimated that in the decade of the 1990s about one thousand higher civil servants have had this experience. This is an efficient springboard for the completion and the recruitment at the highest level of the State administration and of the economy.

The constitution of the Fifth Republic gives to the Council of Ministers the right to discretionally appoint the holders of some 250 of the most important positions in the State apparatus, the State entreprises and the parapublic sector. The main reservoir for these enviable appointments is the ministerial antechambers. As a matter of fact, two thirds of the holders of the highest positions in the financial domain, half of the prefects, the majority of directors of the central State administration, and the majority of the managers of public corporations have previously passed through ministerial antechambers. Very visible among them are the former members of the cabinets of the president and of the prime minister.

The ministerial cabinet is also and excellent stepping-stone from which to launch a true political career. For those who choose this road, the first step is to find a provincial constituency, since the Parisian area is overcrowded with potential candidates.[6] The network of ministerial antechambers offer the necessary parachute. Some members of the ministerial antechambers, particularly those of the prime minister and of the president have skipped the electoral phase and have been propelled directly to posts of secretary of State or as full ministers. In fact, the general secretary of the Elysée, or the director of the prime minister's cabinet plays a more important political role than those of some titular ministers. It is significant that almost all *enarques* who have found an electoral constituency had previously followed a roundabout route, serving several years in the entourage of a minister. The ministerial antechamber is an incubator where the chrysalis of an ambitious *enarque* is metamorphosed in a high flyer.

10. Members of Corporate Boards in Parliament and Government

Those who advocate the existence of a ruling class in France see a collusion between politicians and businessmen. Before we look to empirical evidence to test such a hypothesis, let us consider three theoretical possibilities: the

[6] Between 1958 and 2000, about 120 graduates of ENA (from 5,800 total) had been elected deputies or senators and/or appointed as Cabinet ministers, that is, two percent.

complete independence of the circles of politicians and the circle of businessmen; the subordination of politicians to businessmen; a penetration of businessmen into the political forum. The documentation that I have collected for all parliamentarians and cabinet ministers during the interbellum period indicates that about one-fifth of deputies and senators have accumulated, during their parliamentary mandate, positions on the boards of financial, industrial or commercial corporations. Most of these board members belonged to the centre or rightist parties and few of them to the socialist camp. To these figures have to be added businessmen who ran the family business; most of them were small industrialists or merchants.

Among the corporate board members, there are three types: those who started their parliamentary career or held cabinet positions before becoming members of corporate boards; those who, on the contrary, were in business prior to their election, and those who get involved in corporations after having left the political forum. This distinction is based on the date of their first electoral success and of their first appointment to a board. The second type can be identified by looking at the social status of their father. Here is a sample:

> Paul Doumer was the orphan of a railway worker father, and a cleaning woman and he became a high-school mathematics teacher at the age of 20. Neither his profession nor his family predisposed him to become a businessman. Nonetheless, we find him in 1930 sitting on the boards of 8 corporations before his election as President of the Republic. He resigned from the corporations at the moment of his election.
>
> Albert Lebrun, President of the Republic, was the son of a peasant; he became an engineer having graduated from the famous *Ecole des Mines* and was elected deputy at the age of 29. He abandoned the exercise of this profession when he was elected as deputy. Is it because of his previous profession that he became a member of the board of four companies?
>
> Louis Barthou, long-time minister of Foreign Affairs and a leading politician during the two wars, was the son of an ironmonger. Elected deputy at the age of 27, he became member of the board of the Suez Canal Company in 1924.
>
> Charles Dumont, son of a postal employee, became a high school teacher and was elected deputy at the age of 30. In 1928, he was an administrator of twelve corporations.
>
> Charles Chaumet, son of a schoolteacher, became a journalist, and after was elected deputy; during his political career, he progressively increased the number of corporate boards on which he sat. In 1936, he was a board member of 18 corporations.
>
> Albert Peyronnet, son of a schoolteacher, became a notary, and perhaps thanks to this profession, he accumulated board memberships in four companies.
>
> Gaston Gourdeau, son of a maitre d', became an engineer and was elected deputy. In 1928, he belonged to 19 different boards of companies.

André Lebon, elected deputy in 1893, was appointed minister of Commerce and Industry, and after minister of the Colonies, but he was defeated in 1898 and in 1902. He reconverted to business thanks to the networks he established as minister. He became in a few years the head of 15 corporations in the French colonies, including banks, mines, railways and real estate.

Louis Loucheur is a famous case. Born to a modest family, he needed a scholarship for high school. He was a brilliant pupil. He was received at the *Ecole Polytechnique* and as a graduate of this school he entered in the railway company of Northern France. He built, with another classmate, a construction company. He soon became the Under-Secretary of State Armaments, and he was later appointed cabinet minister, particularly of Finance and Industry in eight governments between 1916-1930. In 1930, he was the executive officer or a member of the board of 56 corporations. This is a record. In addition, he was represented indirectly through his secretary, Xavier Loisy, in 6 other corporations, including three newspapers. By his initiative and energy he built prosperous companies, creating jobs for hundreds of people.

We could add to this list Doumergue, who became President of the Republic, Franklin Bouillon, long-time cabinet minister, Brunet, Charlot, Borrel, Bazile, and many others. All these politicians acquired their positions in the economic sector during their political career. Personalities like these illustrate the strengths and dysfunctions that are generated by an amalgam of high politics and high business, but are not a proof of the existence of a ruling class.

The second type, represented by those who were in business prior to their political ascension, was pre-eminent during the first years of the Third Republic. In a meticulous study of the wealth of political leaders, Jean Estebe writes that in 1873 "the government reassembled the board of directors of several big corporations (mines, railways, public works, banks)." He cites a dozen famous politicians — Thiers, Decazes, Casimir-Perier, Leon Say, de Broglie, Chabaud-Latour, who were at the head of capitalistic enterprises. Twenty years later, in 1893-94, other famous politicians were connected with industrial corporations (Estebe 1982: 153-182).

For the interbellum period, among those who did not profit from their political positions by joining corporate boards, but who were born into families of bankers, industrialists, and arms-makers, we may mention the following: F. Bouisson, Bignon, Hennessey (cognac) Jourdain, Lillaz, Nicolle, Petsche, Chappedelaine, Lasteyrie.

Among ministers during the same interbellum period, I count 94 board members of corporations representing one-third of the 300 cabinet ministers and secretaries of State of the period.

The third type of interlock between politics and business concern those who get involved in corporations after having left the political forum, in many cases following an electoral defeat, or those who have continued after their retirement from politics to appear on boards of

corporations that they have joined during their political career. In 1957, one year before the collapse of the Fourth Republic, 137 former deputies or former senators were sitting in the c*onseils d'administration* of financial, industrial or commercial enterprises. In addition, three dozen former ambassadors, retired high military officers and academicians "lent" their names to corporations, among them, several former prime ministers. The documents which served to establish these figures (Temerson 1957) provided information about family relations, suggesting that the degree of homogeny in the "high society" was similar during the Fourth Republic to the Third. A single example is given here, but which is an extreme case and not at all representative of the whole of political elites.

> Valery Giscard d'Estaing, former president of the Republic, is the grandson of Jacques Bardoux, deputy and board member of 19 corporations, and son of Edmund Giscard d'Estaing, whose name appeared in 1957 on the boards of a dozen corporations at a moment when his son was already vice-minister of Finance. One of his uncles married the daughter of Sadi-Carnot, former president of the Republic. The wife of Valery Giscard d'Estaing was the granddaughter of the tycoon Eugene Schneider, and daughter of the marquis de Brantes, and of the princess Aymone de Faucigny-Lucine, who was the cousin of Michel Poniatowski, who was appointed minister of the Interior.

In spite of a few exceptions (de Wendel, Rothschild, Schneider, Motte), it appears that it is difficult to assume simultaneously the positions of great political leader and of great entrepreneur, at least since World War Two. We have already indicated that during the period 1996-2002, only a few individuals were included in both circles of the 500 most important politicians and the 500 greatest capitalists. But the great corporate businessmen do not need to be present in parliament themselves: they may be represented by intermediaries. Why is this so?

Four reasons may be mentioned. The first is time budgeting. Big businessmen are usually very busy. They must constantly make important decisions for their company. Politicians are also a very busy men, torn between their activities in parliament, in the party and in the constituency. It is of course possible to alternate these positions, but not to accumulate them. Second, the big businessman is by definition a rich man. In terms of prestige, his election as deputy increases only in a limited manner his social status. Consequently, he is not necessarily motivated to enter into politics. Third, given his position in the high economic circles, he can obtain subventions, fiscal exemptions, credit, markets and other advantages without being a member of parliament. It is true that Marcel Dassault, the great airplane maker who obtained many contracts with the State, felt the need to become a deputy. But he did not play a great role in parliament, and after a short experience, he favoured the election of his collaborator

de Benouville. Fourth, the big capitalist is not, for a large part of the electorate, a trustworthy candidate.

In 1930, a conservative leader Louis Marin, proposed a resolution to parliament, requesting that all parliamentarians who were board members of corporations declare their positions. This proposal was adopted unanimously by 570 votes to 0, but the Bureau of the Assembly repeatedly delayed the application of this resolution. Two years later, the proposition had not yet been applied, and finally it fell by the wayside. Obviously, too many interested parties were opposing such official publicity. At that time, about 20 percent of the deputies were members of boards of corporations. Of course, this figure tells only part of the story because among this 20 percent there was a large variety of types: there is very little in common between Jacques Stern, member of a financial dynasty, and Paul Doumer, son of a cleaning woman.

These ties to corporations, which were perfectly legal, should not be confounded with the many scandals which from time to time have darkened French politics.

In 1956, 73 deputies who were candidates for re-election at the National Assembly (that is, 12 percent) belonged to various business enterprises. This makes a lower proportion than during the interbellum period. The number of businessmen in parliament and in government had continuously decreased since 1946, and was smaller during the Fifth Republic than during the Fourth. One of the reasons for this decline was a law adopted in 1958 and modified in 1972 designating a series of incompatibilities between the parliamentary mandate and heads of companies.

11. The Caesura in Terms of Elite Circulation between Owners of Capital and the Other Elite Categories

According to some theories, a "ruling class" or a "power elite" is characterized by a fusion, a collusion, between capitalists and other elites. Let's test this hypothesis for France.

For analysing the potential interlocking between the richest owners of capital and other elites, I refer to the lists of the 500 richest capitalists established each year by the monthly economic journal *Challenges* between 1996 and 2002.

Comparing this list, of the 500 richest people in France in the 1990s with another list concerning the 500 people holding the highest positions in politics in the 1990s (list established by objective criteria), one finds only a few people on both lists (in 1998-99 five or six individuals). None of the deputies elected between 1991 and 1998 appear on the lists of managers of the 500 largest companies. Between 1974 and 1981 only one exponent of the French military industrial complex has been elected deputy (a military

airplane manufacturer, Marcel Dassault). An emblematic representative of capitalism, David de Rothschild, admitted that "when one is extremely rich, he needs to be forgiven" (French Television, in November 1987).

This dissociation between the political circle and the circle of the richest people is a relatively new phenomenon. In earlier times, particularly during the interbellum period (1920-1940), the circles of the capitalist elite and of the political elite overlapped significantly at the highest level. Such an interpenetration resulted, at that time, as we have seen, in part from a recruitment of some politicians among the richest families, and also from the move of senior politicians who had already made a nice political career, into the financial networks, by accepting positions in the administrative bodies of private corporations.

In a second comparison, I ranked the 500 most important capitalists with a list of the 500 higher civil servants who held, in the decade 1990-2000, the highest positions in the state hierarchy. Only a few individuals appear on both lists.

In a third similar analysis I compared the list of 500 richest people with a list of the 500 managers of the most important public corporations during the decade 1990-2000. Again, only a few individuals are common to both lists.

In a fourth analysis I compared the capitalist circle and the military circle, going back in history for half of a century. In a list of the 200 most important military officers in the French history since 1944 are not included more than a few names belonging also to families of the important owners of capital during the same period. The separation of the two elite categories during the last fifty years contrasts with their affinity in older times.

It is also interesting to compare the circle of capitalists with the "front of the stage" in the French society, that is, with the most visible and prestigious elite category, composed of artists, novelists, scientists, academics, movie stars, athletes, singers, stage actors and explorers. For this confrontation it is worthwhile to consider a long historical period. For each decade since 1950, no more than a few celebrities were related to the richest families.

Another comparison, the sixth and the last, is needed between the 500 richest families and the 500 managers of the greatest private corporations. Here a large overlapping does appear. According to the criteria adopted, between 80 and 150 names are included in both lists. If the analysis is limited to the top 200 in each list, the proportion of overlapping increases. In order to include most of the 500 richest individuals among the most important managers we must take into consideration a list of 2,000 to 3,000 of the largest corporations. Even then, a high proportion of the

greatest owners of capital would not appear as managers of the 500 largest corporations. This situation can be easily explained: the number of enterprises owned or partially controlled by rich families is smaller than the number of companies whose capital comes mostly from shareholders. Another explanation is that the private sector represents a much smaller part than the public sector in the structure of the French economy (in terms of capital invested or number of employees). Some of these corporations are considered as public services such as the railways, the highways, gas and electricity, public transport, mailing services and others.

To demonstrate the distance between owners and capital and other elite categories other documentary sources have been consulted:

1. The 50 richest entrepreneurs in 1985 published by *L'Expansion (6-19 December 1985)*
2. The list of the 100 richest persons established by *Le Nouvel Observateur (16-22 October 1987)*
3. The list of 100 richest entrepreneurs in 1987, *L'Expansion (23 January-5 February 1987)*
4. The list of the 100 most successful entrepreneurs, *Chalenges (November 2001)*
5. The richest fortunes and entrepreneurships, *Chalenges (July 2002)*.

Among the 100 richest persons in France in 1987, as selected by *Expansion*, 45 did not continue their studies after the baccaulauréat. Among the 55 others, some started, but did not get a formal degree; 6 benefited from select schools of business, 12 from various engineering schools and 18 have benefited of studies in highly specialised schools (aeronautic, chemistry, electricity). Among these, only 8 engineers came out from the *Ecole Polytechnique*, and 2 from the *Ecole Supérieure de l'Electricité*. Among these famous capitalists, there is only one *enarque* (E.A. Seilliere) who later became the president of the *Conseil du Patronat*. For some of them, their wealth originated in the heavy industry of the 19th century (coal, steel chemistry), but the large majority have invested their capital in vineyards (12), in the agro industry (10), in pharmacy and cosmetics (8), in fashion and perfumes (8), in printed media and television networks (7), in textile (6), in commercial distribution (6), in electronics (5), and very few in finances (only 5).

Apparently, none of these great capitalists have been tempted to a political career, and only a handful had a family connection with a politician. Among the important politicians of the 1990s, a certain number are relatively rich, but not among the 500 richest persons in France. Among the 500 richest entrepreneurs representing, in many cases, the richest families, one cannot discover more than a few engineers graduates of the *Ecole Polytechnique* (15 graduates in 1998).

From these merciless statistics results a tectonic fissure isolating the capitalist elite from the five other elite categories. The only notable exception is a connection with the management of the private enterprises. The capitalist circle is dissociated from the political circle, as well as from the State hierarchy, from the management of public corporations, from the military elite and also from the intellectual elite. There is no simultaneous overlapping between the capitalists and the other elite categories. Theories of "ruling class" or of the "power elite" based on the assumption of a fusion between the "capitalist class" and the other powerful elites, are not validated, but as we will see, this "isolation" is compensated for by a sequential interlocking with some other elite categories.

12. The Subordination of the Military Officers

The French political class had traditionally raised many obstacles to the intrusion of military officers in the political forum. Contrary to other civil servants, the military officers did not have the right to compete in parliamentary elections. Until 1945, they did not even have the right to vote. Only those who had resigned or retired from the military could present themselves at elections, but transferred from one place to another during their military careers, they had no roots in any electoral constituency. They were obliged to stay far from the agora. Their promotion depended largely on their neutral behaviour. The republican political parties did not trust men belonging to a profession known in the French context for its anti-republican behaviour. As electoral success could not be guaranteed, the military officers generally hesitated to take the risk of resigning from the army, because in case of failure it would have been difficult for them to obtain reintegration in the army.

In spite of dissuasive measures, the number of military career officers amounted during the seventy years of the Third Republic to five per cent of the total number of deputies (220 officers for 4,892 deputies). But because during the first half of the Third Republic generals and admirals were appointed as ministers of war and of the navy, the number of former military career officers who held positions either in parliament or in government amounts to 360 during the Third Republic; among them 55 cabinet ministers who were not at the same time MPs (Dogan 1986).

The number of former military officers in the Chamber of Deputies or in the Senate had varied according to political circumstances with a clear diminishing tendency. In 1871, there were in the Chamber of Deputies 70 former military officers. Ten years later, in 1881, when the rightist parties lost the elections, the number of officers had been reduced to 13. The *boulangist* agitation brought back about 30 officers in each legislature until 1902, when, following the Dreyfus Affair, about 40 officers were elected.

The number of officers had continued to diminish until World War One. Since then, their numbers continued to diminish: 19 in 1928; 11 in 1932; 10 in 1936. The Dreyfus Affair split the country into two camps; those who were for militarism, and those who were against it. This historical event marked the exclusion of the Army from the political arena. In the Senate of the Third Republic, 116 former officers were elected, but about half of them had been previously deputies.

From these figures it appears clearly that the triad of military, businessmen and politicians, described by C. Wright Mills for the post-war American scene, has no parallel in the French political history. The only military officer who has played a crucial role in France during the 20th century is Charles de Gaulle. But all observers of the French political scene admit that when he arrived in power he behaved as a civilian hostile to the intervention of the military in politics. One of his greatest achievements was his efficient action against rebellious military officers, particularly during the war in Algeria.

13. The Place of the Cultural Elites

When we refer to power, we are thinking of politicians, higher State administrators, corporate directors and owners of capital. But there is another elite, the cultural elite, which does not hold a position of power, but which exercises indirectly a great influence on those invested with power, and which is very visible, occupying an enormous place in the media and in the mind of the masses. The cultural elite is not in the core circle of power, but rather in the spotlight.

France is among the advanced democracies, one of the countries were the intellectuals play a significant role as opinion decision-makers. Among the intellectuals should be included a selected number of outstanding journalists, who are better known to the general public than most academics. It is difficult for the political rulers to sustain a fight against a large and determined coalition of intellectuals and mass-media. In such cases, sooner or later, the politicians tend to lose the battle. Intellectuals do not have the power to make the decisions, but they have a great capacity to influence the general public, that is to say, the voter. Many examples could be given.

The privileged position of the cultural elites in the French society appears clearly in the directories of the elitist strata, such as *Who's Who in France*, the *Bottin Mondain*, and others. In the editions of *Who's Who in France* in the 1990's, the politicians represented only 7% of the 20,000 biographical notices; the highest State administrators, including the diplomats, represented 7 percent of the biographies; the owners of capital, about 10 percent; the executives of corporations and the great

entrepreneurs, 14 percent. The traditional elites have got a tiny place, 2 percent for the upper military officers and 1 percent for the religious elites. The bulk of biographies has been dedicated to the cultural elites: writers and novelists 7 percent; painters and sculptors 4,5 percent; academics and university professors 8 percent; musicians and singers 5 percent; theatre and movie actors 6,5 percent; journalists and owners of media 2 percent; athletes 2,5 percent. The rest of the elite sample refers to medical doctors 3 percent; to lawyers, notaries and juridical specialists 6 percent; and to a number of architects, handcrafts men, famous chefs, old landed aristocracy and others. In the *Bottin Mondain*, contrary to *Who's Who*, the old families and provincial notables, the owners of old castles and manors have received a hearty welcome. For some people to be mentioned in the Bottin Mondain is a question of identity: *y être, c'est un être. The Who's Who in France* is much more professional. But as we have seen above, most of these personalities belong to the upper strata of the society, but not to the highest ruling circles.

In 1995 edition of *Who's Who*, 8 percent of the biographies are of women, a proportion twice the size it was 30 years before. The influence of the female intellectuals in the French society can be illustrated by an event which has marked history. On the 5th of April 1972, the most important weekly magazine of the time with a circulation of more than half a million, *Le Nouvel Observateur*, published a collective letter signed by 343 women, confessing that they had had an abortion, a crime sanctioned severely by law. Written by Simone de Beauvoir, the letter was signed by famous novelists, scientists, actors, journalists and other representatives of the feminist gotha. This initiative of female intellectuals started a public debate that ended in the abolition of the law against abortion four years later in January 1975. To stress the significance of this manifestation and the impact of the action of this group of women, it should remembered that nearby, in Italy, in order to overturn the law against abortion, it was necessary to hold a popular referendum, against the will of the Vatican after many years of fighting and even violence. The place of intellectuals in France can also be illustrated by their role during the Dreyfus affair a century ago.

The functional equivalent to the American think-tanks is in France the cultural elite. The difference between the two countries can be explained by the role of the private foundations, rich and influential in the United States and less than modest in France.

The role of professors and school teachers in politics incited a famous writer, Albert Thibaudet, to publish a book called *The Republic of Professors* (1927). Since the second world war, the influence of the teaching profession has been increasing significantly, as previously noted. In the year 2000, only

two of the most renowned French intellectuals are among the 500 richest people in France (Elisabeth Badinter and Bernard-Henri Lévy). At a lower level of wealth, in the 1990s, two dozen of the famous French intellectuals were related by intermarriage or cousinship to very rich families. But if we take into consideration, at the top level, not the capital, inherited or accumulated, but the income, then we can single out many celebrities who have enormous incomes. The list is long and includes movie stars, singers, architects, fashion-designers and athletes. Apparently there is not a single writer who has made a fortune from his or her books. In the list of 9,800 people paying in 1997-1998 the highest income-taxes, there are no names of literary elite or artists, though there are some athletes and entertainers. The cultural elite could play such an important role only in the absence of a ruling class.

14. Why Many Parliamentarians Do Not Belong as Individuals to the Highest Circle of Power

Among the ten or twelve main functions of the French parliament, several have lost most of their strength in recent decades, particularly since the establishment of the presidential system between 1958-1962. Today the legislative initiative is primarily the domain of the executive power, and this was so even during the Fourth Republic. The same is true for the budgeting function. The function of the articulation and aggregation of interests is accomplished largely outside the parliament. The function of parliamentary control of the executive power appears today as a theoretical legacy of constitutional history. The mobilizing function has been largely transferred to the mass-media, para-political organizations and to political parties. Political parties play a role in the recruitment and selection of leadership; in addition, many leaders are chosen from the higher ranks of the public administration. Today the two most important functions of the parliament are the building of a political majority, which legitimises the government, and the territorial representation of the electorate. The crystallization of a political majority is the most significant function of the contemporary French parliament. The second in importance, at least in terms of the daily life of the average deputy, is the representation of the electorate, and this latter function challenges some old conceptions. The revolutionary constitution of 1793 proclaimed: "Each deputy belongs to the entire Nation." Today, exaggerating a little, we could say, "Each deputy belongs to his or her constituency" (Dogan 1999).

According to classical doctrine, the deputy is the representative of the nation. Anything that distracts him from his legislative work and the scrutiny of the government action is considered by some theorists to be a constraint, a burden. But this classic doctrine of parliamentary democracy,

whose major actors are the deputies, neither describes nor explains the real workings of contemporary democracy. There is a noteworthy gap between old conceptions and contemporary trends.

To some degree, all parliamentarians belong to the political elite since they have been selected from a large pool of candidates as the result of a long process. According to French constitutional theory, members of parliament are "representatives of the nation," but, in reality, many of them are not national figures, in the sense that they are unknown nation-wide; they are not visible in the national mass media. Many are not even mentioned in *Who's Who* or other similar compendiums, which between 1990 and 2000 included as many as ten to twenty thousand names. We may call them "ordinary deputies" as opposed to the "great parliamentarians" in terms of prominence, prestige, influence, and power. The number of these rank-and-file deputies varies depending upon the historical moment, from 40 to 60 percent of all the MPs. They are called in Britain "back benchers" and in Italy "average deputies."

By great parliamentarians, I mean the politicians truly integrated into the national political class: prominent figures in political parties, delegates of powerful pressure groups, former cabinet ministers, would-be ministers, chairmen of legislative committees, rapporteurs of important legislative proposals, talented orators, and other influential parliamentarians. Such a distinction between the ordinary deputy and the great parliamentarian is based on empirical studies of many legislatures (Dogan 1999).

According to the traditional view, parliaments are deliberative institutions where elected representatives debate national issues. In reality, many deputies, as individuals, rarely or never have the opportunity to formulate important legislative proposals or to make substantial contributions. An assembly of five to six hundred parliamentarians is necessarily stratified. Legally equal, the MPs are in fact unequal in terms of competence, energy, talent, ambition and position. In all parliaments there are a minority of prominent members who play a significant role in committees and factions, as policy makers, or as political strategists. There are also MPs of lesser breadth. In all parliaments there is a minority of great parliamentarians and a majority of ordinary deputies. In an assembly of five hundred members meeting, in a given year, one hundred days, each time for five hours (in total five hundred hours), some hundred leaders — cabinet ministers, chairs of special committees, officers of parties or groups, and similar figures — occupy the rostrum most of the time, leaving for the 300 backbenchers less than 50 hours of parliamentary time in all; an average of nine minutes per year for each deputy.

The inequality among parliamentarians could be reduced only if the size of the assembly were relatively small, like the American Senate or in some

small countries, and if, at the same time, most important decisions were taken in committees and only formally ratified by the assembly. In almost all old democracies, parliaments have lost during the last few decades a large part of their strength. Important functions have been transferred to mass media, unions, political parties and special administrations.

Ironically, the gap between the daily life of most parliamentarians and the traditional image of parliamentary representation appears in the contrast between the official titles of the French *National Assembly* and the British *House of Commons*. In reality, the French parliament is, from many points of view, more an assembly of provincial representatives (except for the formation of a political majority), and the British parliament much more a national assembly (even if dominated by cabinet ministers). In short, much more so than in the past, most parliamentarians are territorial representatives rather than national legislators, they serve more as the ratifiers of decisions taken by the leaders, and they are much less policy initiators and controllers of executive power, except in times of crisis.

As a collective body, parliament fills an important function as a source of the legitimacy of the regime. The parliamentarians who are not known by the general public at the national level, fill nonetheless an essential function: the crystallisation of a parliamentary majority for legitimising a government and also, by their vote, the adoption or rejection of legislative projects. Collectively, parliament was the main source of legitimacy until 1958, and since then, is the body which chooses the prime minister. In the Fifth Republic, the political system is actually either super-presidential — when the parliamentary majority and the presidential majority have the same political colour — or semi-presidential — when the two political majorities do not coincide. It is either bicephalous or precariously super-presidential. In the periods of hyper-presidentialism, the concentration of power may take excessive forms, but to explain them there is no need to refer to the concept of "ruling class." (In the constitutional system of the Fifth Republic there are no "checks and balances" as in the American presidential system.)

15. The Constitutional Polyarchy

The concept of ruling class implies first of all a monolithic concentration of power. Most advanced democracies have constructed constitutional systems which provide counter-powers in order to counterweight the central power. The principle of "checks and balances" in the American or German systems are well-known models. The search for equilibrium between several powers is a permanent feature of the tumultuous French history. During the Third and Fourth Republics, the centre of gravity of the regime was the parliament, itself always divided between many

parties, factions and cliques. In the Fifth Republic, power is often divided between two competitive popular legitimacies, i.e. when the presidential majority and the parliamentary majority do not coincide. When they do, the monochronic majority is temporary, and risks being replaced by another one.

It is not necessary to describe here the numerous institutions, agencies and courts which have created a complex constitutional architecture, with the scope to reduce or to divide the political power. They are described in many treatises. These multiple and complex institutions are an obstacle to a concentration of power in a ruling class.

16. The periodical beheading of the ruling elite

The history of France in the last two centuries is a tumultuous history. It appears as a laboratory of political systems. Distrust of politicians in France is an old phenomenon. No other western country has experienced such a large variety of political regimes. Since the great revolution, France has changed the foundations of the State eleven times. Each change of regime has excluded people in powerful and prestigious positions, making room for newcomers. Each abrupt change has accelerated the elite circulation in the political arena, particularly in the following circumstances: 1789, 1799, 1814, 1830, 1848, 1851, 1871, 1876, 1902, 1919, 1940, 1945, 1958, 1968, 1981, 2002. There is not a single generation in modern French history that has avoided the battle between the rulers and the ruled. The summits of French history are marked by the triumph or defeat of the masses against the masters.

In most of these historical turning points, millions of citizens have demonstrated their dissatisfaction with the rulers, and the force and determination of the civic society, either by violence or by ballots, claiming that the basic source of regime legitimacy is the populace itself. As a consequence, the French constitution has become like a periodical (ten different texts)!

It is not the place here to retrace in detail these historical turning points. The question to be raised can be formulated in a few words. A "ruling class" is perennial by definition. But if in a country the regime is overthrown periodically, and if each time the leaders are eliminated or decapitated, the shadow of a "ruling class" is absent. At each regime change many leaders have been excluded from power. Some others have survived from one regime to the next, and that is the crux of the historical research. Two recent illustrations are given below: the change of leadership at the end of World War Two, and the momentous disappearance of the political class from the political scene during the troubles of May 1968.

Table 7

France: Political Crises, Succession of Regimes and Elite Replacement

An Elitist View

REGIME	STARTS BY
1789 – FIRST REPUBLIC →	*REVOLUTION*
Elite Level: total replacement of the ruling class of the old regime, followed by self-annihilation of the new politicians	
1799-1801 – FIRST EMPIRE →	*MILITARY COUP*
Elite Level: political vacuum, rise of a charismatic leader, new establishment, recruited on merit, not by ascription	
1814 – RESTORATION →	*WAR-DEFEAT*
Elite Level: New Chamber of Deputies, return of the old notables, and survival of renegades in the Senate	
1830 – CONSTIT. MONARCHY →	*RIOTS IN PARIS*
Elite Level: Purge of the State apparatus, change of political personnel by elections, new leadership	
1848 – SECOND REPUBLIC →	*INSURRECTION*
Elite Level: Elections, new divided political class	
1851 – SECOND EMPIRE →	*COUP D'ETAT*
Elite Level: Selection of a new establishment	
1871 – THIRD REPUBLIC →	*WAR-DEFEAT*
Elite Level: Elections, new, long lasting political class	
1940 – DICTATORSHIP →	*MILITARY DISASTER*
Elite Level: Elimination or withdrawal of almost all parliamentarians, failure of the military elite	
1945 – FOURTH REPUBLIC →	*WAR-LIBERATION*
Elite Level: The Resistance as the matrix of a new political class, polarization of the political class by proportional representation	
1958-1962 – FIFTH REPUBLIC →	*WAR-COLONIAL*
Elite Level: Implosion of the regime: Hecatomb in elections of incumbent politicians, ascendance of a "providential leader"	
1968 – FIFTH REPUBLIC BIS →	*UPRISING-PARIS*
Elite Level: Temporary disappearance of the ruling groups, masses without leaders, spectre of civil war, legitimation by elections, confirmation of the incumbents, but end of charismatic – idolatric period	

17. The Recruitment of a New Political Leadership in the Crucible of the Resistance

The rules of the political game change in moments of cataclysm: civil war, revolution, national military disaster, or economic breakdown. Then a new political network rises from the ruins and a new historical cycle begins. The collapse of a regime is inseparable from the replacement of the political leadership (Dogan and Higley 1999).

The dominant trait of the collective portrait of cabinet ministers during the period 1945-1969, all political tendencies confounded, is the direct participation in the movement of resistance during World War Two and the Occupation. At that moment, a preselection had occurred, even a selection staggered in time. The minister-former-Resistant is the dominant figure in all 22 cabinets of the Fourth Republic, and during the eleven years of de Gaullist regime, and even during the Pompidou presidency.

Nonetheless, the actors themselves were not fully conscious of this collective and dominant trait. The numerical preponderance of former resistants among ministers is not testified in the autobiographies and memoirs of the politicians of that time. This trait was not perceived in its own time. The phenomenon was recognized and reconstructed much later (Dogan 1998). The Resistance as a matrix of future ministers intervened in the process of selection long before the access to power and whatever would have been the pathways followed after the war by former Resistants.

The participation in the Resistance movement did not necessarily imply the ambition of a political career. Between engagement in the Resistance and appointment to the government, many years had passed. Certain Resistants came out from the clandestine networks to be immediately projected into government. It is in the crucible of the Resistance that were forged most of the politicians who were called to power during the quarter of a century that followed the Liberation: 190 of 227 ministers of the Fourth Republic (84 percent), and 69 of the 128 cabinet ministers of the de Gaulle and Pompidou periods, from 1958-1974 (54 percent). Among these men, we notice: deputies who voted in June 1940 against the delegation of powers to maréchal Petain, many people deported to Germany, people condemned to death, prisoners, founders of clandestine networks, commanders of the Free French Forces, men hunted by the Gestapo, combatants of the Forces Français Intérieurs, higher civil servants revoked from their position by the Vichy government, members of the National Council of Resistance, persons in charge of official missions appointed by General de Gaulle, members of the Consultive Assembly in 1945 and chiefs of Resistance in the colonies. In 1945 at the Liberation, the network of the Resistants became the leaders of the political parties. A dozen of the cabinet ministers from the period 1945-1969 were sons of Resistants shot by the Gestapo or of persons deported to concentration camps. About thirty ministers of the de Gaullist period were decorated as *Compagnons de la Liberation*. Many of the principal actors in August 1944 had been appointed at the highest and most prestigious positions at the head of the State. It did not appear clear at the moment of the building of the precarious governments of the Fourth Republic that the selection of the cabinet ministers did not occur outside the circle of men "nobilized"

Table 8

From the network of Resistance to the summit of the State

	The Resistants in government Former Resistants who became ministers under the Fourth Republic						
	Communist	Socialists	Center left – UDSR	MRP	Moderates	Gaullists – Soc. Rep.	Total
Parliamentary members of the "group of 80" who voted in 1940 against the delegation of power to marechal Petain	–	9	2	–	–	–	11
Those who were deported, imprisoned and condemned	2	9	9	1	7	1	29
Members of the National Committee of Resistance, of the Committee of the National Front, of the Committee for Parisian Liberation, and the National Committee of FTPF	5	5	4	6	3	–	23
Founders and directors of regional or departmental networks of the Resistance, general staff and commanders of the Forces Française Libre, heads of political organisations or clandestine unions, captains of FFI	3	11	5	10	3	2	34
Members of the provisional government, commissaries of the French Committee of the National Liberation of Algeria, mission chiefs appointed by de Gaulle, governors, Resistants of the former French colonies, members of the Consultative Assembly of Alger	–	3	7	3	2	10	25
Members of the interior network of the Resistance, combatants of the FFI (not classed in the previous categories	–	1	10	6	6	1	24
Those who were hunted by the Gestapo, revoked by the Vichy Government, refugees abroad	1	2	2	–	3	1	9
Prisoners of war liberated after 1945, recipients of the Croix de Guerre (not classed in the previous categories)	–	4	9	5	7	3	28
Politicians from the former colonies (not classed in the previous categories)	–	–	6	–	1	–	7
Non-resistants	–	3	10	5	14	–	32
Collaborators with amnesty, or those discovered too late	–	–	2	–	3	–	5
Total ministers and secretaries of State (1945-1958)	11	47	66	36	49	18	227

by their participation in the Resistance long before the rebuilding of the democratic regime. The prime ministers may have had the feeling that they were choosing the cabinet ministers according to precise criteria corresponding to the great political problems of the moment. In fact, the latitude of choice was limited, as the retrospective analysis demonstrated clearly, by behaviours manifested a long time before (see note 2).

The Fourth Republic breaks down. The Fifth is installed, but the men of the Resistance are still placed in the commanding positions. At the moment when the de Gaullist republic is inaugurated, most of its leaders had already been potentially designated for the entire decade to come. Few exceptions can be noticed.

The preponderance of Resistants among the cabinet ministers declined as time passed, but remained impressive, even at the time of the presidency of Georges Pompidou, starting in 1969. It is only with the election of Valery Giscard d'Estaing, thirty years after the liberation, that the former Resistants ceased to dominate the political forum. Nonetheless, former Resistants were present at the head of the state under the presidency of F. Mitterrand.

Most of the deputies elected in 1946 were also former Resistants. Among the 1,112 deputies elected during the Fourth Republic, excluding those who were under the age of 21 in 1943, and those for whom there is no accurate information, more than 80 percent were former Resistants or prisoners of war (Dogan 1961: 86). The Resistants were numerous in all parties including the Communist Party, except the extreme right. [7]

The notion of a matrix of leaders takes here its full sociological meaning. The number of active Resistants in continental France could be estimated at about 200,000. That is one per cent of the twenty million men between the ages of twenty and seventy. It was among this infinite minority that were recruited 259 of 455 ministers during the quarter of a century which followed the Liberation. These 259 Resistants occupied the most important positions in government.

Who governed France between 1945 and 1969? An entirely new political elite, except the older politicians who survived to the Third Republic thanks to their participation in the Resistance. This new political class had no ties with the "capitalistic" circles, nor with the older State bureaucratic elites, nor with the old military establishment, nor even with

[7] Of the tiny minority of 37 cabinet ministers of the Fourth Republic who were not Resistants (many of whom had been too young in 1940-1944), four had been denounced for their collaboration with the German Occupiers after their appointment to the government: they were discovered too late. Among the ministers of the Fifth Republic, condemned for "collaboration" was Maurice Papon, whose trial had attracted the attention of the nation during weeks.

the religious elites. What emerged from the Liberation was a series of new ruling groups not only in the political sphere, but also in many other domains, particularly in the military ranks and the higher administration, and even among the cultural elites. Overnight a new political class was born from the Resistance movement. Such a spectacular phenomenon demonstrates that for the immense majority of the population, the Vichy regime (1940-44) was illegitimate, and also the absence of a ruling class at this historical turning point.

As already indicated, such drastic changes at the elite level have occurred in France in different forms many times. If at the apex of power, the replacement of elites is periodically so profound, why do some ideologues persist in talking about a perennial ruling class in France? They commit the conceptual error of assuming that a ruling class is not necessarily perennial.

18. The Momentous Disappearance of the Ruling Elites in a Deep Crisis Situation

A profound political crisis permits, as do clinical cases in medicine, to perceive in quasi-experimental conditions the consistence and behaviour of political elites. The crisis of May 1968 offered such a privileged clinical case to test the existence of a ruling class or the myth of such a class (Dogan 1984).

The crisis of May 1968 was not predicted by any sociological school or ideological faction. It fell from the sky, so to speak, on a nice spring day, on a country in full economic prosperity, which, during the previous ten years, had apparently solved all major political issues (constitutional reform, decolonisation, war in Algeria, financial consolidation and so on). Even a retrospective analysis cannot discern the faintest portent. "I had not forecast what happened," confessed the Prime Minster. This was a crisis without prophets.

But when the blow had fallen the crisis was covered by an immense literature: 1,200 books, essays and articles (not counting, obviously, the thousands of articles that appeared in magazines throughout the world). There is no need to describe here the several phases of this crisis. It is enough to say that between May 25-30, France was in a quasi-insurrectional climate. The workers occupied the factories. Work stopped everywhere, except among the purveyors of foodstuffs. Power was in the hands of the picketers and of the strike committees. Some observers compared the strikers to the Soviets. The country was completely paralysed, with more than 10 million people on strike; it was the largest general strike in modern times. The country was on the brink of collapsing into civil war.

Suppose for a moment that there was a ruling class at that moment in France. How would the most important actors have behaved? In one of my studies of this historical event, I designate de Gaulle as a "statue in clay" and the Prime Minister Pompidou as a "rock in the tempest." I have analysed the behaviour of the military chiefs, of the leaders of the Communist Party, of the leaders of the Leftist Union, of the leaders of the democratic left, of the leftist extreme groups and the intellectual elite. The main feature of the event was the panic of the powerful rulers and the panic around the power (Dogan 1984). The so-called ruling class, if it existed at that moment, disappeared, except for a small group of two dozen people at most, around the prime minister in the Matignon palace. Even de Gaulle himself fled Paris, looking to save himself by flying to the headquarters of the French army in Baden Baden. He asked his minister of the Interior the night before, "Can you guarantee me, Fouchet, can you really guarantee me that there is no possibility of the forces of order being overcome by the uprising? No possibility, no matter what might happen?" Fouchet confessed in his memoirs that the reply that he gave to de Gaulle was not a completely reassuring one, at which point de Gaulle decided to flee. On this crucial day, the man who had appeared to the masses as a charismatic leader (Dogan 1965) ten years before became the personification of the troubles. He confessed to Pompidou, "For the first time in my life, I faltered. I am not proud of myself." Pompidou, during a dramatic dialogue with de Gaulle, obtained the insertion of these few words in a declaration to the nation to be made a few minutes later on the radio: "I dissolve the National Assembly. Legislative elections will be held, unless some should seek to muzzle the whole French people by preventing it from expressing itself."

France avoided civil war thanks to the ability of the prime minister, surrounded only by a few faithful followers. What he had requested was the exclusion of a referendum-plebiscite conceived by de Gaulle, to be replaced by the elections of a new parliament in order regain legitimacy for the regime. In these dramatic circumstances, there was obviously no ruling class in France; only a small group of leaders. All of the other rulers remained silent or powerless; in particular, the chiefs of the Army, almost the entire higher State administration, and all "capitalistic" groups and organisations. Only the intellectuals spoke out at this moment when the absence of a ruling class was a blinding evidence. Their vociferation had no real impact. Finally, the people expressed themselves on election day by going to the ballots. There was not the smallest shadow of a ruling class on the horizon.

19. The Role of Associated Rivals

Political history is in normal times a history of rivalries between leaders. We know this since Machiavelli. Only in crisis situations do the masses become powerful actors. This seems to be true on a world-wide scale (Dogan and Higley 1999), but it is particularly visible in French history. The classical theories of Mosca and Pareto were formulated in large part in the Italian political context at the turn of the 19th century in a regime with restricted voting rights where rivalries between astute politicians flourished, recalling the behaviour of the Byzantine rulers.

The French sociologist François Bourricaud has concocted the notion of "associated rivals," arguing that in democratic regimes, when the number of actors is very small, as is the case at the apex of power, no one is able to impose his will durably on his rivals. Associated rivals are equals. To become the leader of the party one has to defeat one's rivals; to become a cabinet minister means eliminating several friends-competitors who want the same position. One has to face rivals-allies within the party as well as adversaries belonging to other parties. Intrigues are part of the game, which is more or less loyal, even if violence is excluded. Hundreds of examples come to mind in all democracies. The elimination from the Soviet Central Committee of rivals of the dictator is not an appropriate example, because the Soviet Union was not a polyarchy and because the principle of "democratic centralisation" has forbidden a real democratic competition. The notion of associated-rivals is pertinent only when democratic rules are respected both in the country and within the main organisations.

The competition takes various forms depending on the place where the game is played: in a closed milieu, in a large organisation or in an open scene among politicians. The associated-rivals can be easily recognised when the victory of one competitor can be obtained only at the prejudice of the rival, and by the fact that victory is uncertain, and never complete and definitive. Rivals are limiting reciprocally their power in a kind of unstable equilibrium. All polyarchies are based on competition in various domains — within and between political parties; within and between corporations; within and between parliamentary factions; within and between sports teams; within and between hungered academic and artistic circles.

Their personal relations are best marked by rivalries among equals. Rivalry is visible among the top state administrators and among the top managers. Only one person can be appointed general director of the budget, but dozens of persons may aspire to occupy this position. Only one among many can be chosen as governor of the Bank of France. The competitors may come from the same greenhouse, they may be good friends since their adolescence, they may have followed the same

pathways and may be equally competent and ambitious, but at the crucial moment when the Council of Ministers has to choose only one, all the others are the losers, at least momentarily. Given such rivalry, they are individualistic to the point of making difficult any collective solidarity, except, maybe, for the grand technocratic corps (*Mines, Ponts*), but much less for the administrative grands corps (*Inspection des Finances*, diplomacy). An individualistic competition is conceivable even within a ruling class, but in such a case the coherence of the class is strong enough.

This generalised competition, which sometimes takes ferocious forms, is the engine of most successful polyarchies and, because it undermines the cohesion of clusters of elites, is an efficient rampart against the risk of domination by a ruling class. Internal rivalries disaggregate the strongest rocks of class power.

20. The Republic of Mandarins

If, considering the empirical evidence and the testimonies presented in the previous pages, we concede that there is not a ruling class in France it remains to be explained how the political system functions. Obviously, such a centralized system within a macrocephalic country has steering centres and nevralgic nuclei, since otherwise it would lose its equilibrium, and would fall into a kind of social ataxia: that is, into non-coordinated movements. If we admit that a ruling class does not exist, we have to ask who is at the helm — who runs the system?

The most appropriate concept to explain the elite configuration in France is that of "mandarin." The word "mandarin" comes from the Sanskrit "mantrin," meaning state counsellor. This was the name given to the higher civil servants in the imperial China, particularly during the Sung and Ming dynasties. France is the only country which has a similar system for the selection of the senior officers of the public administration. Such a similarity raises an intriguing question for comparativists interested in asynchronic comparisons. Have the French rulers been inspired by the Chinese millenary institution of mandarinate, or have the two countries arrived independently, at different epochs, by different ways, in different social contexts, progressively and pragmatically to adopt analogous institutions? In the history of the French public bureaucracy there is no evidence of a Chinese influence, even if it is difficult to imagine that the French rulers of that time had not heard of the experience in imperial China. One argument in favour of the absence of Chinese influence is that the main feature of mandarinate, the recruitment of the state bureaucrats by scholarly examination, was adopted by Napoleon for a particular reason: he needed competent military engineers to replace the aristocratic monopoly. It is also important to note that the institution

of mandarinate as we know it today has matured during the last four decades. Its dominant position in the French political system is a recent phenomenon. The appellation "Republic of mandarins" would have been premature before the consolidation of the Fifth Republic. The main reason for this reinforcement of executive power is the election of the president by universal suffrage, to the detriment of parliament, provided by the constitution of the Fifth Republic.

The mandarins could be defined as senior executive officials recruited on the basis of merit demonstrated in competitive written examinations, conducted periodically in scholarly institutions in order to build a professional officialdom, a non-hereditary literary bureaucracy, enjoying the privilege of tenure. They were selected at an early age through an elitist school system, they have all started their careers at the service of the State in privileged positions; they have moved out of the public administration by becoming full-time professional politicians, or powerful managers of the largest corporations, or politicized executive directors of the State structure, hybrid personalities — half administrators, half politicians — above the neutral State apparatus, in the nevralgic knots of the most centralized political system among the Western democratic regimes.

Such a general definition needs to be adapted to the contemporary French realities. I give to the concept of mandarin a specific meaning. The French mandarins are high civil servants propelled to one of the following four positions: full-time high politicians, as cabinet ministers, leaders of a party or parliamentary chairmen; executive directors of important branches or departments of the high State administration (the appointment is made by a discretionary decision in the Council of Ministers); chief executive managers of the largest public corporations (also a discretionary decision); former high civil servants who become managers of private large enterprises without being owners of capital. The itinerary, as has been already noted, is always from the high public administration to the political hierarchy or to the apex of the economic technostructures and almost never in the opposite direction. The career of the mandarin contrasts with the trajectory of the elected politician — the parliamentarian — who follows a bottom-up cursus-honorum. To analyse the selection process of the mandarins three concepts are needed: greenhouse, springboard and grands corps, previously discussed.

To become a mandarin, one has to follow a cursus which offers few variations: preparatory school after the *baccalaureat* (age 18-19); entry in a *grande école* (age 18-19); emerging in the first squadron (age 22-24); co-optation in a *grand corps* (age 24-25); experience in a privileged position in the public administration (age 24-33): building a social capital in a ministerial antechamber (age 35-40); propulsion to a higher level of the

public administration or of the State technostructure (age 40-45); ascension to a directorship in the State hierarchy or to an executive position in the State technostructure or in a visible political position (age 45-50): recognition as a mandarin by positional, reputational, decisional or sociometric criteria (age 50).

These mandarins escape, simultaneously, the old Weberian conception of the neutral public bureaucracy, and the ruling class interpretations. At the highest level of decision-makers, a civil servant cannot be insensible to politics. On the contrary, even if he is not personally invested with political legitimacy, his duty is to evaluate the political consequence of the bureaucratic actions. The *mandarinat* does not constitute a kind of ruling class. None of the characteristics of such a class is applicable to them. They are not the heirs of the previous generations of rulers. They are a product of meritocracy. They are not related by intermarriage, because they tend to have married while still aspirants. It is true nevertheless that most of them know each other personally, that they are connected by multiple professional ties, that they meet in the most beautiful palaces of the Republic, and that they have built a precious social capital.

The Gaullists and the Right have also, in the exercise of power, constantly reinforced the role of the State and multiplied its interventions. B. Gournay is also explicit: "it is true that the higher civil servants are relatively favourable to a political and social system which is semi-public, semi-private, and to highly centralised interventions of the State. It is true that in defending this system, they are reinforcing their own positions. Who would want to destroy this system? Certainly not the men who have succeeded in the governments of the Fifth Republic" (Gournay 1964: 231).

Limiting the uppermost strata of the state bureaucracy, which is the matrix of mandarins, to a few hundred people we leave aside the majority of high civil servants "about the scale," themselves already a privileged category representing less than the top one percent of the entire French civil service. We are looking at the summit of power with a magnifying glass. The mandarins are a super elite of hybrid personalities, half political, half administrative, recruited all among the superior ranks of the civil service but who have become powerful politicians or top managers of the Stateist economic technocracy, or top executives of State central administrations. Their positions are not interchangeable like in a ruling class model, since the jumping occurs only in one direction, from the administrative hierarchy to the head of the political pyramid or to the summit of big corporations. Most of the 2,000 or so higher bureaucrats, for the most part *enarques*, or members of the technocratic corps, cannot be considered as mandarins.

For some observers, a new nomenklatura becomes theoretically possible "when the autonomy of the economy has been so reduced or suppressed that it has become marginal... Suppose the existence of a nomenklatura, a society where the scale of incomes and of all material, cultural and moral advantages coincide, point by point, with the hierarchy of political and bureaucratic positions. Such a fusion implies full socialism, economics being absorbed forever by politics, an ultimate stage which France is obviously not ready to reach" (Revel 1992: 136).

Paradoxically, conservative State managers have become the main beneficiaries of the nationalisation of many private and large enterprises, in spite of the fact that in most cases the nationalisation was initiated by the Leftist parties. Their position as mandarins at the head of these corporations are similar, from many points of view, to the role played before nationalisation by the capitalist owners. The recent denationalisation of many enterprises has not deprived the mandarins of their dominant role: they still manage them, because the State has conserved a minor part of the capital, which is nevertheless sufficient to insure the maintenance of these mandarins in commanding positions. Here we have a striking analogy with the nomenklatura described by Michael Voslenskii: "the new class starts with the takeover of power in the economic field. It is not the class of proprietors. It is the class of administrators" (p. 100-101). No doubt, the mandarins have become the accomplices of the hypertrophy of the State. They are the ones who profit the most from the growth of the government. Their own interest is to maintain a mixed economy; that is, a strong State with a partially free market. This is the condition of their own autonomy.

In some governments, two of every three ministers were former high civil servants. That was the case in the governments directed by de Gaulle, Debré, Messmer, Chirac and Barre. On the whole, between 1958 and 2002, half of the ministers and secretaries of State were recruited from the public administration, even during the Socialist phase. In no contemporary Western country has the dominance of high civil servants reached such a level. It is necessary to go far back into the past to find a similar phenomenon, to Metternich, who did not pretend to run a democratic regime.

The mandarin dominance has been extended to political parties. At the highest levels of the hierarchy we see people who since their adolescence have always lived *from* and *for* the State: first as beneficiaries of State scholarships; later as young civil servants who have succeeded in climbing the ladder of the State apparatus, of the political hierarchy and even of the economic technostructure.

It would be useful to illustrate these comments with a series of portraits of mandarins. Only one is given here, a self-portrait painted in the shades of Rembrandt:

> I am, for my part, a full product of the State technostructure and my appointment to the head of this nationalised enterprise is a typical example of a process of selection of para-public managers from the pool of the political-administrative class. My career is nothing extraordinary. I graduated from a great school in a good position, I naturally entered the civil service… There I made my apprenticeship in the State *grand corps*, and then, by the chance of relationships and friendships and mainly by the vigilance of my corps, and its will to see itself represented in the greatest possible number of ministerial staffs, I was propelled into the service of several cabinet ministers… From time to time I returned to my original administration in order to climb the scale. My age and my career encouraged me to nourish new ambitions. In 1981, I started to look elsewhere (Pierre Dupont Gabriel 1985: 19-20, *L'Etat-patron, c'est moi*, pseudonym of the manager of one of he largest public corporations).

Nothing is missing. Make four or five hundred copies of this painting in various sizes, reserving a place of honour to the mandarins appointed directly by the Council of Ministers. Retouch each one according to its prestige, power, income and privilege, and you will have a representative gallery of mandarins, nourished by Stateism, with a mixed economy being their preferred territory.

The mandarins are conscious of being privileged persons. They certainly justify their position by their merit, and not by the class system. A ruling class is a perennial institution, but most of mandarins, in spite of their tenure as civil servants, occupy their position for only a few years. In most cases, they have to change their strategic position according to political alternations. The election of a new president or a change of government following a reversal of the parliamentary majority may involve dozens of permutations of posts. Such vulnerability is not a trait of a ruling class. [8]

21. Concluding Remarks

"It is fallacious to assume that the absence of political equality proves the existence of a ruling elite" (Dahl 1958). French society is obviously an inegalitarian society from multiple points of view, as all societies that have ever existed in time and space. The degree of inequality is the crux of the sociological research, which has already built a high mountain of books.

[8] When the national budget was discussed by the National Assembly on November 7, 2002, several deputies proposed the reduction by half of the subvention assigned to the ENA, "in view of its suppression in 2004." The proposition was not accepted, but reflects the hostility, within the political elites, against this institution.

In older times, the ecclesiastical hierarchy has tried to justify it. Rebellious people have tried periodically to denounce the myths and to oppose them, but the structural and functional inequality is still with us, and no one has ever succeeded in implementing a lasting alternative solution. Such inequality is generated by the convergence between many differentiated interests. There is no empirical evidence that it has been conceived by a unified conspiratorial ruling class.

The best-known theories advocating the existence of a ruling elite, for instance, C. Wright Mills in his theory of "power elite" and more recently C.W. Domhoff and Th. Dye, insist since Marx on the "collusion" between capitalists and other elites. These theories deal with the United States, but similar theories have been presented in France, Britain, Italy and other European countries, as well as some Latin-American countries.

The thesis of a collusion between politicians and the military-industrial complex — which may have had a grain of truth for the period observed by C. Wright Mills during the cold war — has no real significance in French history. The military elite has been somewhat isolated and subordinated to the political power since the beginning of the 20th century.

The hypothesis of a ruling class in contemporary France is not validated by the empirical evidence available, because the various types of elites are not only separated in terms of recruitment, itinerary, professionalization, role and functions, but, as I have tried to document, solid barriers are erected between some of these elite categories, in particular, between owners of capital and political elites.

The interpenetration of various elite categories reveals many characteristics of the political system. For instance, the promotion of businessmen to governmental functions, as in the United States and Japan explains some aspects of the history of these countries. The presence of military officers in the circles of power could not avoid having political consequences, as seen in dozens of countries around the world. When union leaders are promoted to parliament and to executive power, as in Sweden and Norway or in Britain during the Labour government, they may have some impact on policy. In France, in older times, the landed aristocracy was the principal greenhouse of politicians. The bar followed for some time, before the arrival of the teaching profession and of the mandarins.

The French elite configuration is characterized by the interpenetration of three categories at the highest level: a significant number of higher State administrators, executive managers heading the largest public corporations, and of powerful politicians. Such an interpenetration should not be confounded with interchangeability, because the move is only one way: from the administrative summit to the political summit and to the economic summit, and almost never in the opposite direction. Over the period of a

decade, the number of persons involved in such a circulation could be evaluated at several hundreds, constituting moving networks rather than a "political class."

Everywhere the selection of rulers is an ineluctable necessity. But the method of selection can vary. The specificity of the elite configuration in France appears more clearly in a comparative perspective; an overview has been presented in the Introduction to this book.

France has a *sui generis* interlock at the summit, the *mandarinat*, but which has to be attributed in large part to the presidential systems adopted in 1958-62.

Most of the theorists who advocate that a ruling class does exist in France are clouded by the conjunction of a series of characteristics and institutions:

- a very strong centralisation of the State;
- the social inequalities, which are not deeper than in other neighbouring countries, but which seem to be resented more vividly;
- the distrust accumulated in the collective memory and generated by older regimes;
- the hyper-presidential system adopted in 1958-62, which does not provide sufficient checks and balances;
- the dysfunctions in the real working of many administrative bodies, which are ubiquitous in most countries in the world, but which are in this country less tolerated than elsewhere.

Many other reasons could be added in order to explain the persistent perception in some social strata of the image of a coherent ruling class. This analytical essay has a limited scope, i.e., to validate or invalidate the thesis of a ruling class. The image of such a class would be a more ambitious discourse on the game of mirrors between reality and myth, which could remain a tale to be told another time.

The empirical evidence, presented in preceding pages invalidates the thesis of the existence of a ruling class in France: the vertical social mobility toward the summits of the society is substantial; most of the highest positions in the social-political system are not transmitted by heredity; the degree of professionalization of the elite categories makes difficult or impossible the older interchangeability of functions; there is a deep fracture in the elite configuration between the owners of capital and the other elites, precisely where the advocates of an existence of a ruling class would expect to see a cemented fusion. The masters of yesterday did not generate the rulers of today, and the subordinate masses of the former generations are replaced today by a majority of middle classes, from which are recruited a large variety of elites.

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The Structure of the German Elites across Regime Changes

ERWIN K. SCHEUCH

The turbulence of German history during the processes of modernization invites a closer look at the relation between regime changes and elite structures. The following changes are specifically considered: 1918/1920, 1930/1936, 1945/1953, 1989/1992. These time periods mark changes mostly in the political and politically related (media, military) elites — and even there repredominantly only at the top level. Responses to regime changes of the elites in the economic sector, the high levels in administrations, as well as the cultural and academic elites are at these times rather incremental, continual.

In these sectors the corporatist structure of the German society provides support against demands for change to fit a new political situation. However, substantial social changes induced by regime changes do lead to changes in these latter sectors as well, although retarded — yet sometimes also in advance of changes in the polity.

The non-synchronous nature of changes in elite sectors will be demonstrated in some detail leading up to the question: will the structural characteristics of corporatist Germany with its sectoral elites and their interlocks remain in an age of increasing internationalization — perhaps even globalization.

(1) The disappearance of an establishment after the demise of the Kaiserreich
(2) Recruitment of elites during the interbellum period
(3) Elite changes after denazification in the Bundesrepublik
(4) Elite Structure after Unification
(5) Two Key Elites: Political and Economic
(6) The Network Structure of Influence
(7) The Top Elite and the media now

The Disappearance of an Establishment after the Demise of the Kaiserreich

Currently, Germany does not have an "establishment" — if we mean by this term a top elite with a largely homogeneous outlook on life, quite similar cultural standards, a limited pool from which members are recruited, and comparabel career lines. There are some indications that an establishment may again be in the making, but so far the last time this country had a "leading" elite to which persons at the top of influence either belonged or tried to emulate it, was the period beginning around 1870, and ending in 1918.

This establishment set Germany apart from its neighbours as it was dominated by an aristocracy at odds with the changes in the economy and in society-at-large. While these changes were closing the gap in modernity compared with Germany's Western neighbours, the establishment could be characterized as anti-modern elites in a modernizing country. The dominating elites were those of Prussia, as the founding of the 2nd Reich in 1870 was not really a unification of Germany but an enlargement of Prussia. Central for the establishment of Prussia was not just the nobility but a nobility based on large estates east of the Elbe. There were two occupational preserves for the East Elbian "landed gentry" aristocracy, called the Prussian "Junkers": the higher ranks of the military, and the top positions in the civil service. While legal restrictions against the advancement of commoners to officer positions were loosening during the 19th century, the barriers in the civil service remained quite effective. 1903 30% of the applicants for promotion to an officer's rank were the sons of high civil servants, and 22% originated from the owners of large estates (Berghahn 1987).

At the time of World War One 70% of the members of the German General Staff were of aristocratic descent (Derlien 1986, pp. 39-44). The interpenetration of the landed gentry, the high officier's corps and the top civil service in Imperial Germany was not unlike the bonds between the landed Gentry and the military elite in other countries, e.g. Britain.

The establishment character of the elites in the administration, the military, and political elites was reinforced by legal rules of exclusion and inclusion. Until 1953 the high ranks in the civil service were reserved for applicants with two law degrees (i.e. qualified to practice as an attorney or a judge), regardless of the branch of the civil service, making for a homogeneity of academic experiences. Until the closing days of the Kaiserreich Jews and Catholics were barred from posts in the higer civil service, including appointments as tenured

professors (Goyau 1922).[1] This system of interpenetrating elites was flanked by an electoral "system censitaire" (Dreiklassenwahlrecht), that gave the wealthy bourgeosie in effect control over policy (Vollrath 1931).

The emerging elites especially in business tended to emulate this establishment with a militarized Landed Gentry as its core (Zapf 1965). Captains of industry such as the steel makers Krupp in the Ruhr-District, and Röchling on the Sarre ran their economic empires like a feudal estate — complete with company festivals, welfare provisions and surveillance of worker's conformity to puritan standards (Stearns 1972, pp. 320-342). Max Weber pointed to the tendency of a "self-feudalisation" of the captains of industry and finance by way of buying estates in the Eastern parts of Germany in order to acquire a social standing for which mere economic success did not suffice (Weber 1952, pp. 431-452).[2] To be nobilitated was the ultimate seal of acceptance for commoners successful in the economy and in High Culture.

Of course, counter elites were surviving and also emerging that were not willing to fit into this pattern. Germany was and is a federalistic society without a "real" capital. Those successful in business, science, administration and High Culture in Southern Germany and the Rhinelands, a largely self-taught leadership in the working class movement, and the Catholic intelligentsia were slowly gaining in influence (Weber 1952, pp. 431-452). Since around 1983 the percentage of Reichstags-deputies with nobility status declined slowly, as is true also for those who were at one time or another high ranking civil servants, and correspondingly the share of functionaries in voluntary associations rose. However, until the loss of Word War One the establishment character of the ruling stratum — although eroding — remained. Since 1912 the changes in the composition of sectoral elites accelerated significantly in response to rapid changes in the social structure of the country (Best in: Best 1989, pp. 185-200).

There is one additional feature of the German ruling stratum that needs to be added to the picture sketched here: the place of civil servants in decision making — especially in politics. Already in the first German parliament, the "Paulskirche" of the ultimately unsuccessful revolution of 1848/49, civil servants were the numerically dominant group: 52 percent.

Higher level civil servants (19.6%) and estate owners (6.6%) were until 1918 largely tantamount to nobility status. The other important message

[1] The Archbishops Melchers of Cologne and Ledochowski of Posnam were in 1874 the last high ranking representatives of the Catholic Church to be jailed by a German government.

[2] Max Weber's empirical investigations of the agrarian conditions in the heartland of Prussia are considered the best source for the feudalistic milieu prevailing there.

of an analysis of the Paulskirchen deputies is the dominance of a university training in law — and until after World War Two this remained a characteristic of the personnel in politics. This dominance of a legalistic training is a key to understand the way in which a significant part of the elite framed its understanding of the political process (Best 1990, p. 59).

As Germany was a late-comer in its modernization compared to England, the establishment gave priority to catching up in key areas — via a sort of what we call today public-private-partnership. Two key areas were finance and the coal & steel industries. Government policy encouraged the very opposite what banking policy was in the USA at the time, namely the creation of big banks with no restriction in the scope of their business (Universal Banken), and big insurances. For business in general the establishment policy in the Kaiserreich was to encourage cartels rather than markets, and to favor the development of trusts (Scheuch and Scheuch 2001, p. 28f.). The establishment coopted only a few business leaders — such as Emil Rathenau (AEG), Werner von Siemens (Siemens & Halske), Georg von Siemens (Deutsche Bank) and Alfred Krupp (Krupp steelworks). However, business leaders in general remained outside the establishment of the Kaiserreich, and had to exert influence by means of interest associations (Sheehan 1984, pp. 3-26) (Sheehan 1978). These policies in Imperial Germany had a lasting influence later on the structure of the elite-system in Weimar, and for what among economists is derogatorily called "Germany Inc." ("Deutschland AG") in the Federal Republic.

All European societies had to manage the transition from the corporatist structure of the late medieval societies to the contemporary nation state. The national characteristics of Western European states are largely the consequence of differences in accomplishing this. The one extreme is — in theory — the French Republic at the time of the Great Revolution where presumably all the institutions intervening between the central political authority and the citoyen were thought to be crushed. Germany retained all corporations, and even adding new one's. Thus, the public health insurance is a conglomerate of insurances based on occupations, with the most general one (Allgemeine Ortskrankenkasse/AOK) being administered jointly by managers from business and unions. Certificates for the distribution of industrial goods were issued by the private association DIN whose licenses have legal quality. Characteristic for this corporatist structure is the delegation of authority from the state to the corporations (Schmitter and Lehmbruch (eds.) 1979).[3] The feudalistic

[3] The "classical" source on corporatism is Philippe C. Schmitter and G. Lehmbruch (eds.) 1979, *Trends Towards Corporatist Intermediation*. Beverly Hills. For an application of this notion to politics in Germany consult (Conradt 1993, pp. 183-288).

minded establishment of Imperial Germany considered a society based on corporations as building blocks a guarantee for social and political stability, against the emergence of a mass society of footloose individuals. At the time of Imperial Germany this societal policy had a negligible impact on its national elites, but in later periods it influenced fundamentally the continuity in the structure of the elites in Germany despite four regime changes.

A lost war very often shatters the legitimacy of a regime, and especially in the case of Germany as the political and social system had already become contested. One of the most influential German historians, Fritz Fischer, maintains, however, that this change of the political system from the Kaiserreich to the Weimar Republic had little influence on the structure of the elite. "The influence of the traditional elites, the alliance of elites in the economy, society, the administration, in the judicial system, and the armed forces remained intact in the Weimar Republic… This alliance between these dissimilar partners led to the Third Reich and permitted a second attempt of Germany to attain the status of a world power" (Fischer 1979, p. 92). We not only disagree with this view, but consider it grossly misleading: It was the very fragmentation of the elite that enabled Hitler to attain power by appointment.

It is true: Germany became a republic by mere coup d'Etat, however, this being met with widespread acceptance. The Kaiser and his entrourage fled the country, and the Establishment fractionated. For two years after the cease fire of 1918 a revolution remained a possibility, but by around 1920 emerged an uneasy coexistence of groups contesting each others influence on the polity.

Restructuring of Elites during the Interbellum Period

A large part of the sectoral elites that were influential already in the Kaiserreich, continued to be important. This is especially true for the military leadership, the higher civil service, and the leadership of large companies, as well as the important financial institutions. The weight of the aristocracy and the nobility in general had declined with the regime-change to a republic, and because the re-establishment of Poland where the agricultural base of the former "Junkers" had been located. The most important changes could be observed in the political elites: The two political camps that in the Kaiserreich were looked upon as enemies of the state — the Social Democrats (SPD) and the Catholic Center Party (Zentrum) — became the key supporters for parliamentary governments in Weimar. The social structure of the intelligentia broadened, and in addition to the SPD the republican liberal parties Deutsche Demokratische Partei (DDP) and Deutsche Volkspartei (DVP) served to integrate leading

figures from this milieu into the Republic (Zapf 1965).[4] At the same time as the number of sectoral elites that mattered increased, the regional balance in the composition of the elite in general shifted to the Western and Southern parts of Germany.

The result of this mix between continuity and change was a high degree of segmentation (Best 1992, p. 197, fn 54). Contrary to the developments later in the Federal Republic there was less general interlocking than is traditional in Germany, given the strong corporatism there. The short span of life of the Weimar Republic was responsible for this. Add to this a bitter ideological shism in responding to the political system of Weimar and the social changes occurring at the time. "Thus, in a society such as the German one of 1920-1940, several types of authoritarian political systems might have been compatible with the same stratification system and system of major cleavages; a stable democracy was not compatible" (Scheuch 1988, p. 52).

A correspondence analysis of Reichstags-deputies and their support in the voting public revealed three major clusters in 1928. A "clerical cluster" had its strongest representation with catholics, and in Bavaria; a "liberal/conservative cluster" was strongest with those not part of the work force; and a "left cluster" with most of its supporters among the gainfully-employed. The National-Socialists (NSDAP) obtained in the 1928 Reichstag elections only 2.6% of the vote (the Communist polled 10.6%), and remained until 1930 a mere noisy splinter group (Best 1989, p. 210).

In retrospect it is surprising that the SPD-Zentrum-DDP-DVP coalitions were able to keep a liberal political regime alive for so long, given major burdens: the quite foolish peace treaties of Versailles, Trianon, and Sévres, plus major changes in the stratification system, including in 1923 a world-record inflation wiping out a large part of the traditional middle class. Then "Black Friday" (October 25, 1929) on Wall Street triggered a global crisis of the economies — the "Great Depression" — which in Germany caused unemployment to rise up to 18%. On March 27, 1930 the resignation of Chancellor Hermann Müller (SPD) put an end to parliamentary democracy in the Weimar Republic. From then on until the appointment of Hitler on January 30, 1933 the country was governed by emergency decrees issued by appointees of President Hindenburg. Nearly three years of a moderately autocratic regime with intermittent outbursts of street fighting, largely between Communists and Nazis, followed. A feeling of helplessness prevailed among the elites.

As the policy of economic austerity by interim chancellor Heinrich Brüning was unsuccessful, and in view of an overnight increase of the

[4] Op. cit., especially section II.

Nazi-vote in the elections of June 1932 to 37.4% (the Communists polled 14.5%), circles around von Hindenburg, such as the "Herrenclub," pondered ways to integrate Hitler and the National-Socialists into the political system. Even though in the elections of November 1932 the Nazi vote had already declined (and the Communist increased), the former Hindenburg-appointee von Papen managed in a conspiratorical way within a few weeks to engineer a consent with the media mogul Alfred Hugenberg and banker von Schröder to have Hitler appointed Chancellor on January 30, 1933 (Hentschel 1980). By surrounding him and two further Nazi ministers with a cabinet of eight Conservatives, the propagators of this appointment expected to have at last one of the revolutionary threats under control.

While the details of this conspiracy, and Hitler's final seizure of power by around 1936, are of primary interest to historians, some features are of general interest for an understanding of structural properties of the elite level of German society. In addition to the dominance of an embeddedness in corporatist groupings, and fragmentation as a consequence, there is always a felt need to compensate this through groupings bridging the boundaries of corporatism. In the Kaiserreich, the guidance provided by the Junkercaste served this purpose for the establisment-minded parts of the elite, and for the Catholics associations as the Görres-Gesellschaft. During most of the 19th century the liberal elements of the German bourgeosie met across occupational divides in "Lesegesellschaften" (Scheuch in: Best (ed.) 1993, pp. 119-142 and 143-207).[5] In times of crises and/or blokade such groupings with often a very limited number of followers can temporarily exert a decisive influence — as was the case with the intrigues leading to the appointment of Hitler as chancellor. While majorities in the elites had looked down upon Hitler, there was a widerspread consensus that something had to be done — but complete dissent as to what this should be. This is and has been at least in Germany the moment for determined minorities to realize their ideas.[6] Hitler as a possible solution

[5] Scheuch, Erwin K. 1993. "Vereine als Teil der Privatgesellschaft" and Otto Dann: "Vereinsbildung in Deutschlands historischer Perspektive," both in Heinrich Best (ed.): *Vereine in Deutschland*. Bonn, pp. 119-142 and 143-207.

[6] The revolutionary law changing the structure of the German academic system, the "Hochschulrahmengesetz" of December 12, 1974, is a case in point. A very small group of left educators wanted to combine the transition from an elite system to a system of mass education with a change in the decision structure analogous to the rule of Codetermination in industry. When the majority of the deputies passed a proposal in this vein, they did not even know the text they were approving, but they did want the issue to go away. The very same is true for the legislation in 1990 structuring the process of reunification, the "Einigungsvertrag."

in a situation of blockage was all the more accepted as he was not really taken serious but viewed as a mere stop gap. [7]

In 1924 the extremely conservative and anti-democratic political philosopher Moeller van den Bruck had founded in Berlin the "Deutsche Klub," later led by H. von Gleichen. The professed goal of the club was to establish personal links between the aristocracy, leading figures in the economy and academia, top bureaucrats and top influentials in politics. The Deutsche Klub/"Herrenklub" enabled then von Papen to reach a rapid consensus across the sectoral divisions among a small part of the elite to try the experiment of coopting Hitler into the political class.

Hitler had always professed to be a revolutionary, and in his goals he certainly was — but for a while much less so in his modus operandi. The burning of the Reichstag on 27/28 of February 1933 by arson through an unknown perpetrator gave Hitler the opportunity to conjure the danger of a communist insurrection, and obtain a large majority in the Reichstag for suspending the constitution and bestowing him with dictatorial powers ("Ermächtigungsgesetz"). Already in March 1933 the strongest political opponents were incarcerated in the new concentration camps — around 25 000 persons, — and antisemitism became the official governmental policy. However, in both instances for several years the repressions were selectively practiced. Early in July 1933 the French Ambassador André Francois-Poncet reported to Paris: "Adolf Hitler has won the game, and he won the game with little effort: All he needed to do was to puff — and the edifice of German politics collapsed like a house of cards" (Wollstein 2001).

In order to win respectability Hitler sacrificed in part his private civil war militia, the hooligan elements in the SA. Maintaining a Putsch by the SA, Hitler had their leadership of about 200 persons murdered on June 30, 1934. Quite correctly, Hitler diagnosed that a large part of the sectoral elites did not trust him, and consequently he kept emphasizing that he attained power in a completely legal fashion, that he respected the law, and tried to avoid in general head on collisions with the larger parts of the sectoral elites, opting for a stepwise enlargement of power (Jasper 1988). The elites in Germany were not adventurous and preferred predictability, and until 1936 the regime left room for wishful thinking in this direction.

[7] The economic views that Hitler propagated befor his appointment e.g., the "Freiwirtschaftslehre" of the obscure theoretician of the left Silvio Gesell, were ludicrous in the extreme. After his appointment as chancellor, Hitler just ditched these views and accepted the advice to conduct a Keynesian easy money policy. Part of Hitlers success in gaining complete control by around 1936 was his opportunism in very many areas — such as his handing over the secular primary school system of Weimar over to the churches in 1933.

In Weimar political parties adhering to systematic political ideologies since the mid twenties increasingly tried to penetrate corporate boundaries, and by far the most successful in attempting this were the National Socialists (Best 1989, pp. 218f.). Upon attaining power, the politisation of all realms of society became the official policy. In mass communication and in the network of voluntary association the government had zero tolerance for open dissent. However, with the elites in general the Nazis preferred penetration to wholesale replacement: As many Nazis as possible were to be infiltrated into the sectoral elites.

The result of this policy of penetration was quite uneven by sector: It is estimated that around 80% of the top clergy in the protestant church were in favor of the national socialist ideology, while the catholic clergy was largely immune (Besier 2001). The civil service was deeply penetrated through a melange of opportunism by office holders, and by party patronage. In communication as well as in the arts and in intellectual life there was a large loss of talent due to emigration, while those remaining became either protegés of the regime or had to lie low. Until 1936 the Nazi regime avoided a confrontation with the leadership in business.

By 1936 the Nazis had achieved a true monopoly of political power and felt strong enough for head-on collisions also with big business. Collision no. 1 was the declaration that drafts issued to finance the deficit spending policy since 1933 (the Mefo-Wechsel) would not be honored. Collision no. 2 was the insistence that low grade iron ore was to be processed regardless of cost. When industry declined the government developed a network of state-owned firms, the "Hermann Göring Werke." Fearful that the government would go still further in the direction of a "state capitalism," industry decided to go along and participate in the spoils of a policy of rapid rearmament (Petzina 1969, p. 105). Göring appointed top managers of the chemical near-monopolist IG Farben in his Hermann-Göring-Werke, and IG Farben in turn adjusted its personnel policy to the wishes of the Nazi party. Collision no. 3 in the very same year was the introduction of a "Four Years Plan" as the stearing instrument for all of the economy. The economy was devided into sectors, each with a Nazi appointee at the head. Each larger firm within a sector was assigned production goals, and was allotted the material deemed necessary. Prices were controlled, cost had to be calculated according to a binding government scheme; but ownerhip remained private with its meaning being reduced to the organisation of the work, and the right to add a 6% profit to the cost calculated by using a standard government accounting scheme for cost prices, later the

LSÖ (Riedel 1973).[8] This was a rather ingenious form of expropriation by reducing capital owners to the status of rent collectors — but business went along. It was not necessary for the Nazis to change the elites of business, they could be bought![9]

An even stronger case for this is the reaction of the German business elite to the program of forced sales of companies owned by Jews. If a jewish family wanted to emigrate after 1936, and it owned substantial property, state permission to leave the country was granted provided the property was sold to an "Aryan." It was usual to exploit this situation in offering cut rate prices to the Jewish seller. Taking advantage of the desperate situation of well-to-do Jews was by no way limited to businessmen with Nazi connections. This program of "Arisierung" strengthened the position of the Hitler-Regime in the business community at large.

In retrospect is is clear that the regime was less concerned with its current standing with one or the other of the sectoral elites than with the popularity of its policies with the general public (Kershaw 1988, p. 125ff.). A major instance was the reaction to the "Reichskristallnacht" during the night of November 9 to 10, 1938. On November 7 a young jew had assassinated a minor German diplomat in the Paris Embassy. The day after his death the street fighters of the NSDAP, the SA, staged a rampage against Jews. More than 200 Synagoges were burnt to the ground, 7500 stores and offices of Jewish owners were looted, and 91 Jews were murdered (Allen in Peukert and Reulecke (eds.) 1981, p. 397). The report of the underground organization of the social democrats to the headquarter of the SPD-in-exile in London read: "Since the Third Reich took power, there has never been such a unanimous and open rejection of the methods of the national socialists" (Deutschlandberichte der SPD 1980, p. 1352). The official files of the German Government agreed with this evaluation of reactions both in the population and among the elites, and the action which was to test the readiness to support a violent purging of jews was discontinued immediately (Allen, op. cit. p. 409).[10]

[8] LSÖ is the abbreviation for "Leitsätze für die Preisermittlung aufgrund der Selbstkosen bei Leistungen für öffentliche Auftraggeber" of November 15, 1938, replacing the earlier LSP. Both were accounting schemes which had to be followed in calculating a cost price in submitting a bid or in seeking a contract with a public body, and in the final accounting. The successful bidder/contractor was allowed to add 6% to the cost price as his profit.

[9] Of course, there were also ideological Nazis in the business elite, and they were preferentally rewared. An example of this was the CEO of Germany's largest cigarette factory, Philipp Fürchtegott Reemtsma. As an ardent Nazi, running around in the uniform of an SA officer, he was later awarded the monopoly contract to supply the German troops fighting in Russia with his cigarettes.

[10] This may have been to the detriment of the jews in Europe as the Nazi leadership concluded that in eradicating jews methods needed to be worked out that involved as

Already in 1934 the Nazi government had passed a program of euthanasia, requiring the sterilisation of those "unfit to breed." Euthanasia on a by far larger scale was ordered in September 1939, decreeing the "merci killing" of all those presumed incurably ill. When this pogram for mass murder became known, violent protests arose in the population, and they were backed by such institutions as the Christian churches. This caused the program to be continued under a cover, and ultimately to be terminated by an order of Hitler two years after its inception. By that time approximately 100 000 humans had been murdered in this program — by far most of them clandestinely (Lutzius 1987).

It is an indication of the importance that the regime attributed to the evaluation of its actions in the general public that Goebbels looked for measuring instruments with the kind of information that at hat time "Gallup Polls" provided in the USA. Finally, something akin to "Mass Observation" in England was institutionalized — a combination of eavesdropping to conversations in public place, unsystematic interviews, analyzing private letters and collecting jokes. SS-Standartenführer Ohlendorf was in 1938 entrusted with developing this service. His "Meldungen aus dem Reich" provided a by-and-large correct description of the mood of the country, and this caused them to be discontinued in June 1943 by order of Goebbels. Since 1942 the reports had become ever gloomier, and that was not the kind of information which the Nazi leadership could put to use (Boberach (ed.) 1965).

Of course there remained some resistance in all parts of the elite in a concealed manner. And there were around forty attempts to assassinate Hitler, — most of these as acts of individuals. The most important attempts by groups of conspirators were five incidents in 1943 and 1944 — the most significant one occurring in July 20, 1944. All of these latter conspiratorial attempts were carried out by high ranking officiers of aristocratic origin who had planned these assassinations as the start of a regime change. Some of these assassination attempts came very close to succeeding, despite the fact that none of the conspirations had support from outside the country (Lill and Oberreuter (eds.) 1984).

Developments in academia offer an inside view of how a corporatist social structure reacts to an attempt from outside to impose loyalty to a

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few executioners as possible. Cf. William Sheridan Allen 1981, op. cit., p. 409. And indeed such procedures were developed: in the 14 months prior to the opening of the first "holocaust camp," the special forces "Einsatzgruppen" murdered nearly 2 million jews with "conventional" methods on the territory of the USSR, although at any one time no more than 3000 executioners were acting (Dawidowicz 1976, pp. 167-171). Jens Albers (University of Constance) calculated the number of SS — Members involved in killing by cyanide gas around four million jews in the death camps at a mere 5000 persons.

totalitarian regime. Shortly after the takeover in 1933 there was a massive exodus of senior professors from German universities. Contracts of Jewish professors were cancelled by law, and dissenting voices colliding with the official ideology of the NSdAP — in so far as it was spelled out — had to be silenced. In sociology this meant that positions had to be vacated, or that the emphasis of a scholar's work had to shift to other fields. An example is the at that time most prominent sociologist in Germany, von Wiese, who from 1933 on taught only the history of economic doctrines. Only the group around Hans Freyer in Leipzig tried to develop something called "German Sociology." Yet in spite of the ideological enmity between professors e.g. in the School of Economics and Social Science at the University of Cologne. there was not a single case of denunciation before 1945, or of public attacks after 1945. The bonds of professional loyalties were stronger than commitments to political ideologies. And the norm of professional loyalty was also in most cases a sufficient deterrent against the temptations of being bought (Scheuch 2001, pp. 113-168).

Whether this resistance to outside pressure would have stood the test of time has to remain open. The Nazis did begin to build up a counter elite with the SS, and a system of elite party schools ("Ordensburgen," Napola's) committed to the ideology of the system: "A new social order in which class conflict and ideological cleavages would disappear and be replaced by a sense of national solidarity and by a commitment on the part of every individual to put the interests of the nation before self — Gemeinnutz vor Eigennutz" (Noakes and Pridham 1984, p. 376). However, the regime had merely six years of quasi-peace, followed by six years of an increasingly burdensome war — in any case there was no time to restructure a system.

Elite Change after "Denazification" in the Bundesrepublik

In their plans for a new Germany after the end of World War II the Allies were determined to eradicate national socialism, and as a central element of this policy they devised a program for "denazification." In December 1944 law no. 5 of the Military Government for Germany listed 52 organisations and offices that were declared illegal "in order to end the regime of lawlessnes, terror, and inhumanity" (Gerhardt in: Gerhardt and Mochmann (eds.) 1992, p. 28f.). Directive JCS 1067 of the Joint Chiefs of Staff of the US High Command read: "All members of the Nazi party who have been more than nominal participants in its activities, all active supporters of Nazism or militarism, and all other persons hostile to allied purposes will be removed and excluded from public office and from positions of importance in quasi-public and private enterprises (Merritt 1995, pp. 180-181)."

By the end of 1945 around 100 000 officials of the Nazi party had been interned in US camps alone. Following the four power agreement "Allied Control Council Directive" no. 24 of January 12, 1946, all Germans were to be sorted into one of five categories: Class I major offenders, Class II offenders (activists, militarists, profiteers), Class III lesser offenders, Class IV followers, Class V exonerated. 545 tribunals ("Spruchkammern") were instituted, employing 22 000 persons in all four zones of occupation (Friedrich 1948, pp. 253-275). In the end, 12 000 000 Germans had been checked, at first 1 500 000 persons were removed from their offices, and a number of large corporations were split into smaller parts — notably the largest banks, and the chemistry giant IG Farben (Scheuch and Scheuch 2001, pp. 37ff.). Finally, 25 000 persons, many of them in elitist positions, were classified as major offenders (Plischke 1947, pp. 807-827) — all of this in addition to the well known Nuremberg — Trials between November 20, 1945 and October 1, 1946 of the 22 top figures of the Nazi system.

The unity between the four Allies was a condition for a program of coordinated elite change, and this agreement began to fractionate officially with the "Iron Curtain" speech of Churchill on March 5, 1946. With the coup d'état in the CSSR in February 1948, the retreat of the USSR from the Control Council for Germany in March, and the Berlin Blockade in June of the same year the end of the denazification program was inevitable, and became officially so in the Russian occupied East Germany also in 1948. However, the determination to realize a complete elite change had waned already before. All the allies realized that getting the war-torn country to function required the cooperation of the old elites of at least the second and third level of importance. Even in the Russian founded East German GDR where "antifacism" was proclaimed as the raison d'étre, outright Nazis were given posts, provided they were not personally responsible for crimes and promissed loyalty to state socialism. Among the parties of the "popular front" there was even a party specifically for former Nazis, the Nationaldemokratische Partei (NPD) (Kappelt 1997).

It is politically correct among intellectuals now to view the gigantic bureaucratic effort of the denazification program as inefficient. If the benchmark in evaluating denazification were to be the removal of the personnel of elites during the Nazi-time, then indeed denazification was a partial failure. Most of the top level of that part of the elite that actively supported Nazi programs were removed — but by no means all. The managers of Deutsche Bank were according to a report by OMGUS (Office of Military Government US Zone) war criminals, but Hermann Josef Abs of that management led the post-war delegation of the Federal Republic that in 1953 negotiated the settlement of Germany's war debts, the "Londoner Schuldenabkommen." Hans Globke in 1935 as a high ranking

civil servant was the author of the official commentary for the Nuremberg Racial Laws, but nevertheless served between 1953-1963 as junior minister (Staatssekretär) in the cabinet of Konrad Adenauer. Denazification as a program for the removal of those having served the Nazi regime was least successful with major companies, above all in finance, and with the "classical" professions of law and medicine. Somewhat greater were the effects in administration and in education — though not in academia, — and the strongest impacts were among the elites in communication and politics — there down to the third level (Herbert 1998, pp. 93-115). [11]

The combination of personal networks, and the crucial place of a functional elite, given that neither the Nazi regime nor early post-war developments were wholesale societal revolutions, blunted efforts at elite changes. Thus, a high degree of continuity is diagnosed among the second-level elites (Hoffmann-Lange in: Revue Internationale de Sociologie 2001, p. 210). In addition, the Cold War division changed priorities, adding importance for each side in this conflict to get its part of Germany to function again as quickly as possible (Edinger in American Political Science Review 1960, pp. 58-82). "In avenging individual wrongdoing, the efforts at denazification were by and large not very effective, but as an initiative to delegitimize the NS-Regime and its ideology denazification was both necessary and all in all successful" (Scheuch and Scheuch 2001, p. 40).

During the first 25 or so years of the new Federal Republic most observers agreed that the system of stratification was open for upward social mobility, and that leadership was recruited from a rather broad social base. Aristocratic origin, and beyond that nobility in general, were no longer relevant for the stratification system after two World Wars during which the blood toll of the nobility was by far the highest among all social groups; in addition, the economic base of most of the remaining family clans had eroded. By now most persons in positions of greater influence came from the upper middle class, though there were no filtering institutions such as the elite universities in England, the USA, or Japan, and the special schools in France. In the Kaiserreich student fraternities had acted as the functional equivalent for the filtering effect of a system of elite universities, but in later times they had only residual influence. As a consequence the coherence among the elites in beliefs and manners was rather low, and

[11] However, even in these elite sectors corporatistic mechanism proved stronger than political divisions. Thus, the trio that founded Germany's leading daily, Frankfurter Allgemeine Zeitung, was composed as follows: long-standing Nazi Peter Grubbe, jewish emigrant Paul Medina, and a Nazi-fellow-traveller Erich Welter; the left-of-center "Der Spegel" had two ranking SS-officers as editors alongside Rudolf Augstein as editor-in-chief who despised Nazis (Lutz Hachmeister and Friedemann Siering 2002).

this prompted observers such as Dahrendorf to question whether those in positions of leadership deserved to be called "elite" (Dahrendorf 1965).

Two factors contributed to the openess for upward mobility and the resulting heterogeneity of beliefs and manners. The first of these were until the mid fifties waves of migration, the largest one being the exodus of about 12 million between 1945 to 1949 as the result of "ethnic cleaning" in the territories ceded to Poland and Chechoslovakia, and later until the erection of the Berlin Wall in 1961, 2.6 million from the GDR to the Federal Republic. The second factor was the lack of access to higher education until about 1968: Until this expansion especially between 1968 till about 1975 less than 2% of an age cohort attended universities, but subsequently this share went up to 18%. At the same time observers from outside the country claim that during the formative period of Republic the German elites were highly consensual (Higley and Burton 2000). The pressing need for reconstruction, the success of the "economic miracle" during the fifties, and until the early sixties the unpredictable reaction of the superpowers in conflict situations fostered a spirit of solidarity among sectoral elites. [12]

A first concentration of elite studies occurred in the 60s. The majority were investigations using the so called positional approach, and in rare cases the reputational approach. We know of no study involving a large number of cases employing the issue approach (Deutsch et al. 1967; Scheuch in: Die Neue Gesellschaft 1966, pp. 356-370; Zapf 1965). Studies agree that there was less difference between formal positions and actual influence in the Federal Republic than is true for Britain, but a somewhat lower agreement between formal position and factual power than in France; and it is nearly impossible in Germany to wield influence at the elite level without some formal position. There is also agreement that career lines are long — some 20 to 30 years — and during this time characteristically only a small minority moves from one sector to another. The regional and sectoral segmentation of the elite remained strong. "Quite knowledgeable members of the elite usually knew only a very small number of persons from other elite sectors even within their region" (Scheuch, op. cit. 1988, p. 61). [13] Cooptation is the standard

[12] The acceptance of the Berlin Wall by the USA, and the backing down of the USSR in the Cuba Crisis can in hindsight be understood as a turning point, away from confrontations without predictable rules of the game for the superpowers to a stable system of confrontation.

[13] Scheuch, Erwin K. 1988, op. cit., p. 61 — reprint of a manuscript from 1966 written at that time for an anthology on Germany with Henry Kissinger as an editor. When Kissinger became Secretary of State for the USA, he found the text in conflict with his new status and withdrew agreements for publication.

practice on the way to elite status, and it tends to take place in two steps: step 1 is the selection as a hopeful (in business this is called being tagged as a "potential"); step 2 is being singled out by a "mentor," who then assigns a challenge. It is helpful to be included in a network of hopefuls, but the support of a mentor is crucial.

A second concentration of studies on elites occurred in the eighties, showing some new trends: 54% of the elites came from parents with upper middle class status and higher, while at that time 11.4% of the general population was so classified (Hoffmann-Lange et al. 1992, table 4.1). In all sectors, including the economic elites, personnel from white collar homes dominated; among economic leaders only about a third had fathers that were self-employed (ibid, table 4.2). The most important of these changes was the "academization" of the elites in nearly all fields. This trend has now begun to reach the three avenues where earlier access was possible without an academic degree: trade unions, the social democratic party, and starting one's own business. The rapid expansion of universities had an effect opposite from the expectations in politics — namely a much larger number of academics now blocking the mobility of non-academics. In 1981 nearly one quarter of the economic elites reported membership in a student fraternity, and one sixth of leaders in education and research. Given that less than 5% of the students at that time were members in a fraternity this means that fraternities had regained some of their former importance in the Kaiserreich. Unchanged was the numerical dominance of protestants, the scarcity of women, and the geographical disperson accross the territory of the Federal Republic: only 15% of the top influentials were located in the Bonn-Cologne area, with Bonn at that time the capital of the country.

A comparison of the class origins of the elites from the economic sector in the Federal Republic and the USA shows that inhereting the elite status from one's parents is 2.5 time more frequent with the owners of larger businesses in the US than in Germany. Also, the frequency of a parents background as self employed was considerably higher in the US (27.3%) than in Germany (19.6%). This replicates our earlier observation that the background of economic elites in the Federal Republic is predominantly a salaried parent. This may contribute to the preference for the more restraint "Rhineland Capitalism" among German managers (Hoffmann-Lange, ibid., p. 245; Moore and Alba in: Marsden and Nan Lin (eds.) 1982, pp. 39-60). [14]

[14] Data on Germany from Hoffmann-Lange, ibid., p. 245; data on the USA are from Gwen Moore and Richard D. Alba (1982). "Class and Prestige Origins in the American Elite." In: Peter V. Marsden and Nan Lin (eds.): *Social Structure and Network Analysis*. Beverly

Cohesion across sectors was now somewhat stronger than in the sixties. There was some cross-over between the positions of manager and being a officer in an association, between a high rank in the trade unions and being a full time politician, and between a high rank in a party and top positions in the civil service. However, even in these cases most of the time — often around 90% — was spent within one sector. Important positions across sectors were held by merely 2.9%. The importance of advisory positions had increased over decades of the existence of the Federal Republic. By the 80s, 9.9% of the elites were members of an advisory group in politics, 3.3% sat on one of the important boards in business, 5% were part of a supervisory body in the media, but 20.7% had some functions in economic and professional associations. The most important change in the linking of sectors was the increase in party membership of the elite up to 43.4% — while in the population at large the percentage of members hovered around 2% (Hoffmann-Lange, ibid., table 4.12). All these figures however, do not shed much light on the structure of the top elite.

The depth and the reliability of the data from so called ego-centered networks leave much to be desired. However, this remains currently the most practical base to diagnose the relative influence of elites from the various sectors (Hoffmann-Lange in: Moyser and Wagstaffe (eds.) 1987, pp. 227ff.).[15] One study uses the so called "structural equivalence technique" to identify network relations leading to an "inner circle" of 559 influentals (Burt in: Sociological Methods and Research 1978, pp. 189-212).[16]

One important aspect of networks is the degree to which formal positions and actual influence coincide. 89% of the members of the "inner circle" of influence occupy a high ranking formal position; only 11% do not. We observed this high degree of formalization in networks of influence already in 1966: "A formal position of at least middle rank in national hierarchies is a prerequisite for exercising influence in practice.

Hills, pp. 39-60. Population figures may appear strange at first; they represent only those active in the workforce and aged above 40 — the age span of those in elite positions.

[15] Hoffmann-Lange reports two different sets of percentages from the same elite survey: one in the article in 1989 already cited p. 257; and another one in 1987 in "Surveying National Elites in the Federal Republic of Germany." In: George Moyser and Margaret Wagstaffe (eds.): *Research Methods for Elite Studies. London*, pp. 227ff. We cite figures from the article in 1987 because the categories used in this somewhat earlier publication permit a better interpretation.

[16] In the article of 1989 the number of persons in this "inner circle" is given as 340. For a methodological discussion in using the "structural equivalence" instead of a snowball procedure see Ronald S. Burt, 1978, "Cohesion versus Structural Equivalence as a Basis for Network Subgroups." In: *Sociological Methods and Research*, vol. 7, pp. 189-212.

From then on the actual influence exerted may diverge grossly from the presumed influence of the formal rank of a position" (Scheuch in: Die Neue Gesellschaft 1966, p. 368). Another important characteristic of networks is their "density," meaning for a given circle of persons the number of actual relations relative to the possible relations. This density is in Germany for the elite in general lower than for the USA; in the inner circle the density is higher, but again that is only about half the value for the top influentials in the USA (Hoffmann-Lange, op. cit. 1992, pp. 379f.). More important still is the observation that 77% of all the relations mentioned by the members of the "inner circle" as important contacts crossed sector lines. Thus, one may characterize the position of the top influentials among the elite in general as "brokers" in a segmented system.

For the elite in general, politicians trail in numbers the elites representing the economic sector, but this is not so for the "inner circle." In this top group the share of politicians was 40%, and a further 12% were top administrators. Given that most of the top bureaucrats in today's Germany owe their job to party patronage, one may add a further 9% to the political sector (Hoffmann-Lange in Kaase (ed.) 1986, p. 393). In the elite in general the economic sector was represented not only by 23.4% owners and managers of larger companies, but also by a further 11% officers of important interest groups. Unfortunately, Hoffmann-Lange groups all three categories for the "inner circle" together and arrives then at a total share of 25.3% (Hoffmann-Lange, op. cit. 1989, p. 257). On the basis of our own analysis we estimate that at least one third of the officers of associations were full time involved in party politics. Thus we arrive at a total share for politicians in the "inner circle" of 53%. In case there is a high degree of consensus between the leadership of the major parties CDU-SPD-FDP, this centrality of the politicians in linking sectors makes for a high ability of the elites to act. However, unlike the situation during the first two decades of the newly founded Federal Republic this was no longer true at the beginning of the eighties. As we know from surveys the major political parties were divided on such issues as dealing with the USSR, the use of nuclear energy, genetic enginering, and generally on a wide range of the topics of the "new politics." Under such conditions the centrality of politicians in linking sectors of a segmented elite means that the dissent in politics spreads to many sectors and reduces the ability of the system to act. This was the situation lasting until 1989 — the eve of the process of reunification.

Elite Structure after Unification

According to the conventional wisdom in the social sciences a sudden unification should have had a major effect on the composition and the modus operandi of the elites. Fortunately, for the time after unification in

1990 there are 10 quantitative studies available, although most of them covering only the sectoral elites of politics and the economy. However, as we could observe earlier these are the two most important sectors for political decisions. In addition there are a number of quantitative studies on interlocks in the elite, and also some qualitative investigations into the style of operating. The overall conclusion is that some of the already noted features of the German elite have become more pronounced, especially in the top leadership of the economy and in politics; there are in addition signs of an "bureaucratization" in big business with features recently added to German business culture. A sweeping change of personnel can be observed in the administration in the East of the country, specifically on the communal level for the simple reason that a communal administration common to democracies did not exist in communist East Germany. Where the structures in East Germany were specific to a Communist society, personnel was imported from the West. Otherwise one could not diagnose a general exchange of personnel!

Contrary to the situation until the end of the 70s there had been no plans for reunification. Civil servants had been ordered to discontinue from then on to work on such plans. Not only for the political elite but for the majority of elites in other sectors it was politically incorrect to even consider such an eventuality.[17] When the rule of communism began to evaporate rapidly by October 1989, the policy of the government of the Federal Republic was to strive for a confederation of two German states. It was only after the unexpected defeat of the East German care-taker government Modrow in the elections of March 1990 that reunification became the official policy of the Federal Republic.

The general line that Helmut Kohl admonished his political colleagues to follow was: change only what is unavoidable, and do that in a manner that causes as little noise as possible. Kohl and the political elite in the West were beset by the fear that the process of unification could be branded the colonization of the GDR by the FRG. In addition the West German government proved to be very ignorant about conditions in the GDR, believing e.g. the claim of the East German government that this were to be the eighth largest industrial state. As part of this policy to tread softly in unknown territory, the change of the economy was entrusted to an institution of the last communist government, the giant holding company for some 8500 companies in public ownership, the "Treuhand." The large majority of those working in the Treuhand with

[17] Horst Teltschik, the official in charge of foreign policy and security issues in the Chancellery, had in 1988 ventured that a collaps of the East German economy might be eminent. He was officially chastized for this.

the general policy "privatization before rehabilitation" were personnel of the former communist institutions, with West German managers on top. After approximately four years, nearly half of the East German companies had been privatized — half of these privatizations being a management buy-out by the former communist appointed company heads (Scheuch and Scheuch, op. cit. 2001, pp. 186-190). The second and third level leadership was hardly affected by Treuhand induced personnel changes.

There was of course some elite change, mostly at the very top. The first and second level leadership of the East German political parties were largely removed — though not totally. The leader of the Christian Democrats, Angela Merkel, was a ranking member of the communist youth organization FDJ, and the new head of the trade union federation, Sommer, was an officer of the communist workers organization. Most supporters of the communist regime from other sectors of society, such as the Protestant church, disappeared from public life — though not all. The former prime minister of the Land Brandenburg Manfred Stolpe had used his office as high-ranking church-officers to support the communist regime. A number of agents of the communist secret service hold political offices. As the Western legal system was extended into the East, the professional base for those working there in the legal system was cut away. While those in the East German army were given a choice to join the western "Bundeswehr," and a sizable number did, this was not true for the military leadership. Nearly all journalists continue in their trade, as do most professors — with the exception of such fields as economics, social sciences and modern history. There is even a political party, the Party of Democratic Socialism (PDS), that in its membership and ideology is a successor to the Socialist Unity Party (SED) — the state party of the communist German Democratic Republic (GDR).

The "Potsdam Elite Study" is meant to represent the elite of Germany as of 1995, five years after unification. The positional approach was used, and with a completion rate of 59% alltogether 2341 respondents were interviewed in East and West Germany (Bürklin and Rebenstorf (eds.) 1997). All those living in the GDR between the building of The Wall in 1961, and its coming down in 1989, were classified as East Germans. Given a share of nearly 20% East Germans in the total German population, the part of the elite from the east among the elite of all Germany is with 11.6% generally underrepresented — with a strong exception in the sector politics where the eastern share is 32.1% (Bürklin (ed.) 1996, p. 3).

The system change away from a communist to a western model was not tantamount to a general elite change. True, for some sectors the first rank of the elite was replaced or thinned out, but by and large levels two and three were absorbed into the structure of the Federal Republic. This was

Table 1

Composition of the German Elite in 1995 (Bürklin and Rebenstorf 1997, pp. 65-67) [18]

Elite sector	Share among the Elite (%)	Eastern share of it (%)	Western share of it (%)
Politics	23.9	32.1	67.9
Administration	16.6	2.5	97.4
Economy	16.5	0.4	99.6
Economic associations	8.3	8.1	91.9
Trade unions	4.2	12.4	87.6
Professional associations	1.5	?	?
Justice	1.8	0.0	100
Academia/research	5.1	7.3	92.7
Mass media	11.6	11.8	88.2
Culture/the arts	4.9	12.9	87.1
Churches	1.4	?	?
Military	4.0	0	100
Other	0.9	8.9	91.1

not unlike the processes between 1918-1920, 1930-1936, and 1946-1953. In all these instances the changes in the political sector were by far the most sweeping, followed by personnel changes in sectors affected by political ideologies. All these instances are therefore to be viewed as primarily political revolutions and not equally as societal revolutions. During the course of the 20th century there were obviously important changes both in the social structure (e.g. blue collar workers becoming a shrinking minority), and in the elite composition (e.g. replacement of elites by birth and property through elites by education and occupation), but these changes were incremental and cumulative rather than abrupt. Part of the explanation for this is the fact that the three-to-four replacements that took place among the political and politically related elites occurred with the outgoing elites being either unwilling or unable to resort to major violence. And this undoubtedly contributed to the continuity of elites of rank two and three.

The unification process was and is of course controversial. A recurrent feature of this controversy were arguments about the pertinence of economic versus political considerations. Thus, nearly all economists argued against the immediate introduction of the "hard" western currency, and against an exchange rate of 1:1 for the Eastern currency; a realistic rate of exchange would have been 1:7. There is surprisingly not much controversy about the sum total of the yearly transfer payments totalling

[18] We combine in this table two tables from the authors that differ a bit from each other in their classifications. A question mark means that this breakdown for the total row figures was not available.

now at least 750 million Euro to the five Länder that were once the German Democratic Republic — but a continuous criticism of economic elites that 80% of this is used to subsidize the standard of living in the East. An estimated billion Deutschmark was given to Volkswagen to build a super-modern automobil factory in Dresden (former GDR) to demonstrate the will to modernity in the East. The political class of Germany countered such criticism from elites of the economic sector by arguing that all of this was politically inevitable in order to bridge the gap between East and West in responding to unification. This was and is indeed a real problem as in June 1999 59% of those surveyed in the East reponded that they identified neither with the Federal Republic nor with the former GDR; only 25% saw themselves as citizens of the new Germany (Sozialreport 2/2001, p. 17).[19]

The problem that the elites from the political sector perceive is real, and the arguments from an economic perspective are valid. It is relevant for a diagnosis of the structure of the German elite that the major dissent in evaluating needed action exists between sectors and not primarily within sectors. Significantly, by now the value hierarchy of the political elite prevails over that of the economic elite.

Two Key Elites: Political and Economic

While we emphasized the segmentation of the Geman elite, this picture needs to be complemented by demonstrating the corporatist character of the German system, and the emergence of something like an establishment at the very top. We can tap several recent empirical studies — alas the most informative ones concentrating on the political und the economic elites only. One of these studies is a comparative investigation of the leadership of the 500 largest companies, and of the deputies of the Federal Parliament, the 12th Bundestag (Scheuch and Scheuch 1995).

Despite the rapid academization of the leadership in politics and business, the openness for upwards mobility has further increased.

Table 2

Class origins of Economic Leaders (Scheuch and Scheuch 2001, p. 302)

Class of origin	Economic leaders (%)		Population (%)
	1981	1995	1995
Upper and upper middle	45	41	6
Above average	28	25	18
All lower origins	27	34	76

[19] Survey by "Sozialwissenschaftliches Forschungszentrum Berlin-Brandenburg" in June 1999. *Sozialreport*, special issue 2/2001, p. 17.

The head of Daimler-Chrysler Jürgen Schrempp is a trained automechanic, and is on a first-name basis with the then CEO of Deutsche Bank, Hilmar Kopper, who also moved upward through the ranks. The new head of Bayer Leverkusen, Werner Wenning, began his career as a mere apprentice. Chancellor Gerhard Schröder's mother was a cleaning woman, foreign minister Joschka Fischer was a dropout from High School and had to earn a living by driving taxis. Such careers are however an exception, especially for the top positions of very large companies. Darmstadt sociologist Klaus Hartmann showed that for 100 largest companies in Germany 90% of the CEOs were recruited from the upper and upper middle class. For these top position it is primarily the demeanor that makes the difference, and this one does not learn in day schools but from parents. CEOs of such top companies are now not just economic leaders but representatives whose self-assurance and image in public is at least as important as their technical knowledge.

It has become fashionable to call promissing candidates for careers "high potentials." By now both in politics and in business high potentials single themselves out very early — for better or for worth. In business, 78% of the high potentials were speakers for their age class in school, 60% had spent some time abroad when of school age, 35% had worked for the student papers (Noelle-Neumann in: Gut (ed.) 1997, p. 180). Among the deputies of the 12th German Bundestag, about half had joined the party youth organization before reaching the age of 22, and among the CDU national deputies 39% had been youth functionaries (Scheuch and Scheuch 1995, pp. 121 & 127).

There are two main ways to become a "potential": you act as part of a clique, or you catch the attention of an already powerful figure, a "mentor." An example of a clique succeeding in politics were Eberhard Diepgen (until recently lord mayor of Berlin), Gerd Langguth (former representative of the EU in Germany), Matthias Wissman (spokesman on economic affairs for the CDU) who jointly sat on the editorial board of a political magazine for students, "Die Sonde," and later synchronized their careers. In our survey of top managers, a majority reported that they continued to keep contact with fellow high potentials. An example for the importance of mentors is Jürgen Schrempp (CEO of Daimler-Chrysler) who was first sponsored by a local chief of Mercedes; subsequently being asked by the boss of Mercedes in South Africa to meet a "challenge" — the usual turning point in the careers of top managers; after that being called back to Germany by the then head of Mercedes to deal with an ailing tractor subsidiary; succeeding again then being invited by the new head of Daimler Benz, Edzard Reuter, to manage the just acquired companies in aero-space. Edzard Reuter's reign turned out to be a desaster, as was Schrempps per-

formance with aero-space companies. Reuter as Social Democrat had been promoted to CEO during the closing years of the cold war with expectation that Daimler Benz could become a major armament procurer; this was no longer a reasonable perspective, and Reuter was expendable. Schrempp, however, had a record of previous successes in diverse missions. Meantime Schrempp had caught the eye of the CEO of Deutsche Bank, Hilmar Kopper, who appreciated the brusque manners of Schrempp. Combined with board room politics akin to the intrigues customary in high level party politics, Schrempp managed to become the CEO of the renamed Daimler-Chrysler "global" company (Jacobi 2000, p. 15).

By and large in politics cliques as a crucial element in careers tend to be more frequent, and in big business careers by cooptation through a mentor. Also, careers via cooptation tend to be shorter, and lead to top ranks more frequentlly. A third variant in careers is opting to be a courtier of a big-time leader/manager. Ronald Reagan surrounded himself with Californians, George Bush with helpers from the North East of the USA, and Bill Clinton with politicians from Arkansas. This American custom has by now reached politics in Germany and begins to be imitated in big business. Chancellor Gerhard Schröder is a case in point, as is CEO Jürgen Schrempp.

An overview of the larger companies in Germany reveals that the first decade after unification was a period of considerable change (Liedtke 2001).[20] According to our analysis of this material, around 30% of the 100 most important companies experienced a change of ownership or control, were the object of a take-over, or initiated one of their own, or are newcomers in the front rank at the expense of other former top

Table 3

The Structure of Ownership of the 100 largest Enterprises in Germany in 2000 (Liedtke 2001)

Public ownership (federal, Land, communal)	9 enterprises
Financial institutions (including funds)	22
Other large companies	17
Many shareholders — no concentration	16
Personal ownership	5
Family/dynasties	27
Other (e.g. non-profit foundation)	4

[20] This diagnosis is based on an a compilation that Rüdiger Liedtke published, covering the 100 largest enterprises in Germany. 2000. *Wem gehört die Republik? Die Konzerne und ihre Verflechtungen 2001*. Frankfurt.

companies. The resulting picture shows some similarity with the structure of the economy in France, and considerable dissimilarity to the USA and the United Kingdom.

Some of the blue chip companies as of 1990 are no longer among the 100 most important — such as Allkauf, Degussa, FAG Kugelfischer, or Grundig. By and large important firms founded in the 19th century appear more resistant to changes und threats to survival than firms started in the 20th century. Increases in size are most spectacular in the New Economy, but also in trade.

In economic theory stock markets are understood to direct the course of the firms. It is a characteristic of the German system that this is not so. Consequently the position of managers is quite varied. This is very much the case where the owners are rich individuals or dynasties.

With owners of the first to the third generation since founding, the managers tend to be family members. Examples are such big name companies as Bertelsmann, Metro, Oetker, Tchibo, or Tengelmann. For older companies a dynasty may number around 30 part-owners as in the case of Henkel, with Röchling the number increases to 200, and reaches 930 in the case of the Ruhrdistrict giant Haniel (Liedtke 2001).[21] For decision making in such companies one needs to recall what one knows from aristocratic dynasties (Downer 1994).[22] We suspect that for the USA descriptions of pure cases of a share holder capitalism are overdone, and that personal ownership even there is of more than residual importance.

For the highly developed countries the major differences between the economic systems and the interlocks between managers of different companies result from the dependency on alternative forms of financing. In the USA around 80% of the needed funds come the sale of shares, in Germany 80% are credits mainly from banks. This is the consequence of political decisions in the USA dating back to the end of the 19th century and added to during the early days of the Roosevelt-presidency. A coalition critical of big business succeeded in restricting the operation of banks: Banks could no longer act as broker houses and at the same time as credit institutions. By way of contrast, in the Kaiserreich the leading political circles favored the strengthening banks as tools to help the economic late comer Germany to catch up. And banks in Germany were authorized to exercise voting rights for the shares of private owners deposited in trust ("Depot-Stimmrecht").[23]

[21] The companies named here are listed in alphabetical order in this source books.

[22] London analysis the effects of enmities within dynasties in the case of Japanese firms.

[23] The reliance on the stock Market is expressed by the degree of capitalization = Percentage of the combined values on the stock market in relation to the GNP. The

The Network Structure of Influence

Since the sixties social scientists in the USA have become interested in the degree to which even in a market economy interlocks exist between the leadership of competing firms. In the eighties this became a topic of several quantitative investigations in Germany, too. Before reporting and commenting on findings, some information is necessary about differences in the forms of governance for public companies in the USA (and largely in Britain as well), and in Germany.[24] The two systems are fundamentally different: In Germany the policy of the public company is decided by a board ("Vorstand"), and the board is controlled by a supervisory body ("Aufsichtsrat") who appoints the board, and is in turn controlled by the yearly assembly of shareholders ("Hauptversammlung"); in the USA there is no separation of the two functions of operating and controlling but just one unitary "board." The board in Germany was supposed to act as a collegiate body with the chairman ("Vorstandsvorsitzender") being a primus inter pares. To serve on the supervisory body was to be a part-time position. However, increasingly the supervisory body is now being subdivided into committees. An American Board of Directors is also subdivided with the assignment of different titles for board members: President (often being called chief executive officer — CEO), Vice-President, Secretary, Treasurer, and Controller. Frequently there is a further subdivision for boards between (full time) Inside-Directors and (part time) Outside Directors. Thus, in practice the differences between the German and the American System are becoming blurred.[25]

Analyzing data from 1976 in a handbook on big business with sociometric techniques Rolf Ziegler had demonstrated that in Germany a mere 89 persons out of a total of 4.727 positions on boards and supervisory boards were responsible for 69% of all interlocks (Ziegler in: KZfSS 1984, p. 589). Four companies dominate the networks of interlocks in Germany: the three largest banks "Deutsche Bank," "Dresdner Bank" and "Commerzbank," plus the insurance company "Allianz" (ibid., p. 595). Deutsche Bank as the most central of all companies is directly connected

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higher the percentages, the greater is the dependency on the stock market as a source of finance; the lower the percentages, the greater is the importance of credits. In Germany, the degree of capitalization is 27%, in the USA 122%. *Deutsche Bundesbank:* "Monatsberichte," January 1997, p. 28. By the way, a better term would be "Börsen-Kapitalisierung."

[24] The "conseil d'administration" in France is still another variant.

[25] With the movement of board-chairman Ernst Breuer to become chairman of the supervisory body, the "Vorstand" of Deutsche Bank becomes in practice an American stile board. To please the new chief Josef Ackermann the Vorstand was reduced from 13 to 5 officers, and the two main fields of business became the sole responsibility of Ackermann.

with 78 enterprises, and via one intermediary indirectly with a further 161 firms (ibid., p. 601).

Using the same data as Ziegler, Franz Urban Pappi concentrated on the personal characteristics of the "big linkers" for the 325 largest corporations. More than half of the "big linkers" were former board members who moved on into positions of the supervisory bodies. Nearly one half, however, had not previously been part of the economic elite, but were or had been fulltime politicians or officers of associations (Pappi et al. in: KZfSS 1987, p. 699). The interlocks become less frequent the further one moves away from the field of finance and investment goods towards consumer goods. Despite the emphasis in much of the literature on basic differences between Germany and the USA, an American investigation using parallel material from about the same time period concludes: "Banks and insurance companies have increased rather than decreased in importance within the corporate economy. In summary, the evidence on corporate interlocking points to an increasingly pervasive and integrated structure of elite cooptation among major corporations, in which financial institutions occupy the central position" (Allen in: American Sociological Review 1974, p. 404).

The structure of the German economy, and the character of the economic elite did not change much with unification. Around two third of the German work force is employed in small and middle sized firms, and consequently the impact on society at large of most of the owners and managers is limited in scope. The interaction with other elites is very largely concentrated locally or regionally. Very important for the network of interrelations is the dense web of voluntary associations at local levels where owners and managers meet and arrange deals with local elites in politics and administration, decorated by some cultural and academic elites (Scheuch and Scheuch 2000, pp. 167-210). This pattern developed quickly also in the former GDR, where it obviously was merely dormant during the communist reign (Scheuch in: Best 1993, p. 162f.). Local publicly owned banks are economically more powerful than local banks in the USA, and on their boards powerful local politicians negotiate deals with local business leaders. A third party in these networks are the politically appointed leaders of the administration that tend to be helpful in overcoming restrictions. [26]

During the 90s, differences between the elites of middle sized firms and of those of major companies increased, but the pattern of interlocks

[26] If this reads as though one were describing conditions in American communities, than one reads correctly. We undertook a series of empirical investigations on community power structure, and citations from those can be found in the books published jointly by Erwin K. and Ute Scheuch between 1992-2000. The one major difference is the important involvement of German middle sized companies in the export trade.

remained. The 30 largest companies in Germany, representing 53% of the capital of all the securities that are traded publicly, are listed on the DAX — the equivalent of the Dow Jones or the Nissei. 73 of all seats, or 25%, on the supervisory boards of those flagships of the German economy are occupied by bankers, and in 13 of the 30 boards bankers are the chairpersons (Adams 1997).[27] By virtue of the authorization for banks to have voting rights for all shares of private owners deposited in trust with them, banks have control over the voting rights of between 50% to 99% of the 24 largest companies with scattered ownership, on the average a share of the votes of 84%. In addition, they tend to dominate many publicly traded companies with concentrated ownership anyway (ibid., pp. 6-7). The power of the banks is enhanced as the boards of the five then most important German banks also control the majority of the votes during their own shareholder meetings (Baums and Fraune 1995, p. 106).

As public companies in Germany are fairly free to decide what information they are to pass on to their shareholders, and as nearly all hide the amounts they pay to the individual board members and members of the supervisory board, these complicated structures offer ample opportunity for corrupt practices. One has to add to this picture the interlocks between banks and insurance companies to realize the full weight of the financial sector in this economy.

In the comprehensive internationally comparative investigation of the network structure of the largest firms of a country, data on interlocks between the economic elites in Germany, France, Switzerland, the Netherlands, the United Kingdom, and the USA were analyzed (Windolf and Nollert 2001). In addition information on Japan was also considered. The most corporatist economy was that of Japan, the most decentralized economy was that of the USA. England was closer to the USA than any other country, while Switzerland followed by Germany were closer to Japan than to England.

In France there appear two systems coexisting: The large companies with a high density of direct plus indirect (via intermediaries) interlocks; and smaller companies very often family owned who are existing in isolation. In France 43% of the companies are not connected via direct and indirect personal relations, while this percentage for Germany is only 9% (Windolf in: Revue francaise de sociologie 1999, pp. 501-530). The large companies are often state owned, and they are typically connected by the practice of "pantouflage" from the personnel of the Grandes Corps d'Etat. This

[27] Professor M. Adams in a written statement during the hearing of the Legal Committee of the German Bundestag on the reform of the law on public companies (accessed 17 February 1997, p. 1).

in turn motivates many family enterprises to identify with free markt capitalism (Pastré 1992).

Characteristic for Germany is the frequency of majority share holders or owners. Of the 650 largest companies 51% are controlled by one share holder or owner (Windolf and Nollert 2001, p. 15). The functional equivalence in the case of the USA may be the large number of pension and investment funds. Even though the share that any one investment fund may hold in any one company is by law limited to 5%, the fund managers are said to often act in concert (Useem 1996).

The German law regulating public companies allows an economic leader to be on the board of one company, and also accumulate seats on the supervisory bodies of ten other companies. The single strongest group making use of this right to accumulate positions of influence are officers of the two main interest groups representing business: The Federal Association of Industry (BDI), and the Federal Association of Employers (BDA). Nearly half of the officers of these associations hold two or more positions in controlling bodies of large corporations. Of the 82 functionaries of the BDI and the BDA 65% occupy positions of control in large corporations, 7 of them in 7 and more bodies (Windolf and Beyer in: KZfSS 1995, pp. 22-23). This represents a confirmation of the tradition in the German economy to have the interests of firms often represented through associations — but this may be changing now for big companies.

A fuller picture of the accumulation of positions of influence is to count not only the positions held by individual members of the economic elite, but also consider indirect influences — in a given body meeting another multi-functionary, i.e. looking at chains of influence. The results cited here are calculations by Prof. Windolf, University of Trier. The figures refer to 1997 and are as yet unpublished. The then head of the board of Dresdner Bank, Wolfgang Röller, was connected with 78 of the total of 308 multiple office holders of the 700 largest German companies, followed by the speaker of Deutsche Bank Hilmar Kopper. The first 24 members of the economic elite in terms of their connectedness were related each to 51 and more other multiple office holders. In contrast to this practice, the highest number of connections in the United Kingdom had Sir Michael R. Angus with 18 connections.

Of course, one can ask whether any member of the economic elite in Germany can really fill out his 10 positions in supervisory boards plus the Vorstand, and the answer is: certainly not if we were to view this body as its designation suggests. In reality two functions other than controlling the board have become central to the "Aufsichtsrat": to reward outgoing members of the economic elite and politicians with

ample payments (Lüdtke 2001, pp. 292f.),[28] and to coopt influence agents who today are mostly ranking politicians. A prime example was Chancellor Gerhard Schröder who as a member of the supervisory board at Volkswagen was credited serving this function; after several interventions with the EU authorities he earned the nickname "Automobil Chancellor." These two functions can be viewed as responsible for the great size — up to 21 members for large companies — of German "Aufsichtsräte."

The supervisory board of the already mentioned Linde AG includes 16 members: The chairman being the former president of the board (usual in Germany), three executives of very large financial institutions, three executives from blue chip companies, a high functionary of the Protective Association for Shareholders ("Deutsche Schutzvereinigung für Wertpapierbesitz"), and as a consequence of the Co-determination Law eight union members, which politically translates into Social Democrats. In some instances the function of controlling the board (Vorstand) is given weight, and then members of the supervisory board (Aufsichtsrat) are either appointed to serve full time, or are given a staff — an analogy to the differentiaton of functions on boards of American companies. Otherwise, the wide-spread mockery seems to apply: If things are going well, the "Aufsichtsrat" is superfluous, if things are going bad it is useless.

Usually in identifiying national political elites parliaments are analyzed. In the case of the Federal Republic the most important result is the lopsidedness of representations of occupational settings (Korte 2000, p. 34).

The dominant pattern of an interwining of professional politics and public administration is obvious. This is not restricted to the federal level, but is repeated in the Länder (the 16 states into which the Federation is divided at the next level of politics), and very pronounced for the large municipalities.[29]

It is not easy to judge what this means today, as the importance of parliaments especially at the Federal level are being reduced. Already in the late 60s important decisions, or at least the preparation of such, were delegated to extra-parliamentary bodies. This steadily increased during successive governments. Initially Chancellor Schröder delegated policy recommendations to fight unemployment to an "Alliance for Work"

[28] Renumerations vary widely. In the case of the Linde AG — a world leader in refrigeration — at the end of the 90s the payments averaged around 80 000 Euros a year. Cf. Rüdiger Lüdtke 2000, op. cit., pp. 292f.

[29] In the case of the city of Cologne — 1 million inhabitants — there are 96 councillors, presumably controlling about 20 000 civil servants and deciding a regular budget of 3 billion Euro.

(Bündnis für Arbeit), an official committee with representatives of the employers, the unions, politicians (including the ministerial level), and social scientists. This looked as though he were to continue with the familiar corporatist responses in situations of stagnation. [30] The reaction of Schröder is to invent ever new committees with representatives of the camps that tended to block each other. An example is the controversy about the scope of genetic engineering, where at first a committee was called to recommend the use of socalled "stem cells," and when it proved difficult to reach an agreement to invent another committee on ethics in research. As leading politicians make snap decisions in bestowing or withdrawing the authority of committees, the parallelism of parliaments and committees signals a further de-institutionalization of politics.

A third development has increased this trend, while paradoxically adding to the weight of the elites from the political sector: accumulating memberships in public bodies and associations. Already at the time of unification, 76% of the professional politicians, and 44% of the top administrators (usually party appointees) were members of sport clubs.The large majority of all politicians were members in several voluntary associations and in supervisory bodies (Scheuch and Scheuch 1992, p. 51). The cabinet of the prime minister of Northrhine Westphalia, Wolfgang Clement, represents the Land NRW in 128 supervisory bodies, institutes, and associations. Clement alone is member in 35 bodies — such as a Max-Planck-Gesellschaft, the controlling council of the no. 2 in German tv, the ZDF, and the "Friendship Circle of the Stiepeler Village-Church." His deputy Michael Vesper accumulates 30 memberships including councils of several museums, and of the international tennis-youth competion. Together with top civil servants (usually party appointees) the Land NRW is represented in 797 bodies and associations (SZ 2001). The tendency of top politicians to move into a broker position between the various sectoral elites that we mentioned earlier has increased further.

With around 50% of the spending from the GNP being directed by public bodies, there exists in Germany a strong interdependence between private firms and politically supervised institutions. Political parties and individual politicians appear to have an insatiable appetite for money, and firms are dependent on administrations and politicians. The dependency is strongest where contracts are passed by public bodies, if a licence or an exception is needed for doing business, and if subsidies are required. There is a thin line between politicians in their current position as the brokers

[30] As progress on substantive issues eluded the Alliance, energy went into a Byzantine complication of the internal structure, with a steering committee, a benchmarking group, and 9 expert groups.

between private interests and public money, and outright corruption (Scheuch and Scheuch 2000). [31]

TV tycoon Leo Kirch could rely on the influence of former chancellor Helmut Kohl when he had trouble with the EU authorities, and on top dignitaries of the Bavarian CSU-party when he needed credits from the publicly owned Bayerische Landesbank; these credits are now ailing to the tune of more than a billion Euro. Philip Holzmann is one of the largest construction firms in the world, and could look back upon a history of 150 years. However, after unification the firm overextended, and in November 1999 lacked 1.2 billion Euro to continue operations. In order "to save 60 000 jobs" Gerhard Schröder intervened personally and managed to combine credits from several banks with a government cash guarantee that caused grumblings in the EU. Observers link the readiness of the banks to help in an economically questionable deal to one of the biggest tax breaks ever given to big business: Schröder managed to have taxes waved for profits resulting from selling shares in companies, provided the seller was a company listed on the stock exchange. The deal with the banks plus tax money afforded the Chancellor the opportunity to declare via television that he had saved thousands of jobs. In 2002 after having ruined hundreds of smaller construction firms through dumping prices, Holzmann was nevertheless terminally bankrupt.

This pattern of dubious dealings being supported by representatives of at least both major parties is by now common. A further case in point is the sale of tanks to Saudi Arabia during the Gulf War, resulting in a huge profit for producer Thyssen. Thyssen claimed successfully with the help of the SPD-Minister of Finance of Northrhine Westfalia that a bribe paid to further the sale to the tune of 110 million Euros was tax deductable as legitimate expenditure, saving the company around 75 million Euros in taxes. None of these cases were ever fully cleared, and no one of the protagonists had so far serious legal difficulties.

A major case in point are the circumstances surrounding the sale of Leuna in the east of Germany to Elf Aquitaine in 1992. A coalition of politicians and bureaucrats related to both major parties has up to now in Germany been able to prevent serious investigations (Kleine-Brockhoff and Schirra 2001). Following examples from other democracis, Germans have become used to the fact that State Visits by its Chancellor are giant sales shows for big companies, for instance promoting Siemens in China. Transparency International, who regularly evaluates surveys of business

[31] See Erwin K. and Ute Scheuch 2000, op. cit. for cases and modes of corruption at all levels of the polity.

practices in 41 countries, rates Germany (alongside France and Spain) as "not so clean" (Newsweek 2002, p. 18).

In our 1995 surveys we asked business CEO's and professional politicians directly for episodes where attempts to influence decisions were experienced The most frequent topics were issues concerning the competitiveness of Germany (which translates into the cost of structures in which one has to run one's business), and the financing of the welfare state. All other issues, including political issues of general interest, trailed these two topics. The most frequent agents in these attempts to influence business leaders were Federal Ministers, followed by the Prime Ministers of the Länder. It is evident that top leaders in the economic sector are the object of political influence exerted by top politicians. Already Chancellor Kohl became active in many specific cases that in the literature are usually understood to be the object of concern for the officers of interest groups. Chancellor Schröder contacts personally individuals of key importance for the business elite. For the top economic leaders, officers of interest organizations and ministers of Länder governments are now of secondary importance. The new class of "global players" of the top enterprises needs intermediaries no more (Scheuch and Scheuch 1995, pp. 92ff.).

Among the 25 managers that we identified as the top influentials in business, hardly anyone failed to report such episodes (ibid., p. 94). The initiative in such episodes is more often taken by the political elites rather than by the economic elites. This is especially so in the case of functionaries of the EU in Brüssels, by associations representing non-economic interests, by the top leadership of political parties — and surprisingly by the Chancellor himself. The reverse, namely that attempts more frequently originate with the business elites themselves, have as targets the top of financial institutions, the decision level of the media, and the leaders of research institutes (ibid., p. 96). The most frequent partners for the top elite in business were the top level of ministries as well as the leaders of national economic associations, and much less so the full time politicians that are the bread-and-butter fare of daily reporting in the media. Thus, the deals with structural importance, and politics for the general public are two different "narratives" — to use a term by the post modernists.

The importance of the Chancellor and some Federal Ministers in cases that are considered crucial is matched on the local level. In crucial cases some key politicians intervene personally, but otherwise heads of administrative units and economic leaders cooperate on a regular basis. This is especially true for all decisions even remotely related to real estate, and for large investments — e.g. a purchase of rolling stock for public transportation. The dense network of associations connects the lesser players from politics and business in less spectacular deals.

Originating from the United States, so called "service clubs" have tried to unite elites across sectoral boundaries.[32] Unlike the Free Masons they profess to be ideologically neutral, to be devoted to good deeds ("activities"), and to the maintenance of friendship (mutual visits). Of these the Rotary Clubs are the most prestigious. Indeed top bankers, industrialists, and prominent politicians in Germany are often "Rotarians." However, while in Sweden there are 3262 Rotarians for every one million population, and in the USA 1.644, the relation in Germany is a mere 380 to 1 million — considerably less than even in France and Italy (Böhmer and Behrens in: Wirtschaftswoche 1995, pp. 90-98). While according to a survey of top business leaders in 1994, 70% were members also in clubs such as the Kiwanies or Lions, social prestige rather than influence appears the dominant motive. In 1995 the opinion research institute FORSA asked 200 members of the economic elite (3% were Rotarians) about the importance of service und other prestige clubs. 33% judged them to be helpful in discussing some action, but only 13% mentioned them as the settings for decisions (ibid., p. 96).

More important are formal circles of influence that are built up systematically. Deutsche Bank is reputed to provide successive Chancellors with top advisors (Adenauer with Abs, Brandt with Klasen, Schmidt with Christians, Kohl with Herrhausen and Kopper, Schröder with Kopper and Breuer). In addition and equally important for the political system, Deutsche Bank introduced regional councils for its Länder outlets, and local councils for the municipalities. In all the bodies Deutsche Bank tries to assemble the elites from the various sectors. To sit on these councils is both prestigeous and lucrative. Friedel Neuber of Westdeutsche Landesbank (WestLB) initiated the "savings club" IC 72 where elites especially from politics and the media were given prefential advice on investments.

The "Deutsche Vermögens AG" which holds about 70 billions Euro in contracts, has problems with its reputation because of a door-to-door sales force of 26 000 agents. Its large advisory council includes the late Chancellor Kohl, a number of further politicians that held office as ministers, the former head of Nestlé international, several CEOs from major financial institutions, and the former head of a public tv company. The function of a body composed in this way is less to provide influence but primarily the building of confidence for customers, and especially of motivating the 26 000 agents. By way of constrast the much smaller council of Nestlé lists primarily professors from various ares of competence and is thus a body of real advisors. "mg Technologies" (the renamed

[32] They try to mix occupations by observing quotas, and set upper limits for membership of local clubs in order to intensify interaction.

Metallgesellschaft) has assembled in its newly founded "Frankfurt Forum" an expensive assembly of personalities that in the media are credited with anticipating the future. As the company emphasizes new technologies, including the improvement of the environment, this new body can be viewed as a combination of a resource for expert advice, and also very much as serving purposes of public relations. For public figures deliberating the location for an important address, the Düsseldorf "Industrieclub" is still an important forum. Although its standing has declined somewhat, compared to the times when Adolf Hitler on his way to the Chancellery gave a speech assuring industrialists that he was not the wild man he was reputed to be, it is still a necessary address for a business leader in the Rhine-Ruhr area. Alltogether the zenith for these formal arrangements to bridge distances between sectoral elites appears to have been passed, informal groupings are taking their place. Perhaps they will be the new establishment.

The Top Elites in the Media

Increasingly during the 80s and the 90s managers of top companies tended world wide to follow fashions in business philosophy originating in the USA (Scheuch and Scheuch 2001). [33] Managers in Germany were no exception to this trend. Examples were the admonition to diversify, followed by the next fashion "lean management." Take-overs were a fashion specifically during the second half of the 90s. Examples including German firms are the take-over of Hoechst by Rhone-Poulenc to become Aventis S.A., or of INA Holding to swallow FAG Kugelfischer, or Eon to acquire the British PowerGen. A large share of all take-overs, however, are economic failures (Olbermann and Melfi in: Wirtschaftswoche 2001, pp. 47-53; Student and Werrres in: managermagazin 2002, pp. 59-66). This is even more frequent with international fusions of firms: The maintained "synergy" effects are usually weaker than the clash of different company cultures (Papendick in: managermagazin 2002; Katzenjammer in: Neue Zürcher Zeitung 2002, p. 10). Alien to the German business culture were hostile take-overs, such as the take-over of Mannesmann by Vodafone. Cases like these created a climate of resistance to such largely American practices that in the case of Germany led to restrictive legislation. [34]

One of the most spectacular international cases was the take-over of Chrysler by Daimler-Benz — a company that after also becoming part-

[33] Scheuch, Erwin K. and Ute 2001, op. cit., cite a number of cases.

[34] Insiders maintain that the real motive behind the initiative of Chancellor Schröder in this aera is the defense of the undervalued VW company where Schröder was a board member, against a hostile take over.

owner of Mitsubishi and Hyundai now rates as one of the real "global Players." As is common for international fusions this take-over, too is financially a failure. However, Mercedes in Germany regularly reports such surplusses that this covers the losses of the mentioned acquisitions abroad. A loophole in the German taxation system permits companies to claim losses abroad as expenditures that can be deducted from earnings at home. This makes acquisitions abroad mostly risk free for CEOs that aspire to rate as "global players."[35] Big businesses in Germany such a Daimler-Chrysler or Siemens do not pay a single cent in income taxes any more. "From now on you get nothing more from us!" told Jürgen Schrempp the finance committee of the Bundestag during a dinner. He referred to another tax loophole allowing firms to shift earnings between years with different rates of taxation (Spiegel 10/2001, p. 24).

The German Law for public companies assumes that the board acts as a collegiate body, and that within an American board the legal position of the president can be much stronger than that of the German chairman. Some decades after World War II an American president began to be called "Chief Executive Officer," in short CEO. This was more than a change in title, this new wording marked a change in perspective. "The mythologizing of the CEO began in earnest about 20 years ago, as a wave of Herculean corporate restructurings gave rise to a brash new breed of corporate miracle worker. Lee Iaccoca, "the man who saved Chrysler Corp., was the prototype… But it is Welch who has come to epitomize the CEO as maximum leader for all seasons" (Bianco and Lavelle in: Business Week 2000). Somewhat later this perspective coincided with the dominance of neoliberalism in American economic thinking, and the fashion "share holder value." The competence of a manager was to be measured solely by the performance of a company on the stock market, and if that was above average, this should be rewarded by a super high income. Charles Wang of Computer Associates had in 2000 an income of 655,4 millions US$, and the already mentioned business hero of General Electric, Jack Welch, of 93,1 millions US$ (Wirtschaftswoche 2000, p. 14).

During the 90s these perspectives and values were embraced by the chairmen of large German firms with an important part of their business in the USA. The mentality and behavior of the largest part of the elite in the economic sector in Germany have not been "Americanized" in this way, but the heads of many major companies have drifted in this

[35] In an exchange of letters with the then finance minister of Northrhine Westphalia we were told that this tax loophole was meant to encourage the export of German capital, but that it would be closed soon. The Federal Republic is today one of the world biggest exporters of capital but the loophole has not been touched.

direction, making for a considerable gap within the business community. Deutsche Bank and Dresdner Bank are envious of the earnings of American broker houses when these convince a company to go public. And German automobile firms go in for (mostly economically unsuccessful) international take-overs, the major reason being vanity of the managers, namely the wish to become a member of a new international caste of "global players" (Wirtschaftswoche 1997, p. 123). German Managers begin to think of themselves as CEOs such as Thomas Middelhoff of Bertelsmann, or Henning Schulte-Noelle of Allianz-Holding.

Traditionally the earnings of a top manager in Germany were approximately 11 times that of a skilled worker — which meant for very large companies between 1/2 and 2.5 millions Euro a year. The comparative figure for a manager in the United Kingdom was up to 20 time that of a clerk (Financial Times 1999, p. 9). Now the head of the publishing house Axel Springer in 2001 made 23 million DM, Rolf E. Breuer as speaker of Deutsche Bank 16.4 million DM, and Jürgen Schrempp 12 million DM; the former chairman of Mannesmann who sold out to Vadofone received 60 mio DM as a settlement. The exploding incomes, coupled with massive cuts in the work force of large companies, begin to strain the social consensus that was a characteristic of "Rhineland Capitalism."

The top political class begins also to "Americanize" itself rapidly. Chancellor Schröder (SPD), Foreign Minister Fischer (the Greens), Chancellor Candidate Westerwelle (FDP), and PDS leader Gysi are prime examples. An approximate dozen of German politicians monopolize tv talk shows, with American leaders as role models.[36] Here they meet with a dozen or so business leaders who have learned from American CEOs that a charismatic executive can talk the share prices of his company up and down.

Leaders of top companies and top politicians as well have begun to compare themselves with the top figures of the entertainment world. Traditionally a business leader was discrete, was known primarily to other business leaders. Now most Germans know bankers Breuer and Kopper, heads of car companies as Schrempp and Piëch, as they know the politicians Schröder or Fischer. The public grumbles not only about the phantasy-incomes for German imitations of American CEOs, but even more so about the constant claim of politicians that they are underpaid at

[36] Already during the election campaign for the Bundestag of 1994 the then Chancellor Kohl had been on tv programs 32.2 hours, the opposition candidate Scharping 22.9 hours and the leader of the 3rd largest party, FDP, Kinkel, 18.1 hours. The leaders of the 6 parties represented in parliaments were on tv alltogether 95.6 hours. Source: *Media Control*, Cologne.

the same time when they keep on increasing their income. But compared to the stars of entertainment and professional sports these tv politicans and CEOs are indeed underpaid.

"Inner circles" abound at all levels. There is the "Schrempp Circle" which in addition to German CEO's and the top business leaders includes also the Chancellor. One meets in Berlin's most prestigious Hotel Adlon over gourmet dinners. The Chancellor in turn invites hand picked leaders of big business into the posh chancellery, and this apparently flatters the economic elite. A selection of top business executives, calling themselves "Similauner," joins in high altitude climbing. That this is practiced in earnest is demonstrated by Ulrich Cartellieri from the board of the Deutsche Bank and treasurer of the CDU, who had to be hospitalized after sliding from a mountain top in the Alps (Bild 2000, p. 9). Quite a few of the German version of an American style CEO now cultivate a macho image.

Germany is beginning to have an upper class again, a "society" in the sense of prominence, that shows itself off by festivities and unconventional behavior, with the expectation that this will make the media of entertainment. Well known politicians begin to mingle with entertainers, business leaders with the greats of sports, top administrators with weapons dealers, and scientists with the shady-rich, and with what is left of the aristocracy.[37] Two ballroom events have become stages for "the rich and the beautiful" to show off: the "Bundespresseball" (Ball of the Federal Press) in Berlin and the "Ball des Sports" (Ball of Sports) in Mainz. The wives of top leaders increasingly dabbel in expensive charity "events." Is there an establishment in the making?

Conclusion

The Kaiserreich was the last period where Germany had an establishment that determined policy. The core was the landed gentry east of the Elbe river, the "Junker" caste. The nobility had a monopoly for top positions in the military and the public administration. The loss of World War one abolished this order imposed by unification after 1870, and a corporatist structure became dominant that we assume to be much older, dating back into the early Middle Ages.

According to many empirical studies there can be no question that since the twenties the prime loyalty of most of those in top positions belong to fellow elite figures in the same sector. At the same time, being firmly

[37] For lists of names see the lead-paper for this development, *Bunte*, but also the list of those invited to attend the "Innovationspreis der Deutschen Wirtschaft" — *Frankfurter Allgemeine Zeitung* (accessed 19 January 1998, p. 19).

based in a sector has so far been a presupposition for effectiveness across sectoral divisions. In addition, interlocks with elite positions and persons from other sectors adds weight to one's standing in the "home" sector of a top influential.

The segmentation that was described here for the interbellum period and after that until the early 80s may have been a transitory response to the turbulences of the times. Local and corporatistic embeddedness has a very long tradition in Germany, with the nation state never penetrating as deeply into daily life as in the cases of France or England. The international dependencies of European states enforce now either the existence of an establishment with a strong "we-feeling," or as a functional equivalent to that strong network relations connecting elites from various sectors — as it exists already at the communal level in Germany.

The conventional wisdom interprets the international dependencies as corrosive for the nation state. This may be half true for the cultures of daily life. However, it is not discernible so far for majority responses to national challenges at the elite level. At the national level in spite of Federalism, the media and specifically tabloids and tv, may foster the development of an establishment of prominence, but for decision making in determening careers and decisions, networks rooted in the corporatist structure of the country will continue to dominate.

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Informal and Formal Networking among Elite Mexican Capitalists and Politicians

Roderic A. Camp

Nearly half a century ago, when C. Wright Mills popularized the concept of power elites, social scientists have debated with considerable intensity the existence of such a cohesive, exclusive leadership, and its value for understanding the allocation of resources and the making of decisions. Younger disciples took up Mills' theoretical model in the United States, but social scientists in Third World countries were particularly attracted to the concept, viewing leadership structures in their societies as elitist and closed. In fact, in Latin America, the notion of such an elite typically was accepted as reflecting the political and economic reality.

It is not surprising that the existence of a small group of leaders across various decision-making categories would appeal to Latin American social scientists, and specifically to Mexicans. Mexico, at the time this concept was popularized and until 2000, was governed by a single-party political leadership which held power for seven decades. Given its undisputed control over the political system and political resources, and an economy dominated by the state and by family-controlled business, it seemed intuitive that many of the features Mills attributed to a functioning power elite would exist in the Mexican case.

From time to time Mexican scholars have alleged the existence of an integrated, elite leadership, especially among capitalists and politicians. The conclusions of American scholarship on Mexico, however, did not coincide with these assertions. The only major study to explore the power elite thesis, completed in the late 1970s, concluded that as far as economic and political leadership was concerned, such a relationship was non-existent (Smith 1979). Smith, and others tested Mill's assumptions about power elites in two ways. First, they were conceptualizing power elites as individuals who held influential decision-making positions in two or more

areas. Second, not a single exploration of this topic in Mexico went beyond government and private sector leadership, implying by omission that other leadership sectors, cultural, religious, and military, were unimportant.

This essay addresses both of these issues. To define power elites as individuals who hold two or more influential positions across leadership groups is a seriously flawed concept. Individuals may exercise power, as we will demonstrate, formally and informally. The formal sources of power, defined exclusively as institutional or organizational positions, limits our understanding of actual elite decision-making. Second, the findings in this essay are based on an exploration of economic and political leadership groups in Mexico.

A power elite, if it is thought of as a group of leaders who through organizational positions and roles are responsible for maintaining societal structures and shaping policies, exists in Mexico. I also maintain that a power elite, defined as individuals directly exercising influence in two or more sectors of society, does not exist in Mexico. Evidence for both of these statements is revealed through a careful exploration of elite networks.

Students examining the interrelationship between decision making and power elites argue that "access is the single most important resource in decision making" (Higley 1991, 47). How power elites achieve that level of access is crucial to understanding their structures, especially those structures not represented in established institutional ties, which are relatively transparent. Students of "power" structures argue that the personal networks which exist within them, and the location of actors in the networks, affect the exchange of information and resources which influence individual and group objectives (Knoke 1994, 290). In small groups, it has been suggested that frequent contact leads to development of a subculture — "a set of values and ways of solving shared problems…" (Farrel 1982, 452).

It is often forgotten that information and influence are inextricably linked. It has been suggested that "differences in the distribution of knowledge are a source of power, and power may be used to generate and maintain differences in the distribution of knowledge. Knowledge, then, is a scarce resource" (Hunter 1993, 36). Networking within and between power elites contributes to sharing information, and that activity, with the exception of mentoring, is its major contribution. Of course, networking produces other, sometimes unique consequences. According to Ferdinand Kroh, East German elites used it to great advantage to survive the dismantling of socialism (Kroh 1992, 144-52).

In Mexico, the same individuals do not hold influential positions in multiple sectors. This does not meant that elites are not closely linked to others within their own spheres of responsibility, but not to other circles

of influence. The general literature on the formation of these linkages, which has come to be known in sociology and in the popular vernacular as networking, has been tested empirically by academics largely on the basis of institutional, positional points of contacts.

The North American bias toward institutional analysis contributes to a profound theoretical lacuna in measuring and understanding networking in other cultures. Gwen Moore argues that personal interaction is probably "the crucial dimension" of their integration, and that understanding the actual structure of elite networks is a central concern in assessing elite cohesion (Moore 1979, 674). Many points of contact in other societies may not occur on the basis of assigned, organizational positions.

Institutional linkages are important for Mexican elite and non-elite networking, but other, informal channels are also important. Family, friends, place, and shared educational experiences, or combinations of those variables, frequently substitute for institutional and other more visible, formal forms of networking, the most common of which would be career contacts within the same organization. Among the most careful students of American elites, Philip Burch recognizes this acute limitation:

> One matter that is often slighted in elite studies is that of key family and kinship ties. There are very few references to such links in the general literature on the subject, certainly not in the work of Keller, Lasswell (and his research associates), and, surprisingly, even Bottomore. Indeed, if one looks at the essentially sociological analysis of C. Wright Mills and most other scholars, one searches in vain for any examination of kinship ties among elite figures in American business and government. (Burch 1981, 25)

Recent students of elite networks view their structures as overlapping circles. These researchers have used numerous organizational positions to test their assumptions in post-industrial societies, discovering a core of tightly interconnected individuals from each circle, in close contact with other elites inside and beyond their immediate circle and group (Higley 1991, 39-45). This description fits the Mexican case nicely: it is essential to understand the relations and interactions among various elite groups.

The importance of additional contacts among Mexico's power elite can be illustrated in the linkages identified by a single power elite member. This individual examined the names of all other (397) individuals representative of Mexico's power elite from 1970 through 2000. Based on his age, elite category (intellectual), family background (middle class), and prominence within his own category, this person potentially had only average access to fellow power elite members. I asked this respondent three questions: Did he know the person listed, how strong was their relationship, and by what means was their relationship initially established?

The answers are remarkable for the insights they provide about elite leadership in Mexico. To what degree is Mexico's power elite linked through personal friendship? Our single respondent actually knew 117 of the 397 members of Mexico's power elite, or 29 percent. Of these individuals, he described his friendship with 8 percent of them as strong, 28 percent of them as moderate, and 64 percent as weak. Within his own elite group, intellectuals, he personally knew nearly half of his peers. Even more remarkable, he knew nearly a third of Mexico's leading capitalists and more than half of the most influential politicians of his time. Two groups remained very much outside the purview of his personal networking circle: clergy and the military, of whom he only knew 4 percent.

The only other study that closely examines elite networking on a personal level is that carried out by Frank Bonilla and his associates in Venezuela. They obtained information on 164 individuals across occupational categories. The average person in that group claimed to know 89 percent of his fellow elites, one-fourth of whom were friends. The elite giving the lowest response was 46 of 164 (Kessler 1967, 230). These higher percentages for Venezuela are not surprising given its much smaller general population and the date of the survey.

Our individual respondent's sources of friendship break down into six categories: career posts (organizational bureaucracies), civic positions (voluntary organizations), family, social, education, and place (usually childhood residence). For our respondent, these responses reveal that career was most important, providing 41 percent of his contacts, followed by social at 24 percent, family at 19 percent, and civic and educational sources responsible for 8 and 7 percent, respectively. If we combine together the institutional, positional sources used in most networking analysis (career and civic) in post-modern societies, it is apparent that they only provide half of this person's important contacts to other power elites.

This individual's responses reinforce the importance of non-institutional networking as an alternate channel of contact between and among Mexican power elites. It is definitely the case that influential Mexicans do not occupy formal positions of influence in multiple areas of power elite responsibility, at least as I have conceptualized them in this study. It is also true that without occupying such organizational positions, many elite Mexicans are able through informal networking in non-organizational channels to express their views. Indirectly, they exercise an influence on their society's values and policy.

The existence of such contacts and venues for discussion does not prove that these Mexicans are using that access to influence policy (Knoke 1994, 276). But studies of the United States, the United Kingdom, and Germany demonstrate that political, social, and business leaders with extensive

interpersonal networks are more influential and active in the formation of national policy than peers without such networks (Moore 1987, 65).

Informal Networking Sources within Power Elite Groups

The single example above only suggests the probable interconnectedness of Mexico's power elite. It is important to evaluate linkages collectively to determine the extent of similar networking sources among all power elites. For example, analysis of the sources of networking among Mexican capitalists reveals that they network as frequently through informal linkages, such as family, often initiated by an influential mentor, as they do through formal organizational or institutional linkages (see Figure 1). Family and social friendships are networking sources which play a significant role in the way individuals are linked to each other. Can this frequent pattern of networking in Mexico be explained?

Networking through kinship ties occurs more commonly among Mexican capitalists than among any of the other power elite groups. This is also likely to be the case in Brazil or the United States. Two explanations stand

Figure 1

Power Elite Networking Sources among Capitalists

Source of Contacts Known Sources (percentages)	
Family	45
Corporate Boards	37
Business Partnerships	7
Career Positions	4
Educational Institutions	3
Civic Organizations	2
Social Engagements	2

Note: Based on 299 known networking contacts among 100 leading capitalists. *Family* refers to a networking relationship established within the immediate family, including power elites who were grandparents, siblings, in-laws, aunts and uncles, or parents. *Corporate Boards* refers to a holding a position simultaneously on a corporate board with another power elite. *Business Partnerships* refers to two members of a power elite co-founding a business together. *Career* refers to a networking contact which took place in an occupational setting, typically between two individuals working in an organizational bureaucracy, often in a superior-subordinate relationships. *Educational Institutions* refers to a networking contact which occurred in any educational setting, typically between a student and a professor, between any two students, or between professorial peers. *Civic Organizations* refers to two power elites making contact in voluntary organizations. *Social Engagements* refers to power elites meeting in a social setting, such as a party or country club.

out. In the Mexican, Brazilian and to a lesser extent American examples, top business leaders, especially capitalists — Bill Gates prototypes aside — were raised in upper-class business families. Michael Useem reports that the inner group of American executives is "disproportionately drawn from the ranks of the wealthy and from among financial executives." (Useem 1978, 237) As Domhoff suggests, business families comprised only a tiny fraction of the families of the era (Domhoff 1980, 67). [1]

Among leading Mexican capitalists, 60 percent came from wealthy families, a group which accounts for fewer than 6 percent of the parents of all other power elites combined. In the United States, only half as many capitalists came from families in possession of large wealth (Barton 1985, 182). Because Mexican capitalists so often follow in the footsteps of their parents and grandparents, who they typically identify as their mentors, taking over well-established, family firms, they are more likely to share those resources with extended family members and with other capitalist families. Peter McDonough found this pattern to also be true in Brazil where businessmen were more likely than other elites to come from prominent industrial and banking families, what he called a "father-to-son quality" in the transmission of class (McDonough 1981, 59).

A second explanation for the importance of family networking among capitalist power elites is that a huge majority of leading firms are closely held by Mexican families. The multi-generational control of families over Mexico's most powerful financial institutions and corporations exaggerate the importance of family ties as a means of networking with other capitalist figures. It is fair to say that the ownership structure affects the source of networking.

A third reason for the importance of family networking among capitalists is the multiple linkage among social class origins, elite club memberships, corporate board memberships, and status as leading capitalists. Useem discovered that the inner circle of American capitalists, defined by the number of corporations on whose boards they served, was "two or three times more likely to be drawn into club life than business leaders attached to a single company" (Useem 1978, 148). He also found that these capitalists had "more cohesion than other members of the capitalist class as measured by their acquaintanceship networks in exclusive social clubs" (Useem 1978, 237). G. William Domhoff argues that research in sociology and social psychology demonstrates that constant interaction in small-group settings leads to … social cohesion (Domhoff 1967, 50). In

[1] The classic, most detailed work of the social origins of American businessmen concluded that in the 1930s 10 percent of the American population produced 70 percent of its business leaders (Joslyn and Taussig 1932, 241).

the only in-depth sociological study of America's wealthy class, Edward D. Baltzell explains how the linkage between wealth, influence, and exclusive club memberships came about in the first half of the twentieth century (Baltzell 1958, 385). In turn, upper social class status among American business elites is best measured by their membership in elite clubs (Barton 1985, 72).

Mexican capitalists not only come from wealthy backgrounds, but they are almost exclusively from fathers who were wealthy or upper-middle class businessmen. Among all the power elite parents who were capitalists (63), all but five had children who became capitalist members of Mexico's power elite. The mobility of the children of capitalists to achieve such positions, although not as exaggerated, occurs in the U.S. too: "The sons of men who had themselves been businessmen had a greater number of channels through which they could enter the world of big business" (Keller 1980, 150).

Club memberships among leading Mexicans are difficult to come by. But even a largely incomplete listing of capitalists alone suggests the potential for contact among wealthy Mexicans. Raúl Bailleres, a co-founder of the Bankers Club, and mentor to other leading capitalists, met friends on a regular basis to play canasta until 7:00 or 8:00 in the evening (*Expansión* 1994, 38).[2] Mexican capitalists who work together on corporate boards and socialize through their professional and social clubs, establish closer personal contacts and expand their range of personal networks beyond the day-to-day corporate setting. Leading capitalists in Mexico's top regional centers, such as Monterrey, also share numerous memberships in locally, prominent clubs. In fact, one of Mexico's largest banking chains, Bancomer, was originally founded by Eloy S. Vallina after conversations with various friends at the Casino of Chihuahua, the leading social club in this economically important, northern state (Maqres 1968, 49-50).

Given the social background of Mexican capitalists and the ownership structure of Mexican firms, are the informal, networking ties of Mexican capitalists and mentors exceptional in their extensiveness or do the other four groups share some of these same characteristics? To what extent are ties within each of the five groups based on informal linkages and what explains differences among each of the groups?

[2] Anibal de Iturbide Preciat, a member of the power elite and one of Mexico's most prominent bankers in the 20th century, came to work as an office boy at Equitable Trust of New York, in Mexico City, where Bailleres was employed. Bailleres was nine years older than de Iturbide Preciat, and after he founded the Banco de Comercio, de Iturbide Preciat became the bank's general accountant and then general manager. They remained intimate friends until Bailleres' death in 1967.

The group about which the most extensive networking data are available are power elite politicians. I was able to trace more than 500 networking sources among these politicians. The data in Figure 2 reveal important differences in the networking sources of capitalists and politicians. In the first place, informal friendships account for an overwhelming proportion of the networking contacts among politicians. Friendships established in a school setting between fellow students or students and professors alone are responsible for nearly two-thirds of those contacts. In interviews and memoirs, politicians identified the vast majority of these professors as influential mentors. Kinship ties within the immediate family provide a much smaller networking source among political figures, only one-eight the number of influential family ties that existed among capitalists.

What is important to keep in mind about the universe of top politicians' networking sources is that informal linkages through family and friendship combined account for seven out of ten contacts, while positions in formal organizations, political and civic, account for fewer than a third of those sources. Moore found this pattern to be true of women government administrators in the United States (Moore 1987, 71, 83).

Family is much less important as an informal source of contact among politicians than among capitalists because politicians do not come

Figure 2

Power Elite Networking Sources among Politicians

Source of Contacts Known Sources (percentages)	
Educational Institutions	61
Career Positions	28
Family	7
Social Engagements	2
Civic Organizations	2

Note: Based on 510 known networking contacts among 100 leading politicians. *Educational Institutions* refers to a networking contact which occurred in any educational setting, typically between a student and a professor, between any two students, or between professorial peers. *Career* refers to a networking contact which took place in an occupational setting, typically between two individuals working in an organizational bureaucracy, often in a superior-subordinate relationships. *Family* refers to a networking relationship established within the immediate family, including power elites who were grandparents, siblings, in-laws, aunts and uncles, or parents. *Social Engagements* refers to power elites meeting in a social setting, such as a party or country club. *Civic Organizations* refers to two power elites making contact in voluntary organizations.

from wealthy families, and wealth does not determine the acquisition of influential positions among the political elite. Political elites begin networking when they are young, and these networking contacts are reinforced through social and professional relationships throughout their careers. Ex-president Luis Echeverría Alvarez recently commented on his personal experience: "I graduated as a lawyer with a companion who always was an exemplary student, who is one of the best lawyers in Mexico, Arsenio Farell Cubillas, whom I have known since high school, along with another very distinguished Mexican, Luis E. Bracamontes (both Farell and Bracamontes are members of the elite sample), who favored me with his collaboration as my secretary of public works and since the first year of high school I could observe them as exemplary students" (*Excélsior* 1997, A1).

The stellar example of political power elite networking through adolescent contacts in high school and college is that of former president Miguel de la Madrid, who could claim friendships with one-tenth of his fellow political elites on the basis of school-crafted social ties. Four of those friendships occurred in the classroom as a student of: President José López Portillo, his predecessor, political mentor, and the individual who designated de la Madrid as his successor; Jesús Reyes Heroles, and intellectual mentor who served as de la Madrid's secretary of public education; José Campillo Saínz, who directed the federal housing program during his administration; and Hugo B. Margáin, under whom the president served when Margáin was treasury secretary in the 1970s. [3] De la Madrid taught a fifth member of the power elite, his successor and political disciple, former president Carlos Salinas de Gortari. The remaining five were schoolmates, two of them from preparatory school. This educational networking pattern was replicated by presidents José López Portillo and Carlos Salinas de Gortari.

Formal Networking within Power Elite Groups, The Case of the Interlocking Directorate

The fundamental argument of this essay is that Mexican power elites form networks most typically through informal means. This does not mean, however, that organizational sources of networking are unimportant. They play a crucial but not dominant role.

The most developed literature on formal networking within elites is that focused on prominent businesspeople and capitalists in the United States. The most common theoretical approach to testing assumptions about their

[3] Personal interview with Miguel de la Madrid, Mexico City, July 20, 1984.

connections lies with an analysis of corporate board membership. A large literature exists on this "revolving door" quality for the United States and some of the conclusions are contradictory. Most of the contradictions stem from definitional differences from one study to another.

The findings in this literature suggest three central questions. First, is the ownership of leading firms in the hands of a small, capitalist class, or has public ownership (through sales of stock), led to the pluralization of control over economic resources? Second, what constitutes control over corporate decision-making? Specifically, what proportion of stock would one need to exercise influence over corporate policies, and who actually owns the stock? Third, what is the composition of corporate boards which determine the broad scope of company policy? Specifically, who are their members, what is their background, who do they represent, and to what degree do the same individuals control multiple boards?

Why do overlapping board directorships matter? According to Michael Useem, who has explored this issue carefully among American business elites, "few experiences, according to corporate executives, are more useful for current intelligence on the business environment than service on the board of directors of another major corporation," and interlocking directorates "maximizes the flow of information throughout the network" (Useem 1987, 146-47). Mexican capitalists are equally beneficiaries of this pattern. The second major consequence, according to analysts, is that the "enormous overrepresentation of financial companies, especially banks, among the most central firms is indicative of the preeminence of financial capital in determining and shaping intercorporate affairs" (Mintz and Schwarts 1987, 36-40).

Implied in the overrepresentation of banks is a third consequence, that the interlock insures the availability of necessary capital to the firm. This pattern occurred historically because without well-established stock exchanges, family-controlled firms were forced to align themselves with a bank or holding company that could guarantee them the necessary capital (Scott 1991, 191). Mexico's stock market did not generate significant sources of capital for major firms until the late 1980s.

A fourth consequence of interlocks is that they produce a significant effect on corporate strategies (Galaskiewicz and Wasserman 1993, 16).[4] For example, a study of interlocking corporations and banks in St. Louis, Missouri reported that interlocking banks were more likely to make

[4] G. Lowell Field, John Higley, and Michael G. Burton conclude that "firms tend to interlock with firms in sectors **constraining the firm's profits**" [emphasis mine], and "market structure patterns interlock structure and interlocking structures repattern market structure" (Field, Higley and Burton 1990, 433).

loans to corporations and less likely to engage in mortgage lending than unconnected banks (Mizruchi and Galaskiewicz 1993, 58). According to a U.S. Federal Trade Commission report, a fifth consequence is that, "the existing law on interlocking directorates is inadequate and that interlocks among our great corporations are especially inimical to competition because the economy has become increasingly concentrated among a few hundred corporations" (United States Senate 1969, 270).

In the United States, scholars long have assumed that the need for capital gradually led to a dispersion of control away from capitalist families to that of outside investors, both individual and corporate. Analysts agree that any individual or family with 4-5 percent of all stock and representation on the board would exert control. As late as the mid-1960s, according to the most comprehensive studies of the United States, of the top 300 industrial corporations, 40 percent, and possibly another 15 percent, were family controlled (Domhoff 1980, 64). In a more recent analysis by Fortune magazine, its researchers discovered that of the 500 leading U.S. industrial corporations, 150 were controlled by one or more members of a single family, leading Thomas Dye to conclude that the "disappearance of the traditional American capitalist may have been exaggerated" (Dye 1990, 45).

In Mexico, we begin with an entirely different set of assumptions about family ownership. In the mid-1980s, of the leading 50 firms and banks, with the exception of publicly-owned corporations, all (accounting for 65 percent) were controlled by leading capitalist families, all of whom are represented in our present power elite sample (Camp 1989, 192). In the last decade and a half, as Mexico's stock market grew rapidly and foreign individuals and firms began to invest heavily in Mexican firms, one would have expected this pattern to decline. This is not the case.

Financial institutions also have played a critical role in Mexican corporate development, but in most cases, banks were founded and controlled by large holding companies or grupos controlled by leading capitalist families, a pattern occurring elsewhere in Latin America. Banks were not the source of control. As Francisco Durand points out in Peru, "the more powerful grupos exist as highly articulated units administered through entrepreneurial holdings and family ties rather than through banks. Commercial banks, in most cases, are one of the grupos' important firms, however, the direction of the grupo is not necessarily located in the bank" (Durand 1994, 61-62).

In Mexico, there is no question that a small number of individuals and families, fewer than 500 hundred individuals, control an overwhelming percentage of the GDP. For example, in 1998 just ten of the capitalists included in the power elite, controlled 15 percent of Mexico's GDP and

accounted for 25 percent of the net sales of all companies traded on the Mexican stock exchange (Muñoz 1998, 1, 8). In 1989, thirty-seven members of the exclusive capitalist organization, the Council of Mexican Businessmen, all but three of whom are included among the power elite, controlled 70 major holding groups representing 22 percent of the GDP and employing 450,000 workers (Montesinos Carrera 1992, 114).

The question of who actually controls the stock, is difficult to answer even in the United States, where a lot of information is accessible by law. But as Zeitlin correctly points out, the difficulty lies in discovering the "beneficial owners," not just the "shareholders of record," which are often trusts, holding companies, or foundations controlled by capitalist families (Zeitlin 1974, 186). As an illustration of this very problem, Domhoff cites a careful study of the Weyerhauser family, in which the investigator discovered many individuals on boards who were not previously known to be family members. He concluded that the family retained control over several other firms previously thought to be publicly owned (Dunn 1980, 17-46).

Knowledge of the precise ownership of shares are extremely difficult to come by in Mexico, but sufficient information is available in business magazines and important newspapers to determine that family control of the leading 75 firms and banks listed far exceeds the 5 percent figure referred to above, and often Mexican family members or individual capitalists retain 50 percent or more of a firm's stock. For some of these firms, no public stock has ever been issued.

Who makes up these boards of directors and to what degree are they interlocked? The simplest way of defining an interlocking directorship is when "a particular individual sits on two or more corporate boards. The boards of large enterprises include both internal executives and outside non-executives among their members" (Scott 1991, 182). But firms may be interlocked in other, often indirect ways. As Ronald Burt suggests, firms may be linked directly through powerful subsidiaries which they control, or indirectly through financial institutions, which often serve as intermediaries between two firms (Burt 1979, 433). In fact, financial institutions play a central role in interlocks, typically have the highest number of interlocks among various corporations, and have become more rather than less influential in this networking process (Allen 1974, 403; Minz and Schwartz 1975, 223).

United States firms always have been interlocked. For example, in 1905, the directors and managers of the 20 most interlocked companies held 1,221 positions in other firms, an average of sixty-one interlocks per company. By 1964, this average fell to 24. Of the leading firms examined,

more than 80 percent shared interlocking board members.[5] In a study by Salzman and Domhoff, 95 percent of 201 corporations examined were linked at least once, and 82 percent were linked to at least 5 other companies in their sample (Salzman and Domhoff 1980, 233).

The interlocking directorate patterns found in the United States exist in other countries, both pre- and post-industrial. In Japan, numerous coalitions among major corporations also exist. And in Taiwan, extensive business networks are based on intermarried business groups (Scott 1991, 192-193).[6]

To what extent are Mexican firms linked through the same techniques which exist in other countries and how extensive are these linkages? In my analysis of 75 firms which have consistently ranked among Mexico's top 100 from 1970 through 2000, all remained in the hands of prominent capitalists [except for the banking chains which for a brief period were government owned and operated]. Membership on these boards document extensive ties among that power elite.

Eight of these 75 firms were solely owned by a capitalist member of the power elite or had no non-family board members. The remaining 90 percent were controlled by multiple leading capitalist families. Some of Mexico's top capitalists have served on at least eight of these boards, illustrated by banker Agustín F. Legorreta Chauvet, whose grandfather, great uncle, and father, were presidents of Banamex, Mexico's leading private banking chain, and whose brother owns and directs several other of those top companies. Influential bankers are very well represented on most of these boards. These firms would be linked even more strongly through their boards of directors if lists of board members were expanded to include individuals outside the power elite.

Boards of directors obviously function as a significant vehicle for networking among leading Mexican capitalists. Because boards are visible, organizational entities, it is easier to identify relationships represented among those directorships. That is true in the United States as well as in Mexico. Membership on a board, however, especially when the board is controlled by a single capitalist CEO or his immediate family, is not the primary source of a personal linkage between the firm owner and board

[5] David Bunting and Jeffrey Barbour also found that "the percentage of individuals holding multiple positions and the percentage of multiple positions held by single individuals has decreased from 1905 to 1964. We found that the **absolute number of individuals holding multiple positions has remained nearly constant since 1905** [emphasis mine]." The figure they referred to translated into 89 percent of the firms (Bunting and Jeffrey Barbour 1971, 323, 335).

[6] Generally such groups are more suited to the economically developing world than to the more developed capitalist economies (Strachan 1976, 53).

member. Some other connection typically determined initially whether or not a specific individual was selected to serve on that capitalist's board. Serving on the board with other "third party," non-family board members provides a significant channel through which family and non-family board members alike could link up with each other.

The two hundred and ninety-nine sources of networking among Mexico's capitalist power elite presented in Figure 1 can be categorized into seven types of contacts: educational (typically school friends), partners (invested together in establishing a firm), board members (serving on a co-elite's board), family (related to or relative tied to another elite member), civic (involved together in a civic task or organization, such as founding a university), social (friendship through other settings), and career (superior-subordinate relationship between employer and employee). These categories were developed to suggest the importance of distinct types of networking linkages and to provide useful comparisons across elite groups.

Service on a board of directors accounts for a third of the known ties occurring among Mexican capitalists. Family ties, including spouse and in-laws, first cousins, uncles and aunts, parents, and grandparents, account for 45 percent of all capitalists' ties. Pure business relationships, either between partners or among individuals who work together in the same firm, explain only a small portion of the networking sources, and friendship, developed most commonly through early years in preparatory school and college or on civic boards, is responsible for the remaining contacts.

Sometimes these networking sources are combined. For example, the long-time CEO of Grupo Condumex, a major holding company in the 1970s, is the brother-in-law of a significant stock-holder in Grupo Modelo, a leading beer manufacturer. But the CEO met his future spouse while he and his future brother-in-law were students at the National University in the 1930s (Juan Sánchez Navarro and Eduardo Prieto López). Both also studied under a prominent mentor to numerous influential politicians, intellectuals and capitalists (Manuel Gómez Morín[7]). Thus, their student friendship was the original source of the personal contact, and the CEO cemented the closeness of this tie by marrying his friend's sister. A number of prominent figures also established ties to other figures through their parents, and even in one case, a grandparent. The CEO of Industrias Peñoles, one of the top thirty companies in Mexico in the 1990s, was connected to the late CEO of Banco Comermex through his mentor and father, Comermex CEO's business partner in the 1950s (*Expansión* 1994, 34).

[7] Gómez Morín and Sánchez Navarro later founded a business together, and Prieto López and Sánchez Navarro founded the Industrialists Club in Mexico City, one of the most influential sources of social contacts among capitalists.

Conclusions

As numerous examples illustrate, networking contacts within Mexico's power elite occur formally and informally. A critical actor in establishing these relationships is the mentor. The emphasis of American theorists on organizational networking in studies of the United States and post-industrial Europe, while significant, overlooks a huge portion of networking sources in other societies, and perhaps even in the United States.

Studies of American elites cannot tell us with any certainty that organizations, specifically positions within institutions in the private, public and civic sectors, are the most important sources of networking contacts. They can only suggest that in the measurment of institutional sources, typically positions held in formal organizations, the frequency of elite contacts within and between leadership groups transpires at a specific rate.

Given the fact that nearly all major studies rely on organizations as their only means of measuring networking contacts, they convey the impression in the literature that these are without question the most important networking sources, reinforcing an emphasis on institutional studies. It is apparent that scholarship has pursued this institutional channel because it is the easiest approach, although it too requires substantial, time-consuming research, to illustrate. This research strategy, while understandable, is quite unfortunate because it has led to erroneous assumptions when applied to other cultures, and as Burch suggests, may well be equally misleading in American elite studies.

The analysis of networking sources within leading Mexican power elite groups suggests several significant findings. First, as we have seen from the Mexican power elite sample, organizational positions do not account for the majority of identifiable, networking sources among elites. Networking sources are quite varied, and formal positional linkages, while influential, are not dominant. Indeed, while numerous networking connections within organizations can be established among power elites, those linkages may not be the original source of the networking contact.

Second, by ignoring the more subjective, informal ties, organizational networking theorists imply that formal positions are the only source of personal networks. These theorists have not assumed the existence of other sources of networking, and therefore, have not pursued a substantive strategy of incorporating various networking settings and actors.

It follows that extensive efforts to illustrate formal networking ties and economic interlocks through an analysis of boards of directors, while proving the potential influence of the interlock, do not necessarily explain the network source. The assumption is that two individuals serving on the same board are linked or potentially linked in a shared, organizational network. The actual determinant of their network tie may not have been

the board membership — but a prior contact, informal or formal, often facilitated by a mentor, led to their being appointed to a particular board. Specific individuals are not appointed to influential boards just because they have identifiable economic credentials, but because they are known to someone on that board through another means of contact.

A position on the same board does not preclude contact stemming from some other board or corporate position, but the actual source of the contact also could be a social friendship, one which occurred through a shared mentor, a mutual friend, a family member, an educational experience, or even a specific event shared by any two individuals (military service, political activity, etc.).

Third, a comparative analysis of corporate board membership, as an illustration of formal networking ties within a power elite, does reveal significant similarities among Mexican, North American, and other countries' corporate leaders. In fact, it suggests that in countries similar to Mexico, where corporate financial control is not as widely dispersed as in the United States, board positions facilitate extensive contacts among capitalist elites. Those contacts are more extensive in Mexico than in the United States.

Fourth, the key actor in facilitating informal and formal networking ties in Mexico is the mentor. A mentor may be a successful professional in the same career field, an influential leader who comes directly from an individual's family, or even a future elite's teacher. Because mentors have been ignored in the examination of elites, especially from a theoretical perspective, almost no evidence exists to assess their comparative role and their importance in other societal settings. This theoretical gap is even greater than the theoretical blindness to informal networking sources.

The argument can be made that the reasons for this theoretical lacunae in mentorship and informal networking sources are complementary. Mentors are self-appointed, and therefore are informal actors. Because they often come into contact with their disciples through less formal settings than holding peer positions in an institution, they are difficult to identify without examining personal memoirs, perusing published interviews, or establishing direct contact with the elite subject.

The fourth broad conclusion from the examination of power elite networking within each of the Mexican groups is that the peculiar structures of each group strongly flavor the nature of the networking source. As we have seen, the wealthy family backgrounds of capitalists, and the degree of family control over the most powerful corporations, changes the mix of networking sources and mentors to favor kinship ties and family mentors within this group, just as it does elsewhere in Latin America and

the Third World. Thus, the formal and informal sources of networking, within separate Mexican leadership groups, reinforce one another.

These findings reinforce the importance of understanding the organizational structure of individual elite groups. Theorists have correctly recognize the influence of the larger societal structures on elite formation and networking, but rarely have provided substantive observations from which to assess differences among organizations which are fundamental to explaining the formation, credentialing process, and decision-making power of elite groups.

The fifth major finding is that Mexicans who exercised the most influence within their respective areas of responsibility in the last third of the twentieth century have close ties to one another, ties which affect their personal and professional relationships. Such friendships are potentially important for the decision-making process since they affect access to information about policy decisions, allow individuals to express opinions on policy issues directly to decision-makers, and provide a long-term ideological thread encompassing mentors and disciples in their careers and educational experiences.

The strength of these friendships, especially between mentors and disciples, surely influenced incremental policy strategies pursued by various elite groups over the last half of the twentieth century. In other words, the more tightly woven the networking relationships within each elite group, the more easily ideological continuity can be sustained. However, and this is a critical point, because the mentors themselves are drawn from their ranks, once a core group of disciples has fashioned an ideological shift, a dramatic shift in ideology or direction could also be accomplished.

These findings about the relationship and sources of networking in the creation of power elite circles are confined only to linkages within each group. The impact which Mexican elites, or any other power elite might exercise, would be magnified many times if each individual group were connected, through networking ties, to influential leaders outside their sphere of influence. In order to understand the potential which power elites and mentors might exercise beyond their own sphere of responsibility, it is essential to examine their networking across categories.

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Transformations in the British Economic Elite

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The word 'elite' is probably one of the most misused words in the sociological lexicon. It has been used to refer, in the most general and abstract way, to any ostensibly powerful group or, indeed, to any arbitrarily defined category of advantaged, qualified, privileged, or superior people. Politicians, judges, and civil servants have been described as political or administrative elites, directors, managers, and the wealthy as economic elites, bishops as religious elites, journalists and editors as media elites, 'Society' families as a social elite, and those with high I.Q. as an elite of intelligence. This confusion of meaning has led many to conclude that the concept is completely vacuous and without any significant analytical value. This counsel of despair need not be followed, however. It does make sense to describe *some* of these groups as 'elites,' but only if the core meaning of the word is clarified and its usage is restricted to its legitimate applications. Such a conceptual clarification will allow the idea of the elite to figure as one of the key concepts in the sociological analysis of power.

This clarification, I will argue, must root the concept in the distribution of authority: elites are social groups defined by hierarchies of authoritarian power. This conceptual strategy is easiest to pursue in the sphere of politics, where the hierarchical structures of imperial and national states provide a clear focus for the identification of political elites. It is far more difficult to follow in the economic sphere and to identify economic elites, as whole economies are rarely organised into such tightly structured hierarchies of authority. My aims in this paper are to clarify the general concept of an elite, to show how this can be used to understand the formation of economic elites, and to apply these ideas to Britain. I shall trace the restructuring of the British economic elite over the course of the twentieth century, and I will highlight the impact of economic globalisation at the turn of the twentieth century.

Conceptualising Elites

I have argued elsewhere (Scott 1996, 2001) that the distribution of power is most usefully analysed along broadly Weberian lines. From this point of view, structures of power can be seen as organised around relations of class, status, and command. Weber set out his ideas on the first two of these dimensions in his famous discussion of class and status in relation to the formation of parties. To this he added an analysis of a third dimension of power in his discussion of the authority relations that exist within states and other hierarchical organisations (Weber 1914, 1920).

'Class' concerns power in the economic sphere of property and market relations, while 'status' concerns those forms of power that derive from the differentiation of groups in the sphere of culture and community. The class powers that people are able to exercise in the labour, commodity and capital markets rest upon the kind of goods and labour services that they possess and that they are able to use in the market to generate an income (Weber 1914: 927). Status power, on the other hand, involves 'every typical component of the life chances of people that is determined by a specific, positive or negative, social estimation of *honor*' (Weber 1914: 932). In contrast to both of these, Weber saw command relations as organised around the distribution of authority within structures of what Parsons (1947) translated as 'imperative co-ordination.' These authority relations are the basis of positions of command. This third dimension of social stratification was most fully explored in Weber's discussion of bureaucracy and was not fully integrated with his account of class and status, in which he concentrated on the consciousness and action of the party groupings that were recruited from classes and status groups.

Privileged or advantaged groups exist in each of these dimensions of power, but only those based in positions of command should be seen as elites. Wealthy classes and honoured status groups are — at the analytical level — quite distinct from authoritarian elites. Weber himself did not use the term 'elite,' but it was widely used by his student Robert Michels (1927), who tied these Weberian ideas to the framework of elite theory that had emerged in the work of Mosca (1896, 1923) and Pareto (1916). It is this work that provides a basis for understanding the structure and action of elites (see the readings in Scott 1990a and 1994). What I call 'command situations' are those causal components in individual life chances that result from differentials of power within structures of authority. Authoritarian organisations comprise those who command, those who must obey the commands of others, those who have had powers of command delegated to them, and so on. Each of these command situations exerts an independent and different influence on the life chances of their occupants.

It is the command situations at the top of the various authority structures that constitute its elites. An elite, in its most general sense, then, is a collection of similarly constituted top command situations from which people derive similar life chances. This formal definition of an elite, however, does not imply that such categories are true demographic groupings. An important question for investigation is the extent to which, in any particular empirical situation, the occupants of top command situations are integrated through interaction and association into one or more cohesive blocs. This can be achieved through lifetime or inter-generational social mobility and through socialisation together in their leisure time, through having experienced similar patterns of schooling, through intermarriage, and so on. It is such matters that investigators into the social background and recruitment of top decision-makers have generally tried to uncover. Meisel (1958: 4) took this further in his discussion of the extent to which elites are characterised by the three C's of 'group consciousness, coherence and conspiracy.'

An elite in the fullest sense is a social grouping whose members occupy similarly advantaged command situations in the social distribution of authority and who are linked to one another through demographic processes of circulation and interaction. This can be more or less extensive. The occupants of the leading positions of authority in a state, an established church, and in capitalist enterprises, for example, may form a single elite if there is an easy and frequent circulation among these positions of command and if they are linked through inter-generational mobility, informal and intimate interaction, and through the formation of households. [1]

Mosca (1884, 1896, 1923) provided a number of terms for describing these ruling minorities. However, his terms *classe politica* and *classe dirigente*, sometimes translated as 'political class' and 'ruling class,' are confusing terms for any account that employs 'class' in the Weberian sense. It is, therefore, preferable to follow Pareto's (1916) terminological innovation, and use the word 'elite' in place of Mosca's word '*classe*.' *Classe politica*, then, can best be translated as 'political elite,' while *classe dirigente* should be translated as 'ruling elite.' Mosca's concern in making such a distinction was whether the narrowly defined political elite formed part of a broader and more all-encompassing ruling elite.

This distinction is useful, so far as it goes, but the concept of the 'political elite' is limited to those specialised participants in the exercise

[1] In Scott (1996) I have drawn similar distinctions in relation to class and status, arguing that the demographic formation of social strata must be seen as a generic process in studies of social stratification.

of organisational authority within a political system (Mosca 1896: 50). Mosca was concerned specifically with the political elite of a state, but he tried to extend his concept to the holding of organisational authority within a business enterprise or a church. It is pedantic — but, nevertheless, useful — to introduce the term 'organisational elite' for this more general idea. Economic elites, then, are organisational elites that arise within the authority structures of economic organisations such as capitalist business enterprises, employers federations, or other organisations of capital. They may be analytically distinguished from both political elites within a state and wealthy classes, though there may be a close correspondence between the occupants of these positions in concrete situations.

In contemporary capitalist societies, economic elites are the organisational elites that arise within organisations of capital. Each and every business enterprise, for example, is headed by an organisational elite of corporate controllers — its directors and top executives — and so each enterprise is headed by an organisational elite. This is, however, a rather formal viewpoint that implies that corporate power is fragmented by suggesting the existence of as many economic elites as there are corporations. An investigation of the overall structure of economic power within an economy, however, requires that attention be focussed on the *largest* enterprises, which have a greater impact on economic processes than their smaller counterparts, and on the inter-organisational power that can result from the connections that enterprises establish among themselves.

These connections are not easy to investigate. In the case of a state, a single hierarchy of authority is the basis of a political elite, even though it may, for analytical purposes be sensible to distinguish its governmental, military, judicial, and other components (Scott 2001: 33). Economies, however, are rarely so centralised. More typically, structures of economic power must be discovered through investigating the actual patterns of intercorporate connection among large business enterprises within which the intra-organisational exercise of authority is embedded. These connections comprise the personal, commercial, and capital relations through which intercorporate networks are built. Personal relations include board-level interlocking directorships and relations of friendship, kinship, and political association. Commercial relations comprise the trading and service relations, such as joint ventures, consortiums, and, of course, purchasing, through which enterprises are tied together and act in common. Capital relations, finally, are relations of shareholding and credit among enterprises that are the basis of particularly tight forms of intercorporate control and ownership (Scott and Griff 1984: 17).

Inter-organisational economic elites — corporate elites for short — have most commonly been investigated as structures of interlocking

directorships, as these are often indicators of other relationships. An interlocking directorship exists when a particular person sits on the board of two or more companies, so becoming a 'multiple director' and creating an 'interlock' between the companies. Interlocking directorships, however, must also be seen alongside the capital relations that undergird them. These relations arise where families invest in a number of different companies, where banks, insurance companies, and other institutions invest in a number of companies, and where bank lending creates links between the institutions and those who borrow from them. Where shares are owned principally by large financial institutions, for example, and where each of these institutions holds shares in a number of different companies, interweaving or interlocking shareholdings occur. These are much more difficult to study than interlocking directorships.

The specific forms taken by corporate elites will vary according to the particular intercorporate forms through which authoritative power in an economy is organised. Central to such investigations is the use of social network analysis, a method for handling the various contacts, ties, connections, group attachments, and meetings that people have and which relate one person or group to another (Scott 2000). Social network analysis distinguishes between 'points' and 'lines': the points in a network are the individuals, groups or organisations, while the lines are the social relationships that connect them. The properties of networks can then be investigated through the use of specific mathematical techniques designed to handle the geometrical properties of points and lines. This basic idea was used in many early studies of corporate elites, which viewed companies as the points and the 'interlocking directorships' as the lines. The network of these interlocks is a 'map' of the structure of intercorporate power (Scott 1991a). Such maps can be made more useful to the extent that they draw also on evidence about capital and commercial relations, rather than relying on interlocking directorships alone.

Economic Change and Economic Elites

Much empirical research on economic elites has been divorced from larger theoretical concerns. It is important, however, to see the formation of economic elites in relation to historical transformations in business ownership and control. Corporate elites must be seen as emerging in specific historical and global contexts.

Those who have discussed economic elites have tended to accept, virtually unquestioned, the so-called managerialist theory of the business enterprise. According to this theory, business ownership has become more dispersed and propertied corporate elites have been replaced by propertyless managerial elites. Companies have grown beyond the

resources of their original owners, and the raising of capital through the stock exchange and investment system means that shares are held by ever larger numbers of people. No individual or family, it is held, can retain a significant controlling block of shares in a large company. There has been a separation of 'ownership' from 'control' and, as a result, power passes from the shareholders to those who occupy positions of managerial authority. Wealthy families and business dynasties have been replaced by salaried managers as the principal agents of business decision-making.

Zeitlin (1974) demonstrated the inadequacy of this managerialist theory for the United States, and my own research confirmed this for Scotland (Scott and Hughes 1980) and then for Britain (Scott 1986). This research showed that, while *personal* shareholdings have become less significant, shareholdings by banks and insurance companies have become much more important. Ownership remained an important constraint on what managers are able to do in their business activities. This shift from personal towards more impersonal forms of control is a common feature of all the advanced capitalist economies. Each country, however, has followed a distinct path of development that reflects its specific historical circumstances, the cultural and political context of its economic development, and the location of its national economy in the global political economy (Scott 1997).

These variations in corporate ownership and control are responsible for variations in patterns of elite formation. Britain, like the United States, exhibits a pattern of capital mobilisation and elite formation that I have called 'Anglo-American.' This differs markedly from the patterns found in Japan, Germany, and the other European economies. The Anglo-American system arises whenever there is a strong base of entrepreneurial capital, a well-established stock exchange system, and an English system of company and commercial law. Under these conditions, a decline in entrepreneurial capital results in the emergence of a structure of *institutional capital*. Shares are held, predominantly, by financial institutions, such as banks, pension funds, insurance companies, and unit trusts. These financial institutions dominate the flow of capital and a virtually seamless network of intercorporate shareholdings and other capital relations is formed.

Within such a network, large enterprises are controlled neither by entrepreneurial capitalists nor by tight groups of financial controllers. Control takes the form of 'control through a constellation of interests.' Overlapping constellations of corporate interests, approximately the twenty largest shareholders in each enterprise, have the financial power to constrain managerial autonomy. The 20 largest shareholders, holding anything up to 50% of the shares in a company, do not form a unified and

cohesive controlling group but they nevertheless comprise a fundamental constraint on managerial power.

Some sophisticated writers have attempted to incorporate these developments into a managerialist perspective. Edward Herman (1981), for example, holds that large enterprises are subject to what he calls 'constrained management control.' Where Berle and Means (1932) saw management control as involving the complete autonomy of managerial decision-making from shareholder interests, Herman recognises that the growth of institutional shareholdings reduces this autonomy. Managers are constrained by the interests of the largest, institutional shareholders. The concept of control through a constellation of interests, however, is preferable to Herman's concept of constrained management control. To continue using the concept of management control, however much this term is qualified, is to run the risk of re-introducing many of the unwarranted assumptions that have been rejected by such critics as Zeitlin. Despite these differences in terminology, however, there is a clear picture of the nature of control in large enterprises: a significant degree of constraint over managerial discretion is exercised by constellations of shareholding interests, and the market for corporate control plays a major part in corporate actions.

Family and entrepreneurial firms have not completely disappeared, but they are no longer a major force among large enterprises. Between a third and a half of all top enterprises in Britain and the United States show significant influence or actual control by wealthy families, through either a direct controlling stake or a family holding of one to two per cent of the share capital (Scott 1986). Family members may still sit on a board of directors and exercise a degree of family influence, even in impersonally-controlled companies. The family dynasties of the past have not completely disappeared, but they are now playing a rather different role.

I have argued that the changing structure of capital and commercial relations in an economy shapes its patterns of elite formation, and it is now possible to examine the changing structure of the British corporate elite that has resulted from these changes in corporate ownership and control. Direct evidence comes from research that I undertook for the period 1904 to 1976 and subsequently updated to 1992 (Scott and Griff 1984; Scott 1990b). This research focused on the 250 largest British business enterprises in each of a number of years, the 'top 250' including 50 financial enterprises and 200 industrial and commercial enterprises. This research formed a part of an international project that compared the British situation with that in other major economies (Stokman et al. 1985).

The Structure of the British Corporate Elite

The industrial sector of manufacturing enterprises in the British economy from the industrial revolution to the late nineteenth century comprised a large number of small, family-owned and entrepreneurial concerns. Each enterprise operated in a local or, at most, regional market, and its activities were constrained by the competitive pressures of similar small enterprises. From the 1870s, new corporate forms of business enterprise emerged with the concentration and monopolisation of product markets. This concentration of the economy into a more 'organised' form of capitalism occurred, however, without any significant involvement from the established City of London elite (Ingham 1984; Scott 1988). This City elite had dominated the leading financial and trading institutions of the City since the formation of the Bank of England at the end of the seventeenth century. It was oriented towards international trading and government finance, and it took no significant part in the new forms of corporate finance that allowed non-financial enterprises to amalgamate with one another at the end of the nineteenth century.

Data for 1904 shows the British economy at a crucial point in this transition from liberal to organised capitalism. The largest companies of 1904 included Imperial Tobacco, J&P Coats, United Alkali, Vickers and other massive undertakings that had been formed through the amalgamation of smaller enterprises. By 1976, however, the top companies had become far more diversified: Imperial Group, the successor to Imperial Tobacco, remained in the top 10, but had diversified from tobacco into drinks, hotels, and other industrial activities. The financial sector had also become increasingly concentrated and had developed strong financial links with the industrial and commercial sectors. The transformation in ownership was also apparent. Imperial Tobacco in 1904 was controlled by a coalition of families centred on the Wills family, but by 1976 Imperial Group was controlled through a constellation of interests: the Wills family were the only personal shareholders in the top 20, and they held just 0.5 per cent of the shares.

A total of 2204 people held directorships in the top 250 of 1904, compared with 2682 in 1976, a clear indication that board size was increasing along with economic concentration. The top directors of 1904 consisted of 303 multiple directors and 1901 people who were directors of just one large enterprise. By contrast, the top directorate of 1976 consisted of 282 multiple directors and 2400 single directors, predominantly executives in companies in which they followed their business careers. Thus, the multiple directors were a more significant proportion of the total directorate in 1904 than they were in 1976. This suggests a growing division of labour between the multiple directors and

the single directors. It is the multiple directors who generate interlocking directorships, and they generated a total of 510 interlocks in 1904. The smaller number of multiple directors in 1976, however, generated 591 interlocks, the number of multiple directors with three or more directorships increasing substantially. The number of lines connecting the top 250 companies also increased, from 401 in 1904 to 542 in 1976.[2] These lines connected 197 of the top 250 companies in 1904 and 189 of them in 1976, and the density of the network rose from 0.013 to 0.017 over the period. Of great significance, also, is the decrease in network fragmentation between 1904 and 1976. In 1904 there were nine internally connected, but externally disconnected, components, the largest of which contained 177 companies. In 1976, however, there were just three components, though the largest of these contained 185 of the 189 interlocked companies.

The changing role of the financial system is very clear. In 1904, the network of plural lines — the particularly strong lines involving two or more directors — contained 24 components, the largest of which was a 17-member City of London component. Centred on the major merchant banks and clearing banks, this City component had a dominant position within the financial sector. However, while financial concentration had produced a number of large banking and insurance businesses, these had established no substantial links with enterprises involved in manufacturing industry. The 13 London clearing banks in the top 250 of 1904 were interlocked with 46 non-financial enterprises, but fewer than one fifth of these were involved in manufacturing industry. There was, then, a split between the London-based financial sector and the provincial industrial sectors, and there was a corresponding split between the City financial elite and the provincial manufacturing elites.

The power of the City merchant banks was at its highest in the period from the 1870s to the first World War, when British international financial hegemony was strong. Lisle-Williams (1984a and b) has shown that this City elite was recruited from the very highest levels of the stratification system. The banks were subject to dynastic family control and were firmly embedded in a capitalist propertied class with patterns of wealth holding structured through extensive and interweaving kinship relations (Scott and Griff 1984: 120). Baring, Rothschild, Hambro, Gibbs, Grenfell, Montagu and other family names appeared and reappeared over the generations in the major City firms (Chapman 1984. See also Chapman 1986 and Cassis

[2] A line between two companies may be created by one, two, three or more interlocking directorships and so the number of 'lines' is always less than the number of 'interlocks.' This distinction is captured by counting the 'multiplicity' of the lines in a network.

1988). By 1914, the principal merchant banking dynasties had established firm recruitment links with the public schools and with the Oxford and Cambridge colleges that trained the leaders of business and the state. These patterns of association were the basis for a pattern of trust in business affairs, characterised in the City's motto — not completely inaccurately — as 'My word is my bond.'

The City elite was the most important corporate elite to have emerged around economic command situations. It had the greatest importance within the economy as a whole, and it had extensive political connections to the government and the state administration. It was part of a larger ruling elite. Outside of the City core, however, were not only a large number of isolated and peripheral enterprises, but also some regional and personal communities of interest associated with the activities of particular entrepreneurs or promoters. These regional groupings included those based in the cities of Glasgow, Newcastle, Liverpool, and Aberdeen, and each had its elite of business families with links to the major enterprises of their regions and with strong links to smaller local enterprises outside the top 250. Particularly significant was the fact that the regional economies themselves did not show the kind of sharp separation of banking from industry that existed at the national level. Within the regions, locally-based banks and insurance companies had close relationships with the leading non-financial undertakings.

The contours of these elites become much clearer when larger numbers of enterprises are investigated. The top 250 enterprises are the tip of the iceberg as far as the business system is concerned, and an analysis only of these large enterprises cannot grasp the full complexity of economic power. This is clear in the results of a separate study of the Scottish economy (Scott and Hughes 1980). The 108 Scottish-registered companies with capital of £300,000 or more in 1904 were interlocked through an extensive and cohesive elite with interests across all sectors of the Scottish economy. The Glasgow and Aberdeen components that were identifiable in the British study formed parts of this larger Scottish elite. At its core, however, were the financial enterprises of Edinburgh — banks, insurance companies, and investment trusts controlled by lawyers and accountants and by members of the long-established landowning families. The Scottish elite was, however, internally diverse, and its sub-components showed considerable autonomy. In Glasgow, for example, a partially distinct elite based on heavy industry drew its membership principally from local banks and investment groups.

The crucial turning point for the British economy was the 1920s. The ending of the first world war saw an increasing level of government intervention aimed at industrial reconstruction, and many horizontally and vertically integrated combines were built. The economic collapse of

1920-21 caused great financial losses for the banks and impelled them to become more directly involved in the ownership and financing of industry. Economic concentration increased sharply during the 1920s and 1930s, and the banks and insurance companies became heavily involved in industrial finance as part of an official policy of reconstruction, rationalisation, and merger. This process was furthered by the depression, and while the partial economic recovery of the later 1930s allowed the banks and insurance companies to reduce the level of their involvement in industry, as they sought to return to their pre-war practices, close connections remained.

Regional economic elites strengthened their positions in the North East (Newcastle) and the North West (Liverpool-Manchester), and a strong elite based in the Midlands and South Wales was formed. The Scottish elite remained a particularly important feature of the economy in this period. It was, however, less distinctive, having established numerous links with English companies. Within Scotland itself it retained strong links to smaller enterprises. There had been a major expansion of the Scottish investment trust sector, and links between Scottish financials and Scottish industrials were strengthened. Particularly striking was the relative decline of autonomous regional elites *within* Scotland: the Scottish economy was controlled by a distinctively *Scottish* elite, rather than by a coalescence of Scottish *regional* elites.

The relationship between industry and banking had, however, been fundamentally altered, and the 1938 network shows the effects of this. This was a complex trend. The number of directors fell between 1904 and the end of the 1930s, but the number of multiple directors increased massively. Multiple directors amounted to 15.1 per cent of all directors in 1938, compared with 11.3 per cent in 1904. This resulted from the formation of a large number of amalgamated enterprises with extensive vertical and horizontal integration in their commercial and capital relations. The 329 multiple directors of 1938 generated a massive 809 interlocks and 578 lines among the top companies, and the density of the network was higher than it was to be in 1976 (Scott and Griff 1984: Table 2.7, p. 42; Table 2.6, p. 41).

By 1938, the City core had expanded to a national arena through building links with a number of large and dense regional groupings. The network of plural lines in 1938 contained a large component of 63 companies, centred on the City of London but extending into the heavy industries of the midlands, the north, and Wales. The British economy was dominated by a corporate elite of directors with their primary base or most significant interest in the City of London. This was the characteristic pattern of British finance capital.

The interconnected families from the old merchant banks remained at the heart of the City throughout the twentieth century, though their power and influence were weakened as the economy became more organised. From the 1930s, the big insurance companies became a major force in the City and in the control of industry, and new merchant banks arose to play a key role in industrial finance and in the post-war property boom. Pensions funds became important owners of company shares from the 1950s, and the merchant banks took on a new role as fund managers to these institutions. The 1950s was the period in which the old structure of City dominance began to show the strains and tensions of these changes. British international financial power was overshadowed by the increasing power of the United States and, a little later, by continental European financial centres. The corporate elite of 1976 showed the effects of these changes.

The development of the corporate sector up to 1976 showed a decline in the regional groupings and the emergence of a more diffuse national structure. Declining levels of family share ownership led to more and more shares coming into the hands of the large financial institutions, which were forced to adjust their relations with the industrial sector. The number of directors and the proportion of these that were multiple directors fell during the post-war period as corporate restructuring produced diversified enterprises with fewer links to other enterprises operating in similar industries. The network of plural lines in 1976 contained 17 components — fewer than in 1904 — and the City institutions were divided among a number of these components. Despite the continuing influence of the City of London as a sector, the City core within the corporate elite was less sharply identified than it had been before the 1950s.

The long term trends in recruitment to the corporate elite have been highlighted in some important research by David Jeremy (1984). Drawing on a wide sample of business leaders from the *Dictionary of Business Biography*, Jeremy has shown how the declining significance of family control has been associated with the continuing importance of property ownership. Over three quarters of the corporate elite members born between 1840 and 1869 — many of whom were found in the 1904 corporate elite — were founders or inheritors of business enterprises. Among those born between 1900 and 1920 — forming the core of the 1976 corporate elite — the corresponding figure was just over a half. The great bulk of property owners in 1976 were inheritors rather than founders. The proportion of salaried managers increased from 13 per cent to 24 per cent in the same cohorts.

The rise of salaried executives did not, however, have a major impact on the social class origins of the corporate elite. In terms of social class, at least as measured on the Registrar General's Scale, more than a half of the

1840-1869 and 1900-1920 birth cohorts were drawn from landownership, business, and the professions. There were very low rates of mobility into the corporate elite from any other social class. Patterns of education became more exclusive over this period.

Jeremy shows that just under a quarter of those born in the period 1840-1869 attended a fee-paying public school, compared with a half of those born between 1900 and 1920. The number entering higher education was very low throughout the period, but a third of those born in 1840-1869 and going into higher education attended either Oxford or Cambridge, compared with two thirds of those born in 1900-1920.

These conclusions are confirmed by the well-known research of Stanworth (1984. See also Scott 1991b), who investigated company directors and chairmen in the top 50 industrial companies and the largest financial companies. Public school attendance and attendance at Oxford or Cambridge, he argued, showed a rising trend over the course of the twentieth century. Over three quarters of directors born between 1920 and 1939 had attended a public school: a third of all City directors had attended Eton. The corporate directorate, then, remained a highly exclusive social group. Indeed, it became rather more exclusive over the course of the century, despite the changing position of the City institutions and the changing alignment between banking and industry.

The dominance of the City elite during the phase of liberal capitalism had, then, given way to the dominance of a more distinctively national elite with the consolidation of a more organised form of capitalism. The national elite was not, however, a monolithic social bloc and a separation of City financial interests and other business interests was still apparent, despite the close interlocking and similarity of business practices that existed between 'financial' and 'industrial' enterprises. A leading position in the structure of interlocking directorships was held by directors of the City of London financials, and the actual and nominal descendants of the old City elite continued to play an important role in business decision-making. City interests were particularly important in forging and imposing the short-term orientation to industrial investment that characterised British corporate policy. They were at the heart of the more extensive national corporate elite.

Members of the corporate elite of 1976 headed a more integrated, denser, and less fragmented economy than their counterparts of 1904. The development of the corporate network from 1904 to 1976 did not show a simple and smooth upward trend, but a pattern that reflected changes in capital and commercial relations. Measures on all variables for 1938 are above the levels for both 1904 and 1976, and data for 1957 show it to be at an intermediate position on the trend line between 1938 and 1976.

Measures for 1988 were very similar to those found for 1976 (Scott 1990b). The period as a whole, then, seems to fall into two periods, punctuated by the Second World War.

The structure of the corporate elite in the last quarter of the twentieth century reflected the underlying patterns of corporate ownership. Data for 1976 and 1988 shows a network of capital relations in which large financial institutions are entwined with one another through long chains of shareholdings and with links to smaller institutions and to numerous subordinate manufacturers and retailers. This seamless and diffuse web of connections had a moderate level of density and showed a structural separation between two network positions: a dominant position occupied by the large financial institutions and a subordinate position occupied by the industrial and retailing concerns.

In the network of interlocking directorships that this sustained, the directors of the large financial institutions, and particularly bank directors, comprised the major pool of potential recruits for other company boards and, therefore, the core of the corporate elite. The structure of this elite was characterised by a pattern of bank centrality that now characterises all the Anglo-American economies. It is the bank boards that are central to the whole structure of interlocking directorships and to patterns of economic decision-making. The leading banks occupy strategic positions at the centre of clusters of connected enterprises, and their boards operate as crucial intermediaries in the flow of information from one enterprise to another. This also involved the formation of what Michael Useem (1984) has called an 'inner circle,' a core elite of mutually connected people, centred on the banks, who dominate the big boards and comprise the leading edge of business decision-making. Bank directors, then, form the core of a corporate elite with system-wide interests.

Globalisation and the Fragmentation of the Corporate Elite

Much of this broad picture has persisted into the current century, but there are signs that significant changes are under way. The deregulation of London's financial markets in the 'big bang' of 1986 opened-up the City to foreign competition and led to a massive influx of foreign capital. Deregulation was a world-wide phenomenon, initiated by neo-Liberal governments as a way of liberalising world trade and investment. There were, of course, much deeper causes, and the process of deregulation can be seen, in retrospect, as a significant step in the globalisation of the world economic system.

The national economies whose activities shaped the world economic system were becoming more closely interconnected through economic flows and circuits that transcended national boundaries in ways never before

achieved. Corporate growth in the nineteenth and early twentieth centuries involved a disembedding of economic processes from local structures and their partial re-embedding in national and nation-state structures. This was apparent in the formation of the national banking chains and other large-scale enterprises that operated in national markets, in fiscal policies aimed at maintaining the value of the national currency, and in the expansion of overseas trade and investment through direct import and export and through portfolio investment in overseas companies. The relations between these national entities were *international* relations. In the second half of the twentieth century, however, such relations have become increasingly *transnational*. Many economic processes have now been disembedded from national structures and partially re-embedded in transnational structures. Multinational banking systems and enterprises pursuing global strategies are the key economic actors, and their relations are regulated through such bodies as the World Bank, the International Monetary Fund, and the World Trade Organisation.

This process of globalisation was significantly enhanced from the 1970s, when innovation in telecommunications and computer technology made possible the rapid and efficient communication of financial information and meant that financial markets were no longer constrained by their location in space or by time differences. Neo-Liberal deregulation finally disembedded monetary circuits from national structures, increasing the global mobility of capital that, in turn, encouraged an increasingly global division of labour.

The effects of these changes had barely had a chance to make themselves felt in the data for 1988, which showed great similarities to that for 1976. By 1992, however, changes were becoming more apparent. The deregulation of the City of London had finally broken the solidarity and cohesion of the old City families. The unity of the City was greatly weakened, and traditional mechanisms of self-regulation became less effective.

From the late 1980s and into the 1990s, pensions funds massively increased the scale of their shareholding, though the proportion of shares that they held fell back during the later 1990s. Pensions funds held 17.7 per cent of all UK shares in 2000. Share ownership by insurance companies showed a steady growth over the period, and they owned a further 21.0 per cent in 2000. Ownership of shares by individuals, on the other hand, continued an inexorable decline, and by 2000 individuals held just 16.0 per cent of company shares. The most significant trend of the period was the massive increase in the percentage of shares that are foreign-owned. The proportion of shares held by overseas owners had actually declined from 7 per cent to 4 per cent between 1963 and 1981, but the figure increased

sharply during the 1980s. By 1989 it had reached 13 per cent, by 1994 it stood at 16 per cent, and by 2000 it had reached 32.4 per cent. About one in three foreign-owned shares are held by investors from the United States, while just over one in three were held by individuals and enterprises based in the countries of the European Union (Hill and Duffield: Tables A and E, pp. 8, 15. See also Sassen 1991: 38-9; Blackburn 1999).

Provisional data from an investigation of the top 250 British enterprises of 1992 [3] shows that the density of the network of interlocking directorships had fallen substantially between 1988 and 1992. There were fewer links between the financial and industrial sectors and, while the big clearing banks remained as important foci of interlocking directorships, each of the big banks had fewer interlocks than before. The number of directors from overseas had also increased substantially over this period. This looks to be a long term trend rather than a short-term fluctuation.

These data are in line with some evidence from Canada and Australia (see, for example, Carroll 1986; Carroll and Lewis 1991), suggesting the possibility of a similar shift in all of the Anglo-American economies. This might be seen as marking a move from 'organised capitalism' to the 'disorganised capitalism' described by Offe (1985) and by Lash and Urry (1987). Forms of corporatist concertation and relatively high levels of national economic co-ordination have given way to more 'disarticulated' national economies with internally fragmented structures. The increasing globalisation of capital and commercial relations and of political processes has weakened the ability of nationally-based political and economic elites to control events within their own national economies. The flow of financial information and resources is such that important economic variables, such as interest rates and exchange rates, are determined by processes that transcend national boundaries and over which purely national elites have little influence. Most limitations on the free movement of money have been removed, and so shareholders are no longer 'space-tied' — they can buy any stock in any stock market and the geographical basis or physical distance of a company is a relatively minor element in a decision to invest. Corporate elites become, in Bauman's words, 'extra-territorial':

> Elites travel in space and travel faster than ever before — but the spread and density of the power web they weave is not dependent on that travel. Thanks to the new "bodylessness" of power in its mainly financial form, the power-holders become truly exterritorial, even if, bodily, they happen to stay "in place." (Bauman 1998: 19)

[3] I am grateful to Nirmal Puwar for collecting the 1992 data and for undertaking some preliminary analyses of the 1957 and 1988 data.

The very idea of a cohesive and integrated national economy is now widely questioned. In these circumstances, it is to be anticipated that company directors in large enterprises will see progressively less relevance in the establishment of national interlocks and relatively more relevance in the establishment of international interlocks. This is not to suggest that interlocking directorships will result in the formation of a single 'global elite.' Such a development is extremely unlikely (but see Sklair 1995). What is far more likely is an increasing tendency for directors within one national economy to establish links with companies in related sectors in other countries and with particular international banks and financial groups. As a result, each national economy becomes disorganised or disarticulated, and the global economy forms itself into a coalescing pattern of fragmentary international alliances.

So far, these suggestions must be regarded as speculative, but it does seem that, as the world's economies become integrated within an increasingly globalised economic system, national corporate elites may be experiencing what is sometimes, and very misleadingly, seen as 'post-modernisation.' The implications of this are tremendous, not least for the social sciences themselves. Research on economic and political elites has, so far, been resolutely 'national' in its orientation, and perhaps the time for a global perspective has come. It seems unlikely that a study of the 'top 250' enterprises within a particular national economy will, in the future, be a viable research strategy for identifying economic elites in the new stage of capitalism that we have entered.

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Prime Ministers, Ministers and Civil Servants in Britain

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In the last 30 years, the British political system has encountered a variety of challenges to both its political power and authority. This has led commentators to now speak of a system of governance rather than government. In this paper, we will assess the impact that these challenges have had on what still remains the two key political elites — ministers and civil servants. We will examine their response to the challenges laid down by governance, which include: greater modernisation and professionalisation; broader social representation; and the need to co-opt a new group into the existing political elite. We argue that both ministers and civil servants have been adept at publicly pursuing a strategy of greater openness, inclusivity and flexibility, while privately being able to remain a homogenous elite with a tight hold on political power. For us, the British political elites have been successful at ensuring that there is plurality without pluralism in the political system.

The Elitist British Political Tradition

Historically, political leadership in Britain has been exercised by men of high birth and breeding. The effects of universal suffrage, organised mass political parties, increasing professionalisation of political life and the decline of the landed interest have combined to erode the political influence of the aristocracy. There has been a gradual movement from prestige to meritocracy in recruitment to the political elite. Yet males from upper class backgrounds have stubbornly retained a large hold on Parliament and Cabinet. In the 30 years to 1964 one quarter of Cabinet ministers were aristocrats (those who had among their grandparents the holder of a hereditary title) and the proportion of ministers educated at expensive public (private) schools actually rose to three quarters. Table 1 shows the

Table 1

Conservative MPs, 1923, 1974 and 1997

Date	No.	Etonian (%)	Public School (%)	Oxbridge (%)	All University (%)	Women (%)
1923	258	25	79	40	50	1
1974	277	17	75	56	69	3
1997	165	9	66	50	81	8

gradual decline in prestigious backgrounds among Conservative MPs, who have provided the government for some 70 years of the 20th century.

In the past, links between the political elite and the City, land and the navy were much stronger. In the 18th century, Members of the latter groups regularly sat in Parliament. A seat in the House of Commons or House of Lords rested on an individual's social position (Guttsman 1963). In spite of growing specialisation and the creation of formal barriers between politics and the bureaucracy, other sorts of links endured. The classic study by Lupton and Wilson (1959) established the networks between leading figures giving evidence to a tribunal enquiry into an alleged bank rate leak in 1957. They demonstrated the ties stemming from kinship, shared social and educational backgrounds and club memberships. Many of the individuals they studied were pluralists of power, holding influential positions in a number of elite groups, thus fostering elite interlocks.

More broadly it should be observed that in Britain, there are strict rules (cf France and Germany) about the separation between party politics and the civil service, particularly at senior levels. Civil servants are excluded from standing for Parliament, holding office in a political party, canvassing for candidates in elections and speaking in public or writing letters to the press on controversial issues. Perhaps more important than the above exclusions is the difference of temperament between the politician and the civil servant, arising from different attitudes to partisanship, expertise, and personal publicity. In the past 50 years only Harold Wilson (a war time civil servant) and Douglas Hurd have moved from the civil service to achieve high political office. Nevertheless, despite these differences and the lack of elite interpenetration between ministers and civil servants, the two groups are bound together as a consequence of two separate, but related factors: first, there is a commonly shared view of democracy that both hold; the second is a reflection of a particular institutional model of

government, referred to as the Haldane model which unites both sets of actors.

i) The British Political Tradition

The institutions and process of British government are underpinned by a particular set of ideas about democracy. Both ministers and civil servants operate on the basis of a 'leadership' conceptualisation of democracy premised on the core idea that 'government knows best.' Their position can only be understood in its historical context, as part of what we shall refer to as the 'British political tradition.' This tradition advocates a limited, liberal conception of popular representation and a conservative notion of responsibility. So, in this view, the British system is representative because it has periodic free and fair elections. Yet, there is little emphasis on demographic representation or on the notion that a Parliament or an MP should forward the political views of its/his/her constituents. As such, referenda are used in the British system not to discover the views of the electorate but rather to resolve irreconcilable policy differences among the leadership of the governing party. The past and planned referenda on Europe are ample evidence here; in both cases a Labour Government has/will use a referenda to prevent the Party, and indeed the Cabinet, spilling asunder on the issue.

As far as responsibility is concerned the position is even clearer. Accountability does play a role in the British political tradition in that the doctrine of parliamentary sovereignty rests in part on the notion that the executive is accountable to the voters at periodic free and fair elections and to Parliament between elections. However, despite David Judge's elegant defence (1993) of the role of Parliament, it remains true that the British system is characterised by executive dominance of the legislature. So, we would contend that both ministers and civil servants are conditioned by a top-down view of democracy that downplays the importance of participation. Thus, there is only limited emphasis within the British political system on the notion that the government should be responsive to the populace. Instead, ministers and civil servants believe in responsible, strong, government. This emphasises the idea that the governing elite should be capable of taking decisive and necessary, even if unpopular, action. This is a top-down, elitist, leadership view of democracy which both ministers and civil servants subscribe to and therefore, both have a shared interest in protecting. Thus, the British political tradition plays an important role in fostering a single, elitist personality shared by both our sets of actors.

ii) Haldane — The Institutional Binding of the British Political Elite

Since the outset of the twentieth century, Britain has operated within the framework of the Haldane Model, derived from Lord Haldane's (1918) *Report of the Machinery of Government Committee: Ministry of Reconstruction*. According to one authority:

> Haldane came up with the one-liner with which his name will always be associated. It was embedded in a paragraph of contrived understatement: "...we have come to the conclusion ... that in the sphere of civil government *the duty of investigation and thought, as preliminary to action*, [Hennessy's emphasis] might with great advantage be more definitely recognised." This phrase has been something of a *beau idéal* in the British Civil Service ever since. (Hennessy 1989: 297)

What this phrase encapsulates is the notion that at the heart of the core executive, officials *as advisers,* have an indivisible relationship with their political masters. As Foster and Plowden (1996: 76-77) argue, the Haldane model, unlike its European and US counterparts, portrays the relationship between politicians and civil servants as being 'intrinsically linked'; a relationship which derived from the Northcote-Trevelyan report:

> The Government of the country [cannot] be carried out without the aid of an efficient body of permanent officers, occupying a position duly subordinate to that of the Ministers who are directly responsible to the Crown and to Parliament, yet possessing sufficient independence, character, ability and experience to be able to advise, assist, and to some extent, influence those who are from time to time set over them.

On this basis, Foster and Plowden (1996: 77) argue that; 'the British system embodied a system not of rules but of advice. As cabinet ministers constitutionally still acted as advisers to the sovereign, so they in turn were advised by the Civil Service.' The contend that traditionally, officials were in a position which they could advise a minister on any subject and, as such, there was no requirement for the separation of power between the two. This contrasted directly with the Wilson model, established in the United States, which argued for the explicit separation of the roles of these two sets of actors, with the administrators focusing solely on implementation. The model has provided the constitutional convention binding ministers and civil servants together in a symbiotic relationship and, in so doing, assisted in the perpetuation of elite cohesion within the British core executive.

Pressures for Change — Decline and the British Political Elite

After 1945, as Britain engaged in reconstructing society after the dislocation that war had caused, both politicians and civil servants were predominately

held in high esteem by most sectors in society. However, by the 1960s the high esteem in which the British political elite in Britain had been held no longer appeared so assured. In this next section, we examine the evolving critique of ministers and civil servants, in particular that they were a self-serving, narrow elite cousinhood, and analyse their reaction to the new pressures. Did they open their ranks, both socially and functionally?

The 1960s — The Onset of Decline

In seeking to explain the cause of Britain's political and economic malaise, a number of political commentators and social scientists in the 1960s were not slow to assign responsibility to Britain's political elite. Politicians, but more particularly, civil servants were collectively identified as one of the 'guilty parties' responsible for Britain's relative decline by failing to modernise the state in order to adapt to the needs of the late twentieth century. For Westminster and Whitehall, the 1960s was a decade in which it endured a sustained attack based on the perception that Britain was still served by an amateurish, Edwardian bureaucracy and plutocratic politicians who adopted an elitist, narrow and secretive approach to policy-making. The critique was wide ranging Anthony Sampson's *Anatomy of Britain* (1962) was highly critical of the 'unloved Establishment,' highlighting the narrow, inter-connected, oligarchic nature of Britain's political elite — both ministers and civil servants. In a similar vein, W.L. Guttsmann's (1963) *The British Political Elite* surveyed the demographic make-up of politicians between 1868-1955 questioning whether Britain had a ruling class or power elite. He claimed that in Britain, the movement between:

> … elite groups with the consequence accretion of responsibility in the hands of a narrowing circle of men, who often make decisions of the utmost gravity, is one of the essential features of the much used and much misused term *Power Elite*. Behind the individuals who make what may appear to themselves and others isolated decisions and behind the events of history linking the two, are the major institutions of modern society. The hierarchies of state, and corporation and army constitute the means of power. As such they are now of a consequence not before equalled in human history. These three institutions interlock as decisions tend to be total in their consequences the leading men in each of the three domains of power tend to gather together to form the power elite. (357)

Elsewhere, the 1964 Fabian Report *The Administrators* focused on the closed and secretive society of Whitehall which is regarded as being isolated from both the world of business and more generally, society; finally, of course, in 1966, there was the establishment of the Fulton Committee to examine the structure, recruitment and management of the Civil Service. The issue of decline had forced on to the agenda the question whether or not the

British political elite were capable of not only arresting, but reversing the fortunes of a country that less than twenty years earlier had been regarded as one of the three world superpowers engaged in re-negotiating the new post-1945 world order.

The 1970s — The Delegitimation of Social Democracy

Despite the modernising agenda of the 1960s, decline persisted into the next decade. In part, this was as much a result of uncontrollable exogenous factors — the collapse of Bretton Woods in 1972, the oil crisis in 1973, and, most notably, the IMF crisis of 1976, than internal domestic failings. The IMF crisis in particular, revealed the inability of the political elites to manage adequately or resolve the contradictions inherent in the existing state. It effectively undermined the consensus politics both of Labour's revisionism and the tenets of progressive Conservatism. In so doing, it was a key event in helping to create an ideological and political vacuum. It was this vacuum that a new elected Conservative Government was to fill within three years.

Following the election of Margaret Thatcher as party leader in 1975, Conservative attitudes to the state, and more particularly, to the Civil Service were re-examined. The new 'Thatcherites' argued that the state institutions, including the Civil Service, enshrined a deeply entrenched, corporatist outlook. In part, their views were substantiated by a number of academic commentaries which were subsequently collectively labelled the 'government overload' thesis (see Brittan 1975; King 1975). The New Right appropriated the argument that British government was becoming over-extended with too many commitments to too many societal interests, in order to assert that Britain had been rendered ungovernable (Gamble 1994; Kavanagh 1997). Concurrently, public-choice analyses of bureaucratic behaviour, which had surfaced two decades earlier in the United States, were embraced by a number of centre-right, think-tanks such as the Institute for Economic Affairs and the Centre for Policy Studies. Their analysis of the public sector's 'flabbiness' as a result of not being exposed to the rigours of the market had, they claimed, led to over-spending, over-manning and inefficiency and, in part, to the relative economic decline of Britain. As Thatcher (1993: 48) retrospectively observed about the attitudes of her senior mandarins in 1979.

> What lay still further behind this … was a desire for no change… The idea that the Civil Service could be insulated from a reforming zeal that would transform Britain's public and private institutions over the next decade was a pipe-dream.

The New Right asserted that, any government with a radical agenda which wished to break-free from the constraints of social democracy would be

hampered by the bureaucrats' commitment to consensus. This, while the 'overload' thesis proved an effective tool at a de-legitimising the social democratic programme pursued by post-war governments and in so doing created the political space for an alternative agenda, there concomitantly existed a powerful critique of the personnel and operating methods of Whitehall.

1979-1997: The Conservatives Agenda for Reform

The perceived crisis in the Keynesian welfare state persisted throughout the 1970s, culminating in the Winter of Discontent in 1978-9 and the subsequent Conservative election victory in May 1979. The new Government was critical of what it saw as an over-extended public sector and, in particular, an elitist, 'world-weary' and defeatist view of politics it believed Whitehall harbingered. Retrospectively, Margaret Thatcher argued that this defeatist view of politics was encapsulated in a now infamous statement attributed to William Armstrong, Head of the Civil Service 1968-74, that the role of civil servants was to 'manage the decline of Britain in an orderly fashion' (Thatcher 1993; Richards 1997). She thought that civil servants were too wedded to the consensus and that their role should be to serve ministers and not their own perception of the public interest. According to Fry: 'The Higher Civil Service, like the career Civil Service of which it was a part, was a natural adversary for the Thatcher Government because of its guilt by association with the former economic and social order' (1995: 38). Thatcher did not apportion much value to 'those grand men of Whitehall,' because of their previous association with big government and ministers being dominated by officials (see Richards 1997). She believed senior officials would have an insidious effect on the radical agenda her government proposed. The solution was the introduction of market values as a way to reassert ministers' managerial control and to improve the efficiency of the Civil Service. Crucially, the newly elected Conservative Government wanted to 'deprivilege' the Civil Service, in order that it might operate in a similar world as the private sector. Thus, the Conservative Party's 1979 Manifesto promised to: 'reduce public expenditure and the role of the state.'

New Right thinking argued the need for the more efficient management (read reduction) of the state. The new government, driven by a strong anti-statist instinct, implemented a series of Whitehall reforms which have been widely referred to as New Public Management (NPM). The various reforms introduced by the Conservatives during their eighteen years in office have been well documented elsewhere (Fry 1995; Richards 1997; Foster and Plowden 1996). However, it should be noted that the reforms of the Conservative Administration succeeded, where in the past they had failed, because of the enthusiasm and support displayed at the highest political

levels (including Prime Ministers Thatcher and Major). Eighteen years of Conservative Administration imposed on Whitehall many private sector work practises; performance-related pay; the contracting out of officials to semi-autonomous agencies; and a change in the demands placed on senior officials, in particular, a much greater emphasis on managerialism rather than policy making. But does this mean that under the Conservatives, the traditional mandarins were replaced by a new breed, experienced in the world of business and willing to embrace a programme of radical change for Britain? In order to explore this hypothesis, we have undertaken a demographic analysis of senior civil servants building on previous research already conducted in this area.

The Impact of Change on Civil Servants

There have only been a limited number of systematic surveys of the social and educational backgrounds and career patterns of the mandarinate. Kelsall's (1955) study comprehensively examined the higher Civil Service between 1870 and 1950. Harris and Garcia (1966) analysed the social and educational backgrounds of the mandarinate between 1900 and 1996. Theakston and Fry (1989) extended the Harris and Garcia study to include Permanent Secretaries appointed up to 1986. The most recent survey by Barberis (1996a) involved a longitudinal study of Permanent Secretaries from the mid-nineteenth century to the present day. There have also been two major studies of the educational and social origins of British elites; Rubinstein's (1986), *Education and the Social Origins of British Elites* and Greenaway's (1988), *The Political Education of the Civil Service Mandarin Elite.*

Of all the surveys carried out, the most relevant to our own research, is that conducted by Theakston and Fry (1989). Their survey, which examines the 304 Permanent Secretaries appointed between 1900 and 1986, indicated that the average age of appointment to Grade 1 was 51.7 years. During this period, only two women were promoted to Grade 1: Dame Evelyn Sharp in the Ministry of Housing and Local Government, 1955-66; and Dame Mary Smieton in the Ministry of Education 1959-63. As far as education is concerned, 60% attended public school: although in the later half of the century there was a fall in the number of individuals attending the elite 'Clarendon schools,' with a converse rise in the number who attended maintained, direct-grant or grant-aided schools.

These figures confirm that the majority of officials came from the upper-middle and lower-middle classes. Overall, 83.9% of this group attended a university and, contrary to expectation, as the century progressed the figures for Oxbridge rose to 75% for the years 1965-86. As regards the length of tenure of Permanent Secretaries, the numbers who had served for less than 15 years before their appointment to Grade 1 fell from 46.7%

between 1900-19 to only 2.5% in 1965-86. Conversely, the percentage who had served for more than 26 years before their appointment rose from 28.1% to 72.5%. Over the whole period, Theakston and Fry only recorded 17 cases of outside appointments to Grade 1 and, significantly, none occurred in the post-war period. They also noted the importance of officials spending time serving in a minister's private office or gaining experience in one of the central departments: 'It is an important first step in the building of a mandarin's career, occurring usually when the individual concerned is in his late twenties or early thirties' (139). The average age of appointments to Grade 1 rose from 49.7 years between 1900-19 to 53.9 years in the 1965-86 period. Not surprisingly, in the same two comparable periods, the average length of tenure of service at Grade 1 fell from 9.9 years to 4.8 years. No official, appointed since 1966, has served for more than 12 years as a Permanent Secretary. Theakston and Fry concluded that:

> The high Civil Service … still seems to exhibit a considerable degree of social homogeneity, though perhaps less so than 50 years ago… Nearly all the chiefs of the Civil Service are to be ranked with the upper and upper-middle classes by the mode of life which they practice and the society which they keep, though many of them did not by origin belong to those classes. (145)

The Theakston and Fry study identified the high degree of social exclusiveness of the mandarinate in the twentieth century. It reflects an all-male, middle and upper class elite, which is self-perpetuating, thriving in such institutions as the 'clubs' of London. These institutions form an important function in assisting in the maintenance of elite cohesion as they provide a private and informal environment in which leading representatives from the world of politics, the military, business and the media can come together.

Elsewhere, Barberis's (1996) analysis of the demographic make-up of all Permanent Secretaries from the mid-nineteenth century to the present, constructs a checklist of the qualities, he regarded as necessary to become a Permanent Secretary:

> There are personal, intellectual and technical attributes. At the personal level all permanent secretaries must be resilient, mentally and physically. They must be good team players, yet able when necessary to rise above the tide of consensus. This includes the ability to work with ministers of any hue or persuasion though without sacrificing their own integrity or that of the office of permanent secretary. An equable temperament will help, though a bit of *'fizz'* is sometimes needed to push things through or to knock heads together. Charisma is a further asset, or at any rate a leadership style that inspires others. Intellectually, permanent secretaries must be able to quickly assimilate

> and analyse vast amounts of material; to seize upon the central issues and see the way forward. They must be good at problem-solving. They must also be sound in judgement — quick to spot trouble while maintaining a sense of proportion. (1996: 140)

If one links the qualities described above, with Theakston and Fry's demographic analysis of permanent secretaries, it is possible to create something similar to a Galtonian composite photograph of the senior officials who graced the corridors of Whitehall for the majority of the twentieth century. However, our own research has a different focus; we are concerned with assessing whether or not after 1979 a new breed of official was appointed to the most senior rank in Whitehall. Other surveys have not traced the promotional paths of the mandarinate in previous administrations. We have therefore undertaken our own comparative survey, contrasting the top appointments in Whitehall made by the Labour Government of 1974-79 with those of the Thatcher and Major Governments.

The method employed involved a number of stages:

- Compiling a list of all the departments in Whitehall and of any structural changes in the Government between 1974-90.
- Identifying all the Permanent Secretaries [Grade 1] and Second Permanent Secretaries who held posts in those Departments between 1974 and 1997 using the *Civil Service Year Gook*. [see Appendix B]
- Comparing the social backgrounds of first time appointees to Grades 1 and 1a during the Labour and Conservative Governments, considering age, gender, schooling and higher education records.

Table 2 shows that the demographic make-up of first-time officials serving at Grades 1/1a in the Thatcher Governments was similar to that of their predecessors who served the Labour Government. There was a small reduction in the age at which individuals were appointed to the mandarinate during the 1980s and a slight increase in the numbers who attended a non-Oxbridge university. Conversely, there was a drop in the numbers who received an Oxbridge education. Overall, the differences between these two cohorts were minimal. Thus, despite the rhetoric surrounding Margaret Thatcher's attempts to cultivate a more meritocratic society, our analysis suggests that, certainly when applied to the Civil Service, few in-roads were made. This is not surprising if one recognises the structural constraints involved in appointments and promotions in Whitehall. It would take over twenty years for a more 'meritocratic type' official to work his/her way up the various ranks and bring about a change in the demographic make-up at the most senior grades. As the Prime Minister has no direct influence over appointments and promotions at more junior levels, any Thatcher effect would have been indirect. Her

Table 2

A Demographic Profile of First-Time Appointees to Grade 1/1a

	1974-79 Nos:[%]	1979-90 Nos:[%]	1990-95 Nos:[%]
Average Age of Newly appointed Official	54.5	53.8	51.8
The Number State Educated	6 [12%]	6 [7%]	5 [18.5%]
The Number from Private School	44 [88%]	78 [93%]	22 [81.5%]
The Number from University [excluding Oxbridge]	11 [22%]	25 [29%]	13 [48.5%]
The Number from Oxbridge	34 [68%]	51 [61%]	12 [44%]
The Number without University Education	5 [10%]	8 [10%]	2 [7%]
The Number of Women	0 [-]	1 [1.1%]	2 [7%]

only direct means of advancing such a change would have been through the widespread introduction of outsiders to the highest grades. However, this was not the case.

Of the 9 cases of outside promotion to Grade 1/a: almost all were to specialist, technical posts, often in the Treasury or the Health Service. As such, it is not the case that Margaret Thatcher set about appointing a large number of outsiders to generalist Permanent Secretary posts. Our demographic comparison revealed a high degree of continuity between officials promoted in the 1970s and their successors in the 1980s. The limited number of outside appointments indicated that Mrs. Thatcher mainly approved insiders for promotion. The elite will have joined the service directly from university, at age 21, and become "lifers." Hence, the Civil Service continued to be the preserve of an all-male, Oxbridge educated, upper to middle classes elite.

Nevertheless, the reduction in the age of officials at the time of their promotion to the mandarinate could prove significant. The inference here could be that there were a number of cases of accelerated promotion to the highest levels, involving younger officials who leap-frogged two or more grades. If this were the case, it would partially explain the fall in age of first-time appointees to Grades 1/1a during the 1980s. Here again, the statistics are not significant: there were three first-time appointees to Grades 1/1a during the 1974 Labour Government whose promotion represented a rise of two grades. The comparable figure for the Thatcher period was four. Table 3 also indicates that during the Major years there was no irregular rise in the number of first time appointees

Table 3

OUTSIDE APPOINTMENTS FOR GRADE 1/!A UNDER MRS THATCHER	
1980	**Terence Burns** was appointed to Chief Economic Adviser and Head of the Government Economic Service from the post of Professor of Economics at The London Business School
	Robin Ibbs was seconded to the Central Policy Review Staff from a post at ICI
1982	**Montague Alfred** was appointed to Chief Executive of the Property Services Agency, Department of the Environment from a post at Caxton Publishing Holdings Ltd.
	John Sparrow replaced Ibbs as Head of the Central Policy Review Staff from a post at Morgan Grenfell Group
1984	**Anthony Wilson** was appointed to Head of the Government Accountancy Service, the Treasury, from a post at Price Waterhouse
1986	**Peter Levene** was appointed to Chief of Defence Procurement, Ministry Of Defence from a post at Joint United Scientific Holdings
	Victor Paige was appointed to Second Permanent Secretary at the DHSS from a post at the National Freight Corporation
1989	**Alan Hardcastle** was appointed Chief Accountancy Adviser to HM Treasurey from a post at Peat, Marwick, Mitchel and Company
	Duncan Nicol was appointed to Chief Executive of the National Health Service from Regional General Manager of Manchester Health Authority
OUTSIDE APPOINTMENTS TO GRADE 1/1A UNDER JOHN MAJOR	
1991	**Alan Budd** appointed Chief Economic Adviser to the Treasury and Head of the Government Economic Service from the post of Professor of Economics at the London Business School
	Malcolm McIntosh appointed Chief of Defence Procurement in the MoD from the Australian Department of Defence
1992	**Wiliam Mclennan** appointed Director of the Central Statistical Office and Head of the Government Statistical Service from the post of Deputy Australian Statistician
1993	**David Davies** appointed Chief Scientific Advisers, MoD, from the post of Vice-Chancellor, Loughborough University of Technology
1994	**Alan Langlands** appointed Chief Executive, NHS Executive [Gr.1a] from the post of General Manager of NW Thames Regional Health Authority
1995	**Michael Bichard** appointed Permanent Secretary, Department of Employment from the post of Chief Executive of the Social Security Benefits Agency
	David Holt appointed Director of the Central Statistical Office and Head of the Government Statistical Service from the post of Professor of Social Statistics, Southampton University
	Robert May appointed Chief Scientific Adviser to the Government and Head of the Office of Science and Technology from the post of Professor of Zoology at Imperial College, London.

to Grade 1/1a between 1991-95. More importantly, of the twenty seven first time appointments to Grades 1/1a in the Major period, none enjoyed any form of accelerated promotion. Where there has been a significant change during the 1990s has been in the number of outside appointments. Of the 27 first time appointees, eight (29.7%) were from outside the service compared to 9 (10.7%) out of 84 first time appointees between 1980-90. The most celebrated outside appointment was that of Michael Bichard as Permanent Secretary at Employment. Yet of the 8 cases of outside appointments during the Major administration, almost all, like those between 1980 and 1990 were to specialist, technical, posts. The figures also indicate that during the 1990s a slightly younger breed of officials were appointed to the highest grade. They were privately educated, but as likely to have attended a plate glass or redbrick university, as to have come down from Oxbridge. One can partially account for the decline in Oxbridge domination of the mandarinate by the increase in the number of outside, especially overseas, appointments made during the nineties. Another notable occurrence during the Major era was a partial 'fall-out' with the Thatcher generation of permanent secretary appointees — Peter Kemp (Cabinet Office — sacked), Clive Whitmore (Home Office — resigned) and Geoffrey Holland (Education — resigned) all over clashes with ministers in the Major Cabinet.

Analysis

Our demographic analysis reveals that during the 1980s and 1990s, the most senior grades within Whitehall remained a narrow homogenous, elite social group. Yet, some of our earlier research elsewhere has indicated that despite the outward appearance of demographic continuity in the highest ranks in Whitehall, a 'Thatcher effect' did occur. Richards (1997) drawing on his own quantitative and qualitative analysis of the senior cadre in Whitehall concludes that Thatcher had a tangible impact on the senior Civil Service. He contends that Mrs. Thatcher displayed a more active interest than her predecessors in promotions and appointments to the most senior levels in Whitehall. Thus, although she did not set out to appoint Conservative Party sympathisers to the highest ranks from within Whitehall, she did however influence the appointment of a number of officials to the highest grades and, in so doing, personalised the procedures. Mrs. Thatcher intervened, as part of a broader project to foster a new culture in the senior Civil Service. One in which officials spent more time dealing with the efficient management and implementation of Government business, at the expense of the policy-advice function. While Prime Minister, she was attracted to individuals from within the senior ranks who displayed enthusiasm and a pro-active approach to the implementation of her Government's policies. It was these types, often

those who had spent a period of time working at the centre of Whitehall in the Cabinet Office, Treasury or Prime Ministers Office, who 'caught her eye.' In so doing, they greatly enhanced their promotional prospects of achieving the highest grade. This, he argued, was the main thrust of a 'Thatcher effect' on the higher Civil Service.

Thus, although the demographic make-up of Whitehall remained predominantly unchanged after 1979, the breed of senior mandarins appointed under Thatcher was different to their predecessors. It would not be mis-repesentative to portray the present senior Whitehall cadre as less policy-orientated than yesteryear. Their job remit has increasingly placed greater emphasis on managing and administrating their departments, at the expense of time spent on the actual detail of policy formulation. Indeed, as we observe elsewhere:

> At the senior levels in Whitehall, the greatest change has been a shift from policy-making … to a focus on efficiency and costs of service delivery… The consequence of this shift in the role of officials from policy formulators and advisors to efficient managers involved in cost delivery is profound. (Richards 1997: 235-237)

After 18 years of Conservative Administration, one could argue the senior Civil Service is politically more passive. By that, we mean that their primary concern is for the efficient running of the machinery of government and not the prospective consequences of the overall direction in which government policy maybe heading. Thus, today's senior officials are [unwittingly] more politically flexible, than previous generations of the mandarin class. Indeed, one could project that if, during a possible second term in office, the present Labour Government did attempt to break-free from the existing political consensus, then the minds of the mandarins would be more concentrated on the minutiae of achieving this break, in conjunction with the cost-effectiveness of the projected expenditure involved, than in questioning the broader ramifications of striking out in a new, maybe radical, direction. Thus, it can be argued that the Wass/Bancroft generation of mandarins displayed much greater resistance to radical change after 1979, than their present counterparts are ever likely to do. So, one of the main impacts of the 'Thatcher effect' on the senior Civil Service was the successful reimposition of ministerial authority in response to the perceived growth of bureaucratic power during the 1970s.

The Impact of Change on Ministers

Probably the most crucial impact on the nature and characteristics of politicians in the post-war period has been the professionalisation of politics. This in turn has produced a fragmentation in elites. Since

1945, Britain, as elsewhere, has witnessed the rise of the full-time career politician. King (1981) shows the trend for more MPs to enter the House of Commons at a younger age and to retire from it late, often after reaching the age of 60. In other words it is a career. To do well in politics and gain ministerial office, MPs are best advised to enter the House of Commons early, say before 35. Such a step limits the opportunities to achieve eminence in other fields. Indeed, a choice of first occupation after leaving university may be influenced by the anticipation of a political career. In 1997, one tenth of MPs came from para-political occupations, such as employment in party headquarters, a spell as a special advisor to a politician or work with a thinktank or policy body. The figure would be higher if we included employment in such occupations as media, public relations and lobbying, particularly in London. Would-be MPs often choose such posts as a means of gaining an earlier passage into politics as a serious career. This specialisation in jobs which encouraged communicating and networking skills has produced allegations of a narrowing of political outlook and experience (Riddell 1993).

Another change, probably also a reflection of the professionalisation of politics, has been a convergence in the social backgrounds of the Conservative and Labour MPs (see Table 4).

Table 4

Social Background of Cabinet Ministers (%) 1916-1997

	1916-1955		1955-1984		1985-1992		1997-
	Cons.	Labour	Cons.	Labour	Cons.	Cons.	Labour
All Public School	76.5	26.1	87.1	32.1	85	61.9	30
Eton or Harrow	45.9	7.6	36.6	3.5	2.4	14.3	–
Elementary or Secondary	4.0	50.7	36.6	3.5	2.4	14.3	–
Oxbridge	63.2	27.6	72.8	42.8	7.4	61.9	14
All Universities	71.4	44.6	81.6	62.5	92.5	95.3	90.5
Aristocratic	31.6	6.1	18.1	1.8	11	28.6	.
Middle-Class	65.3	38.4	74.0	44.6	81	43	67
Working-Class	3.0	55.3	2.6	41	7.0	9.5	33
Women	–	–	3	2	11	4.7	24
Non-Whites	–	–	–	–	–	–	–

Source: D. Butler and G. Butler (2000).

Even as recently as 1959, less than 40% of Labour MPs had been to university: the figure today has risen to two thirds. On the Conservative side the figure has risen from an average of two thirds (1945-74) to over 80%. Similarly, the decline of the working class on the Labour benches from an average of 33% (1951-74) to 13% in 1997, means that MPs are overwhelmingly middle class.

Professionalisation also means that there is probably now less transferability of skills between politics and other careers. For example, Harold Wilson's Labour government in 1964 started out with seven, or one third of the Cabinet, who had been trade union officials. Today there are none in Blair's Cabinet. To some extent, the change reflects both the decline in the size of union membership and influence of the unions, as well as the new Labour party's determination to make a cross-social class appeal. But serious business figures also shun Parliament. Mrs. Thatcher's Cabinets in the 1980s contained one serious business figure, Lord Young, although Michael Heseltine and Peter Walker had enjoyed some business success before becoming ministers. So where elite interlocks occurred, these tended to take the form of Conservative MPs holding directorships or acting as consultants to business. Finally, despite John Major's call for a more meritocratic society and a country at one with itself, the social make-up of his first Cabinet reflected an elite cousinhood, drawn broadly from the middle to upper-middle class tiers of professional society and lacked any form of ethnic or female representation.

Analysis

As noted above, part of the Conservative agenda when it came to power in 1979 was to respond to the perceived crisis in the state, reflected by the 'ungovernability' school of thought. If the diagnosis was that by the 1970s, government had over-extended itself, then the obvious prescription was the need to move to a more minimal state by cutting the public sector. Theoretically, one logical outcome of pursuing such a strategy should have been to reduce both the role[s] and concomitantly the workload of Cabinet Ministers. Yet this was not the case.

Our research suggests that since 1979, there has been an increase in the role of ministers *vis-à-vis* administors. Partly this is because of the ideological commitments of the Conservatives once they gained power, partly because of their negative view of the past role of the civil service and partly because of the need to respond to much greater media scrutiny. Ministers have become much more proactive in policy making. Twenty-five years ago Whitehall was more insulated from outside pressures and most ministers' advice came from officials. In such an environment, most ministers' ambitions to change policy were limited. During the 1980s, some ministers had grander plans to introduce permanent change in

the general directions of their department and they often looked outside the department for policy advice. Thus, Conservative ministers had a different view of the appropriate relationship between themselves and officials than that enshrined in the Haldane model. This model saw officials and ministers as partners; civil servants could be trusted to exercise considerable discretion. In contrast, after 1979, ministers were more critical of civil servants whom they viewed as a cause of, rather than a solution to, what they regarded as the core of the governance problem; weak, ineffective, government pursuing consensual policies because it was in thrall to particular interests. To break out of this stultifying embrace government and ministers needed to exercise executive autonomy. As such, for the Conservatives, the chief role of the civil service was not to advise on policy but to assist ministers in carrying out government policy. Conservatives ministers were also were more willing to use special advisers, and bypass interest groups, as alternative sources of information. All this meant that Conservative ministers were encouraged to lead their department, to change departmental thinking and to project an image of governing competence, party because of their ideological commitments and partly because of the Conservative Government's negative view of the past role of the civil service as a bastion of consensus.

Furthermore, it is important to recognise the growing importance of the media in the day-to-day life of politicians. As Marsh et al. (2000: 320-321) argue: 'In the last thirty years, the role of the media in politics has greatly expanded. As one Cabinet Office official said: "in 1965 there were about nine news broadcasts a day, now there are 49 an hour".' This has had a significant effect on the work of both ministers and civil servants. For example, the Home Office will handle 175,000 media enquires, host 200 major media events, give hundreds of interviews and issue at least 800 press notices. For that reason, the Home Office has a fully equipped broadcasting studio with fibre optic links to broadcasters (see Marsh et al. 2000: 321). So, ministers today, have to be much more concerned with media presentation of their policies, their departments and themselves. It is perhaps not surprising that many ministers in the present Labour Government have spin-doctors located in their departments. Thus, to return to our original hypothesis that, since 1979, in order to counter overload, a shift to a more minimalist state should concomitantly have lead to a reduction in the workload of ministers — clearly this has not been the case.

Cabinet Ministers and Labour in Power

At senior levels in the Labour government there is concern to achieve more socially representative political elites. In the Labour party itself this has been most highly developed in the case of gender. Women have

long been severely under-represented in parliament. To offset this the party introduced a programme of affirmative discrimination in the form of all women selection lists for winnable Labour seats. The scheme was eventually abandoned on legal advice but in the 1997 parliament the number of women MPs has doubled from 62 to 120, with 101 sitting on Labour benches. This has carried over to a record number of women in the Cabinet.

Similarly, the Blair government's modernisation programme for the civil service has as one of its aims the creation of a more socially representative bureaucracy. There are targets to begin to increase staff from under represented groups in the senior civil service. Between 1998 and 2004 the percentage of women targeted to senior posts has increased from 17% to 35%, and for ethnic minorities from 1.6% to 3.2%.

Blair has doubled the number of special advisers who help ministers from 38 under John Major to 78 under Blair in 2000. In his office in 10 Downing Street there has been a substantial increased in the number of political appointments, people largely with media and public relations skills, as well as some with policy expertise. Previous Prime Ministers have kept such appointments in single figures. Twenty years ago Aberbach, Putnam and Rockman referred to the small number of such appointments as 'hybrids' (1981.17). They mediated between bureaucrats and ministers or combined some of the skills of both. Their number is steadily increasing.

Conclusion

Anthony Sampson concluded his lengthy study of leading figures in many walks of British life as follows:

> My own theory is not that the Establishment in Britain is too close, but that it is not close enough, that the circles are overlapping less and less and that one half of the ring has very little contact with the other half (1970: 632).

There are links, however. Elite interpenetration in Britain usually occurs at the end of political careers, as senior civil servants and politicians move to lucrative business and commercial positions after retiring from public life. They provide expertise in the workings of government and perhaps an entrée to government decision makers and how government operates. In return, they also gain an opportunity to earn large sums of money denied to them in their careers in government. This is a form of 'pantonflage.' In spite of the secondment of senior figures like Derek Rayner of Marks and Spencer, and Robin Ibbs of ICI, who were seconded to help Mrs. Thatcher's Efficiency Unit, and of David Simon of BP and Chris Haskins of Northern Fords, to help Tony Blair, the traffic has been almost always in the other direction. Mandarins are in much demand by boards of major

companies. Lord Hunt, a former cabinet secretary, joined the boards of BNP, IBM, Unilever and the Prudential. Sir William Armstrong, former head of the civil service, became chairman of the Midland Bank. Lord Roll, formerly head of the Treasury, left to join the boards of the Bank of England, the Times and Warburg. In some cases, the civil servant's expertise is highly specific. Sir Anthony Part, permanent secretary at the Department of Industry, left to join the board of Lucas Aerospace and there was a steady stream of former Cabinet ministers under Mrs. Thatcher who moved to industries which they had helped to privatise. This is true of Norman Tebbit, Norman Fowler, Peter Walker, and Lord Young. But senior Cabinet ministers like Lord Home (former Foreign Secretary), Lord Hurd (ditto) and Lord Lawson and Lord Barker (both former Chancellor of the Exchequer) have also taken senior positions in the City. Retired civil servants and, to a lesser extent, retired Cabinet ministers also figure prominently in the ranks of the cultural elite, holding prominent positions in such institutions as the Arts Council, BBC Board of Governors, British Museum, British Council, National Gallery etc.

Yet in terms of numbers we are not talking about a large scale interlocking. The political elites may bring a knowledge of Whitehall and Westminster to a board, help to address public meetings of shareholders, and supply some name recognition. But it is not clear what else they bring.

A second point of contact is via membership of advisory bodies to government. The number of such boards and such appointments grew steadily in the 1980s and 1990s and covered the health service, higher education, the police, urban development and so forth. Under Mrs. Thatcher and John Major a significant number were drawn from business, notably from firms which made contributions to Conservative party funds. Although clearly a form of political patronage, membership also provides a linkage between business and politics.

Since coming to office in May 1997, the Labour government has followed suit, setting up some 300 so called task forces. These provide ministers with advice and information for making policy. The think-tank Democratic Audit, has revealed that over 70% of places on these bodies go to representatives of producer interests, evenly divided between the private and public sectors. Trade unions and consumer organisations are poorly represented. According to the Economist (14 August 1999) twenty-eight of the top one hundred UK companies have either a Chairman or Chief Executive in a senior position on one or their companies. In another echo of the Conservative experience, a number of the members of these bodies have also been significant contributors to Labour party funds. Among the companies with the largest number of places on task forces are: Barclays

(8 places), Ford (8), Tesco (8), Granada (7), Marks and Spencer (7), Natwest Bank (7), British Airways (6).

Finally, there has emerged a new group of political actors who move in and out of political and other elite roles. MPs become lobbyists, ex ministers join pressure groups, ministerial aides take senior positions with think tanks and lobby firms and think-tank personnel and journalists have moved into politics. As noted, this has been most evident under the present Labour government. These are the equivalent to the American in and outers or what Smith and Young (1996) have called political fixers. Their expertise and experience are at a premium because of the growing specialisation of elites.

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The Canadian Corporate Network in Comparative Perspective

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This paper provides a comparison of the network of Canadian corporate directorships to the networks of the ten nations, Austria, Belgium, Britain, Finland, France, Germany, Italy, the Netherlands, Switzerland and the United States, described in Stokman, Ziegler, and Scott (1985). I consider a number of ideas about the character of Canadian capital and about differences in national networks. Similarities in the national networks suggest a common strategy to deal with corporate needs, while variation between them measures the range of functional alternatives.[1] Because the comparison of corporate networks employs data from 1981, the findings are set in that social and economic context.

Research on interlocking directorates between pairs of corporations and between corporations and other institutions provides a systematic way to observe corporate and institutional power. The network simultaneously describes relations between corporations and between individuals.

Three bodies of research provide insight for this comparative analysis of interlocking directorates. First, arguments about the development of the welfare state raise general questions about the organization of capital. Second, there is an important tradition of research on national differences in the organization of capital, and particularly on the role of the financial sector. Third, since the 1960s a tradition of left-wing Canadian political economy has looked closely at the character of Canadian capital.

[1] Such organization also takes the form of intercorporate *ownership*, corporate representation on the boards of universities, hospitals, cultural and charitable organizations, political parties, governmental advisory committees and social clubs; and organizations explicitly representing corporate interests (Useem 1984; Langille 1987; Carroll 2001).

The Capitalist Class and the Social Democratic Model

The most important comparative research on the rich capitalist nations involves the "class conflict paradigm" or "social democratic model" of the welfare state (respectively, see Shalev 1983: 28 and Skocpol and Amenta 1986: 140ff). In the rich nations, the argument goes, a stronger working class is able to wring the concessions from capital that are characteristic of more developed welfare states. The power of labor and the left is usually measured by trade union membership and the electoral strength of social democratic parties and whether they have been able to form national governments. Direct measures of the power and organization of capital are not needed, because the powers of capital and labour are inverse. Shalev's (1983: 82) explanation for this methodological tilt is that "the policy package associated with the welfare state conventionally addresses only problems connected to employment and distribution, and not the twin loci of control to which capital historically assigned priority, namely accumulation and labor process."

The social democratic model implies that nations with weakly developed welfare states, such as Canada and especially the US, have stronger and better organized capitalist classes. But a difficulty with this argument is apparent from a consideration of the balance of class power in Sweden, the exemplar of the welfare state. While the formation of the Swedish welfare state was marked by victories of labour over capital (Korpi 1978), the Swedish capitalist class is remarkably concentrated and politically coherent (Sundqvist 1987). The Swedish Employers Federation (the SAF) is more unified *and* plays a much more important role than any comparable Canadian organization. This point is taken up in the arguments about corporatism by Panitch (1986) and Schmitter (in Schmitter and Lehmbruch 1979), who observe that developed welfare states with system-wide bargaining require the centralized organization of labor *and capital*. Explaining Swedish tripartism, Panitch notes that "the *sine qua non* of the whole edifice was the capacity of both the SAF and the LO [the trade union organization] to commit their affiliates to central agreements" (p. 57). Linking the social organization of capital and corporatism, Ziegler notes that "those four countries having the least centralized networks of interlocking directorships (France, Great Britain, Italy and the USA) also show weak forms of corporatism" (1985: 280).

The slow development of the welfare state in Canada suggests the weakness of Canadian labor and corresponding disorganization of capital. [2] Coleman argues:

> There is little doubt that the system of business associations is underdeveloped. It is characterized by congeries of isolated groups: intersectoral associations operate independently of divisional associations, divisional associations of sectoral associations … and sectoral associations of subsectoral associations. Regional associations are paid little attention and the representativeness of associations with more general domains is suspect. (Coleman 1986: 272)

Langille challenges this view: "… the Business Council on National Issues has become the most powerful and effective interest group in Canada – to the point where it can now exercise hegemony over both the private sector and the state" (1987: 70). He draws attention to the BCNI's effectiveness in promoting "free" trade with the US (also see Cameron, 1988), ending the National Energy Program, and weakening competition policy. [3]

For more than a decade, it is true, the BCNI was unable to obtain major reductions in social programs, government spending and the deficit (reductions were made eventually, in the early 1990s). But, this is consistent with Pierson's (1994) argument that different factors account for the creation of western welfare states than for their contraction and "reform" in the 1980s and 90s. There is a consensus that retrenchment of the welfare state is relatively limited and weakly related to structural and political differences among nations – so cutbacks have not fundamentally altered differences in the extensiveness of welfare states at their peak in the late 1970s. Still, except for Langille, the academic consensus has been that Canadian capital is relatively disorganized, perhaps because the labour's weakness allowed capital to influence policy *without* strong organization.

General Models of the Capitalist Class and Directorate Interlocks

Introducing the ten-nation comparative study, John Scott (1985) described five models of the organization of capital. Two of the models divide large corporations into distinct, although not necessarily competing, groups centred around financial institutions (usually banks; but insurance

[2] Although, as Kudrle and Marmor (1981: 83ff) show, after the adoption of medical insurance and maternity benefits in the early 1970s, social insurance coverage in Canada was not far from the mean for Europe.

[3] The National Energy program taxed oil producers in the province of Alberta to reduce energy prices lower in the rest of Canada. The organization was renamed the Canadian Council of Chief Executives in 2001.

companies or financial holding companies in some nations). The Marxist variant identifies the financially-centred groups of corporations with the fusion of finance and industry, known as "finance capital," that is said to mark the highest, "monopoly" stage of capitalism. Interlocking directorates then identify groups of corporations organized around, but not dominated by, financial institutions. In contrast, the non-Marxist "co-ordination and control" model interprets intensive interlocking among groups of corporations in terms of financial *domination* of groups of corporations. Both models predict a corporate network characterized by cliques centred around powerful financial institutions or holding companies.

The third model, resource dependence, interprets interlocking directorates as a means for corporations to regulate and control their relationships with other corporations that "constrain" them. Such constraint is said to involve the inter-industry market relationships measured in input-output tables. Directorate interlocks should then be correlated with market relationships between industries and/or individual corporations. The resulting network, based on relations between pairs of corporations, should be sparse, without a prominent centre, and non-hierarchical.

The "managerial" and "class cohesion" models of interlocks both predict a relatively featureless, although hierarchical, network of interlocks, without discrete groups of corporations. From the managerial perspective, interlocks provide general information to corporate managers to enhance what Useem (1984) terms their "environmental scan," as well as indicating a corporation's prestige. From the class cohesion perspective, directorships provide for broad, undifferentiated communication within the capitalist class. Scott (1985: 10-11) distinguishes the two models, by arguing that the class cohesion model requires that,

> the major structural feature of the network should be a separation between an 'inner circle' (or 'corporate elite') of multiple directors and the bulk of directors. This inner circle epitomizes the relationship between social background and board membership and they are likely to be the brokers between business and the political system.

Such a sharp distinction between single and multiple directors is not necessary, however. While class theorists often emphasize inheritance of wealth, Marxist ideas about capital accumulation do not suggest any particular pattern of social mobility.

Because they focus on different aspects of the organization of capital, the theoretical approaches have different emphases but are not completely incompatible, which is why studies of interlocking directorates provide some evidence to support each one of these theories in particular contexts. For example, Burt (1983) shows that interlocks within United States

manufacturing reflect market relations between industries, as predicted by the resource dependency model, while other American studies of interlocks reveal city- and regionally-based groups of corporations centred around major financial institutions (Sonquist and Koenig 1975; Bearden and Mintz 1985).

According to Stokman et al., the American, British and French networks feature groups of corporations centred around important financial institutions – banks in the United States and Britain, holding companies in France – but no strong centre integrates these networks. The networks of other seven counties were more centralized, with the largest banks (and in some countries, holding companies) as prominent, but not autonomous, local centres. Previous studies of the Canadian network by Carroll (1986) and Carroll, Fox and Ornstein (1982) suggest that the Canadian network is much closer to the second, more unified model. Describing the network of ties among the largest 100 corporations in 1976, Carroll concludes:

> capitalist interest groups are centred primarily in investment companies, built around intercorporate ownership relations and based in Montreal *or* Toronto. Although these interest groups are structurally discernible, they are themselves extensively interconnected. Financial institutions are positioned particularly well in the network as articulation points between intercorporate groupings. (1986: 156)

The highly clustered, poorly integrated networks in the United States, Britain and France fit the predictions of the finance capital model. In the other countries, the combination of local centres with overall integration suggests the fusion of financial and industrial interests identified by the finance capital model, while the integration of the clusters into a larger network conforms to the predictions of the managerial and class cohesion models.

Clement (1978: 166) found that the Canadian network of interlocks was denser than the American network and that the relationship between manufacturing and finance was stronger in Canada. Canada–US comparisons, however, are complicated by differences in the regulation of banking and the number of regional centres (Allen 1974; Sonquist and Koenig 1975), as well as by the huge disparity in population size and economic power.

An "Underdeveloped" Canadian Capitalist Class?

Canada's high level of foreign ownership, dependence on extractive industry, and prominence of finance relative to manufacturing were often compared to the situation of less developed countries (Brym 1985: 3ff; Carroll 1986: 1ff; Watkins 1997). When these arguments were most prominent in the 1970s, no other rich nation had nearly half its

manufacturing in foreign hands, though Canada's reliance on extractive industries was less unusual for a country with extensive natural resources.

Naylor (1972) argued that Canadian capital is dominated by a "mercantile" corporations in the financial and transportation sectors, while Clement (1975) divided the Canadian capitalist class into "indigenous" and "comprador" (foreign-based) elites. Niosi (1985: 58) advanced the broader argument that:

> As a social group the Canadian bourgeoisie is deeply divided. With so many large foreign multinational corporations present in Canada there is a comprador counterpart to the autochthonous Canadian bourgeoisie whose job is to manage these foreign subsidiaries. … The regional character of the Canadian economy provides a second basis for cleavage within the bourgeoisie … [and] ethnicity is a third source of cleavage … the Canadian capitalist class is now deeply divided along linguistic and ethnic lines, with the Anglophone/Francophone split the single most important cleavage.

An attack on this viewpoint can be mounted from the now extensive research on comparative development, nicely summarized by Carroll (1986: 17ff). Underlying "exceptionalist" arguments about Canada, Carroll argued, was an idealized, but historically unusual, model of typical, capitalist development involving transitions agriculture to primary production, then to the intense industrialization of mature capitalism.

So, the question is whether the network of interlocks reveals the weakness of Canadian capital, in the form of unusual fragmentation, perhaps resulting from the high level of foreign ownership at the time and absence of major industrial corporations from the core of the network. Also critical are the positions of the major sectors of capital in the network, particularly financial versus "industrial" corporations and domestic versus foreign-controlled corporations.

Consistent with the ten-nation comparative project (Scott 1985), the Canadian study includes the 50 largest corporations in the financial sector, ranked by assets, and the 200 largest corporations outside the financial sector, ranked by sales. Corporations could be added or deleted to allow for exceptional circumstances. For Canada the six major property development corporations were added to the study, bring the total to 256 corporations. [4]

[4] These listings were all taken from the 1981 rankings carried out by the *Financial Post*. From public records it proved impossible to locate data on the composition of the boards of 9 of these 256 corporations and they are assumed to have no links with the listed corporations. All but two of the 9 were foreign-owned corporations with highly centralized management. For additional methodological details please see Ornstein, 1989.

In Canada, Britain and the US, identifying the individuals representing each corporation is not problematic, since there is a single corporate board. Most European countries, however, have two-tiered boards. In Austria, Germany, the Netherlands and Switzerland the executives of a corporation appoint an "executive board" and the shareholders elect a "supervisory board"; while in Belgium, Finland, France and Italy an "administrative board" represents the managers while an "auditing board," appointed by the shareholders, only oversees corporation's financial affairs. These are referred to, respectively, as "German" and "Latin" boards. The comparative study included both groups on the German boards, but only the administrative members of the Latin boards. Characteristics of the Canadian network are compared to the median, minimum and maximum for the ten nations; figures for the individuals nations are in Stokman et al. (pp. 22-27).

Comparative Analysis of the Network of Canadian Corporations

The empirical analysis is in three parts. First, I consider the overall structure of the network, making systematic comparisons to the ten nations in Stokman et al's study. The key question is whether the Canadian network is unusually fragmented, in the comparative context. Second, I consider the relations among financial and non-financial sectors of Canadian capital, also differentiating corporations according to how they are controlled and whether they are foreign-owned. Here the questions are whether financial corporations dominate the network and how Canadian- and foreign-controlled corporations are related. Finally, again comparatively, I focus on the roles of the individual directors whose board memberships link the corporations.

Inter-Corporate Relationships

In Canada and all the nations in the comparative study, most of the largest corporations are linked in a single network. In eight countries, a few corporations are unconnected to the central network but have at least one tie with another corporation that is also unconnected to the centre; Canada has just two such corporations. More important, 50 of the top 256 Canadian corporations are completely isolated, having no board member with a position on the board of another corporation in the sample.[5] This is close to the mean of 53 isolated corporations, for the ten nations.

[5] The international comparisons are valid, because a common methodology is employed. Any limitation on the number of corporations in the study, however, leads to underestimates of total inter-corporate links because links through smaller corporations are unmeasured.

Four per cent of the unique pairs of Canadian corporations are *directly* linked by one or more common directors and another 27 per cent of the pairs of corporations are *indirectly* linked by direct ties to a third corporation, but have no direct tie. These figures might appear low, but remember that the number of links required to connect all the pairs of 256 corporations — representing a density of 100 per cent — of over 32,000. Including direct and indirect ties, Canada ranks *second* in network density, just after Finland. Even though Canada has more than twice as many isolated corporations as the United States, the Canadian network is much denser.

Network studies often distinguish "primary" ties, which involve an executive of one of the linked corporations, from "secondary" ties, which do not involve an executive of either corporation. Secondary ties are further separated according to whether they involved the executive of *another* corporation in the network.[6] Primary ties are commonly interpreted as relationships between individual corporations, while secondary ties are seen to provide less directly instrumental economic and political co-ordination, as the person making the link has no primary allegiance to one of the linked corporations.

Most Canadian corporations in the largest component of the network are linked by primary ties, so that the cohesion of the Canadian network does not depend on non-executive directors. In this respect Canada is typical. Only in Britain, where just 84 of the 250 British corporations have any primary tie, is the network of corporations connected by primary ties much smaller than the network connected by primary and secondary ties. Thirty per cent of the interlocks between Canadian corporations involve primary ties, 27 per cent are induced by primary ties and 43 per cent do not involve a primary tie. Again, the figures for Canada are very close to the means for the ten nations and near the middle of their ranges. In France, the Netherlands, Switzerland and the United States, indirect ties account for half or more of all the links between corporations, while in Austria, Belgium and Britain the proportion is only about 25 per cent.

The relative importance of the link between a particular pair of corporations is related to the number of ties connecting them (termed their "multiplicity"). Corporations connected by two or more common directors are not likely to have been linked by chance. In this respect, Canada is again near the middle of the range of nations: 82 per cent of the links between Canadian corporations involve a single common director, 13 per cent involve two directors, 3 per cent involve three directors, and 2 per

[6] For this analysis and subsequent discussion of corporate executives, the chair of the board is included among the executives, because the position is usually a full-time and she or he is intimately involved in its operation.

cent involve four or more directors. At one extreme, 94 per cent of British ties involve only one director and just 2 per cent involve three or more directors; in Belgium and Italy, by contrast, about 15 of all the links involve three or more directors.

In the context of the ten nations, the Canadian corporate network is not unusual. On every measure of network integration, the Canadian network is at least near the middle of the range, and in some respects it is among the most strongly inter-connected. Certainly, there is no evidence of unusual fragmentation that could result from the high level of foreign ownership or "single board" structure.

Corporate Directors

The "minimal" interlocking director, most likely to represent no more than the interest of individual corporations, would be an executive director (an "insider") of one corporation in the network who is a member of just one other board. The director who can best serve the corporate network as a whole would not be an executive of any corporation in the network and have three or more board positions (even if she or he purposely links two pairs of corporations, a person with three positions forms a third, less instrumental tie).

While the total number of links between corporations must be equal to the number of links made by individuals, similar intercorporate networks could result from quite different distributions of the numbers of ties held by individuals. The number of inter-corporate links constituted by an individual varies as the square of her or his number of positions. A person with two positions forms one link, with three positions forms three links, with four positions forms six links, and so on. In all eleven nations, more than half the "multiple" directors occupy just two positions; but, on average, these directors are responsible for just 20 per cent of all the ties between corporations.

A summary measure of the role of individual directors is just the ratio of total board positions (the sum of the size of all the boards) to the number of directors. The ratio of positions to directors in Canada is 1.39, slightly higher than in any of the other ten nations. Canada, France and Switzerland have the highest proportion of directors with two or more board memberships. With 464 multiple directors, Canada also ranks third in the absolute number of multiple directors, behind Finland and the United States, both with 564.

Of Canadian directors with more than one board membership, 53 per cent have two positions, 22 per cent have three positions, 13 per cent have four positions, 7 per cent have five positions and 5 per cent have six or more positions. Britain and the US are exceptional in having only 1 per cent of their multiple directors with six or more positions, compared

to at least 4 per cent in the other nations. Stokman and Wasseur (1985: 23) suggest that the Anglo-American single-board structure might account for this difference, but the Canada data shows their conjecture cannot be right.

Of the Canadian directors with two or more board memberships, one quarter, or 118 individuals, occupy four or more board positions; and they account for 69 per cent of all interlocks. This number is higher than in any of the other ten nations, where the number of these "big linkers" varies from 27 in Britain to 110 in Finland, with the mean of 70. Only in Britain and United States do "big linkers" account for *less* than 60 per cent of all ties. Directors with positions on the boards of four or more corporations who are not executives of any of the largest corporations are termed "network specialists" by Stokman et al. because of their potential to unifying a system subject to cleavages between competing economic sectors and individual corporations. Again there is wide international variation.

Conclusions: Canadian Capital, and the Canadian State

The Canadian inter-corporate network is neither unusually sparse nor fragmented; there is no pronounced cleavage between, or subordination of, non-financial corporations to financial corporations; nor do the foreign-controlled corporations constitute an alternative centre or fragment of the network. The Canadian network resembles the networks of countries such as Germany and France, about which it is impossible to advance arguments about dependency and underdevelopment. Paradoxically, the networks of the United States and Britain are unusually fragmented. These findings are damaging to the claims about the weakness of the Canadian capitalist class. At the same time, the considerable international variation demonstrates that there is no one formula for these arrangements.

These findings are consistent with the managerial and class cohesion models of the network, both of which emphasize its unity, rather than potentially competing financial centres or a special relationship between finance and industry. Family-controlled corporations are a sizeable minority, 36 of the 256 largest Canadian corporations, but are weakly connected to the network (as are corporations controlled by identifiable, but non-family interests). This is not consistent with Scott's concept of a class cohesion model of the network. If widely-held corporations dominate the network, are managers in control? This depends on what is made of the distinction between highly paid, wealthy managers and extraordinarily wealthy corporate capitalists, many of whom would also be highly paid managers. Nor can information about the network alone resolve this question. For management control to mean something different from class control, we would need evidence of their different effects on corporate

behaviour (beyond what might be attributable to corporate characteristics, such as size and industry).

Fully assessing the impact of resource dependency on the network of interlocks would require an extensive analysis of the relations between individual firms, beyond the characterization of the network presented here. This perspective, however, *cannot* explain the main features of the Canadian corporate network, and particularly the strong effect of ownership on interlocks. It is sensible that family-controlled firms would rely less on outside advice, and so have fewer interlocks, but their dependencies on other industries should be *un*affected.

In comparative terms, Canada is an exception to the association between network centralization and corporatism observed by Ziegler. Canada's less developed welfare resembles the United States and Britain, but the Canadian network of interlocks resembles the more corporatist European nations, not the less connected American and British networks. Panitch and others may be right in saying that the development of the welfare state requires, and perhaps brings about, the organization of capital, but the reverse does seems not to hold.

The Canadian findings demonstrate the risks of generalizing from just a few nations. For example, Stokman et al. (1985: 28) find:

> Four countries had only a small number of isolated corporations and a large component of 200 or more corporations: the United States, France, Finland and Switzerland. The small numbers of isolated corporation was mainly due to the relatively small numbers of subsidiaries of foreign enterprises among the selected corporations in these countries. In all countries these subsidiaries tended to be isolated or only very loosely connected with their corporations.

Despite the many foreign controlled-corporations, the Canadian network is among the most densely integrated. These findings also disturb another generalization from the ten-nation study, concerning the impact of the organizational form of the board. The two nations whose corporate networks are most distinctive and least integrated, Britain and the United States, are also the nations with "single," rather than "double" corporate boards, and Scott (1985: 17) argues that the Anglo-American board system encourages a focus on of individual corporate decision-making and discourages interrelations between firms. But, in Canada the single board system is accompanied by a very high degree of corporate integration.

What do these data tell us about the sector of the Canadian capitalist class that manages the largest corporations? First, in the comparative context, the Canadian network includes large numbers and proportions of individuals with three or more positions, many of whom have no primary allegiance as a corporate executive to any corporation in the

network. Forty-three per cent of all the Canadian ties do not involve an executive of either linked firm. The core of the network is dominated by Canadian firms; foreign-owned firms are relatively peripheral; and the strong links between finance and industry do not suggest the domination of one sector by the other. Family-controlled corporations are *not* very strongly connected to the core of financial and "widely-held" non-financial corporations. There may be social distinctions among people born to great wealth, entrepreneurs who have themselves amassed wealth, and well-off managers, but the defining core of capitalism is the control of capital exercised by the managers and directors of the largest corporations.

If the Canadian corporate elite is relatively unified, a good question is how this extends to elites in other sectors, especially to the state. In his celebrated *Vertical Mosaic* (1965), John Porter emphasizes elite consensus of what could be called an "old boys club." He describes informal links between elites, by kinship and friendships (often formed at elite schools), and formal links via commissions, boards and councils. The economic, political and bureaucratic elites rule in a partnership cemented by structural ties, personal acquaintance and common ideology. Only occasionally disrupting this consensus are conflicts between corporations and the state, or between rival corporations, involving competing economic interests (but more systemic conflicts between capital and the state, which punctuated the development of the Canadian welfare state, are not mentioned).

The relations between capital and the state can be considered in terms of a network connecting institutions, with the links made by individuals whose careers span both types of institution. Links between corporations and the state, however, often involve *non*-simultaneous membership in two or more organizations. Cabinet ministers and high level bureaucrats may have been or may become corporate executives, but they cannot be executives while in office. The links between corporations and the state can therefore be distinguished according to their temporal direction. Clement (1975: 182) reports that 18 former members of the bureaucratic elite and 17 former members of the political elite *joined* the corporate elite (defined for 1972); and these 35 constitute a total of 4.5 per cent of the corporate elite. It is much more common for retiring political and bureaucratic elites to join the corporate elite than for the large corporations to serve as a recruiting ground for state elites.

Fox and Ornstein (1986) examined the connections between the largest Canadian corporations and a variety of state institutions between 1946 and 1976. Counting a connection made by *any* member of two organizations as a link between the organizations, they found a dense network of connections between corporations and the state, though corporations are

more much strongly connected to each other than to state organizations. They summarized:

> All of the categories of private [i.e. corporate] organizations are tied to substantial numbers of state organizations. … Particularly large densities are observed for the financial firms … [which have] very large boards and numerous interlocks with other corporations… The extent to which specific state sectors are tied to private organizations is much more uneven… The universities and hospitals maintain many and dense ties with capitalist institutions. In general the federal government is much more strongly linked to big capital than are the provincial governments. Ties between crown corporations and the private sector are especially numerous, while the ties linking the federal cabinet and the Senate to the private sector are particularly dense… The federal and provincial cabinets are much more strongly linked to capital than are the corresponding bureaucracies… The implication is that pressure from business is more likely to flow from the cabinet to the bureaucracy, rather than the reverse. (Pp. 490-2)

About one fifth of all members of Canadian federal cabinets, the Senate, judges in the two highest courts, and hospital and university board member had a corporate position. About two-thirds of the time, state service preceded an individual's corporate appointment. The strong links between the corporate and political elites, largely take the form of corporations recruiting former political and bureaucratic elites (Fox and Ornstein 1986: 497). But organized labour is virtually excluded from the ties among Canadian elites.[7] A highly cohesive Canadian corporate elite is thus accompanied by substantial ties between corporate boards and major state institutions.

One might ask how the network has changed in the two decades since our data were collected. On the corporate side, there is good evidence from Carroll (2002). He finds the network somewhat changed, especially due to a dramatic decline in the size and interlocks of the major banks — driven by changes in the norms of corporate governance that transformed the bank boards from ruling class clubs (three of the top five banks had boards with more than 50 members in 1976) into more functional organizations. This paralleled the dismantling of regulations separating banks, trust companies, insurance firms and stock brokers. In the context of an overall decline in the density of the network of interlocks, Carroll finds an increased predominance of Canadian firms and continuing strong ties

[7] Indicative is the presence of only one "representative" of labour in the Canadian Senate, the appointed "upper house" of Parliament. Appointed many years ago by a Liberal Party government, this senator was a high official of the Teamster's Union, at the time a pariah in the Canadian labour movement.

between domestic finance and industry. Despite globalization, Canadian capital has become stronger. Interestingly, Davis and Mizruchi (1999) note a similar pattern of declining board size and numbers of interlocks in the US, though their view is that this represents a decline in American banks' orientation to domestic lending.

Recent economic trends further undermine accounts of the deeply-structured underdevelopment of Canadian capital. Clement and Williams (1997) remark on "*re*-industrialization" of Canada, beginning in the mid 1970s, which was *not* interrupted by the Free Trade Agreement between Canada and the US or subsequent North American Free Trade Agreement (nafta), which brought in Mexico. In the early1970s, foreign investment *in* Canada had exceeded Canadian investment abroad by a factor of *five*; but by 1997, for the first time in Canadian history, Canadian investment abroad exceeded foreign investment in Canada; and by 2001 Canadian foreign investment was 20 per cent higher.[8]

The national studies described here cannot find links between national networks or links between corporations in the same nation *via* corporations in another country. This is an additional argument for the importance of a new comparative study of inter-corporate network like the one conducted by Stokman and his colleagues. The availability of corporate information on the web and in databases could simplify data collection, while increased computational power allows the simultaneous analysis of data for many nations to revealing links extending across national boundaries. Such a study would allow systemic examination of the impact of corporate characteristics like size, industry and form of ownership on network position.

More challenging is systematic comparative research on the links between state institutions and corporations. While there would be formidable problems in deciding on comparable institutions in different countries, comparisons of national power structures would offer insights into the social organization of power *not* visible to studies of corporations alone. In recent years, one of the most exciting developments in comparative social research has been the development of large-scale, international comparisons of socio-economic outcomes, from the Luxembourg Income Study and other efforts. Now is the time for a renewed effort to turn a critical, comparative eye on corporate power and the relationships between the capital class and state institutions.

[8] Figures are from Statistics Canada's cansim database. The head of Canada's largest bank has complained that increasing foreign investment *by* Canadians shows that Canada is no longer hospitable to investment; a problem he suggests be cured by cuts to corporate taxes! (*Toronto Globe and Mail*, 7 May 2002, p. B1).

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Theoretical Interpretations of Elite Change in East Central Europe

ANDRÁS BOZÓKI

Introduction

Elite theory enjoyed a remarkable revival in East Central Europe. Many researchers coming from different schools of thought — Marxist class analysis, Weberian sociology, functionalist social stratification research, New Class theory, and the like — turned to the analysis of rapid political and social changes and ended up doing elite-centered research. One of the most important characteristics of contemporary elite research is the focus on elite *transformation* because nowadays elite research is primarily about *change*. After decades of the more static "Kremlinology" and "Sovietology" (cf. Taras 1992) suddenly everything, the social, political, and economic regime changed, including the elites. Therefore, with little exaggeration, one can claim that elite research regained attention as part of "transitology" and "consolidology." There is a widespread agreement among scholars that transitions to democracy have been elite-driven processes. There was also a — less outspoken — agreement, particularly in the early 1990s, that reliable democracy should not be made by the masses but be crafted by elites. Why has elitism become so fashionable?

At the time of the early elitist school true democracy and elite rule were parallel, but somehow contradictory, phenomena. According to Michels (1915), with the tendencies of oligarchization, elites inevitably "corrupted" democracy, so representative democracy was increasingly understood as a dishonest form of elitism. For many decades afterwards, elitism was associated with fascism or, at least, with charismatic leadership so it earned a bad reputation. In the West, elitism was seen as a not-fully-democratic approach in explaining phenomena related to political leadership, ruling class, political class and the like. Debates between the advocates of "elitist democracy" (cf. Schumpeter 1942) and "participatory democracy" in the

late 1960s and early 1970s led to the temporary "victory" of the latter (cf. Bottomore 1964; Bachrach 1969, 1971). Elitist democracy was understood as one of the hardly consumable side-products of modernization, and — after some years of its advancement — modernization theory became subject to heavy criticism in anycase.

In East Central Europe, during the decades of dictatorship, official sociology, or, rather, historical materialism, advocated a simplified version of Marxist class theory. This suggested a two-class-one-stratum model (the proletariat as the dominant class, ruling in collaboration with the peasantry, and the subordinated stratum, the intellectuals [called "mental workers"], who were supposed to assist them). This official model of Marxism-Leninism dominated social sciences in the universities in most of these countries. Official sociologists talked about "Old Class" theories, while dissident sociologists used "New Class" theories to criticize the then existing socialist regime.

The revival of elite theory in the late 1980s (Domhoff & Dye 1987; Burton & Higley 1987a; Higley & Burton 1989; Wasilewski 1989; Field et al. 1990) came as a surprise. Scholars stopped using the heavily ideologized Marxist discourse in the social sciences because it was regarded as the language of the ideocratic communist regime. Since transition and elite transformation seemed to be parallel processes, it was understandable that sociologists and political scientists of the region started to use elite theory — sometimes without re-reading Pareto and Mosca. Transitions to democracy became frequently analysed as "elite games." The main focus of social sciences shifted from structures to actors, from path dependency to institutional choices. Transitions, roundtable negotiations, institution-building, constitution-making, compromise-seeking, pact-making, pact-breaking, extended consensualism, strategic choices — all of these underlined the importance of elites, and the significance of research on political elites. Thus both the historical and intellectual conditions were given to mainstreaming elite theory, again (cf. Higley & Gunther 1992; Etzioni-Halévy 1997; Finocchiaro 1999).

Social theory and research in East Central Europe has been reoriented from status quo to social change, from social stratification to revitalized cleavages, from class analysis to elite research. On the more theoretical level, formerly fashionable New Class approaches have been replaced by elite theories.

The New Class Theory

During the communist period, despite the dominance of official Marxism-Leninism, there were, some important differences among the countries in the Sovietized belt. The Baltic republics, for instance, were part of

the Soviet Union therefore they did not even have a chance to teach empirical social science in their own territory. In Poland, Yugoslavia, and Hungary, however, social sciences still had some relative autonomy. In Poland, sociology continuously existed throughout the dictatorship, and political science as an academic discipline was also initiated from the 1960s. Hungary reinstalled sociology in the early 1960s, after 15 years of silence, but political science was not allowed up until the early or mid-1980s. In those countries, non-official or semi-official Marxist philosophy also enjoyed considerable autonomy around some circles (Praxis group, Budapest School) or philosophers (Leszek Kolakowski, Georg Lukács). The few years before the Prague Spring offered some opening in the Czechoslovakian social sciences as well, but this was brutally interrupted during the years of "normalization," a process that followed the Soviet invasion of 1968. The (post)totalitarian regimes of Bulgaria, Romania and East Germany did not allow similar activity.

East Central Europe's (half-legal or illegal) independent social science had some genuine responses to the political oppression in describing the relationship between the power structure and the society. Besides theories of market socialism, civil society, second society, the parallel existence of formal and informal societies, one important theory emerged: the idea of a New Class (cf. Szelényi & Martin 1988). Former communist politicians on the way to exile or prison (Trotsky, Djilas) made genuine and successful early efforts to describe and criticize the seemingly "revolutionary" regime on the basis of analysis of their bureaucracy. For Trotsky the bureaucracy was still a social stratum with class features (Trotsky 1964). For Djilas (1966), however, more than two decades after, this bureaucratic rule was obviously seen as the dominaton of a New Class. Their arguments reminded students of communist rule to the ideas of earlier thinkers, forerunners of New Class theory: Bakunin (n.d.) and, especially, Machajski (1905).

From the mid-20th century, New Class theory promised some chances for convergence between East and West. In the early 1940s, Burnham claimed that in modern capitalist society it is managers, and not property owners, who make strategic decisions in large firms. The new stage of development can therefore be called managerialism, where not ownership but decision-making positons count more as power (Burnham 1941). This claim was reinforced decades later by Konrád and Szelényi (1979) who described the reformist period of communism as a struggle inside the dominant class between (old, less educated, ideological) bureaucracy and (new, more educated, intellectual) technocracy, which voices the ideology of expertise. According to their view, the Communist nomenklatura was to be taken over by technocrats who would fundamentally alter the sociological

nature of the regime. The intellectuals would finally complete a historical project in ascending to class power as experts.

Incidentally, their book, originally written in Hungary in the first part of the 1970s, was published in English in a period when New Class theory gained ground. Alvin Gouldner's influential analysis (1979), based on Marxist theory, discussed the New Class with optimism, as a progressive force able to cultivate the culture of critical discourse (CCD) and thus undermine capitalism. For the same reason, neo-conservatives looked upon the New Class with more worry. Daniel Bell (1975), Kevin Phillips (1975), Irving Kristol (1978, 1983) and others pointed out the contradictory cultural tendencies of capitalism: besides its mainstream culture, capitalist liberal democracy produces its own "adversary culture" which might undermine its fundamental values. Some authors just described this phenomenon rather neutrally, while others were more worried about a coming cultural decline. They regarded the holders of "adversary culture," the "knowledge class," or "knowledge industry," as a New Class. According to their understanding, this New Class was not a cherished social agency any more but a dangerously destructive force (cf. Bruce-Biggs 1981). Daniel Bell called this "New Class" as a "muddled concept," a mentality rather than a class, which was not to be taken, as a class theory, scientifically seriously (Bell 1980: 144-64). Later, Lipset (1991), along with others, strongly criticised Konrád and Szelényi (1991) who interpreted the 1989 revolutions and their aftermath as a victory of intellectuals, not as a New Class but as "politocracy." It seems that New Class theory was fashionable only as long as state socialism existed and the gap between the increasingly technocratized "political class" and the rest of the society (proletariat etc.) could effectively be described and criticized.

Table 1 summarizes different New Class theories and theorists according to the scope and focus of their analysis.

In this paper, I distinguish between elite theories and approaches according to the scope, level, and focus of their analysis. According to this view one can differentiate between 1) Classic elite theories, 2) Contemporary general elite theories, 3) Theories and approaches applicable to post-communist East Central Europe, and finally, 4) Theories and approaches applicable to individual post-communist countries of East Central Europe.

Contemporary Theses in Elite Theory

Elite approach gained strength by the end of the 1980s, partly because elite theory seemed to be more appropriate to capture the phenomenon of post-communist transformation than the previously dominant New Class approach. In the following, I will present some influential theses and

Table 1

Theorizing New Class

	Scholar	Major thesis
Classic theories	Jan W. Machajski (1905)	Intellectuals as New Class
	Leon Trotsky (1964)	Bureaucracy (as stratum)
	James Burnham (1941)	Managerialism
	Milovan Djilas (1966)	Bureaucracy as New Class
Recent theories	Daniel Bell (1975)	Cultural contradictions of capitalism
	Kevin Phillips (1975)	Mediacracy
	Alvin Gouldner (1979)	Intellectuals as New Class: culture of critical discourse, and knowledge
	György Konrád & Iván Szelényi (1979)	Intellectuals as technocracy: bearers of trans-contextual knowledge
	Irving Kristol (1978, 1983)	Adversary culture, "knowledge industry"
	György Konrád & Iván Szelényi (1991)	Intellectuals as "politocracy"

approaches which all have been (re)invented in the 1980s and '90s inside the framework of elite theory.

The classic elite theories of Michels (1915), Weber (1915-21), Pareto (1935, 1968), Mosca (1939) and C.W. Mills (1956) are widely known and accepted. In the following, I will focus on some theoretical innovations in elite studies which were elaborated in the last two decades.

1. Elite Settlements

Just a year after O'Donnell and Schmitter (1986) gave a widely recognized "guideline" for democratic transitions, and, two years before the crucial year 1989, Burton and Higley emphasized the importance of elite groups in political change. They claimed that elite settlements represent one route to stable democracy. Their definition is the following:

> "Elite settlements are relatively rare events in which warring national elite factions suddenly and deliberately reorganize their relations by negotiating compromises on their most basic disagreements. Elite settlements have two major consequences: they create patterns of open but peaceful competition, based on the "norm of restrained partisanship" among all major elite factions, and they transform unstable regimes (. . .) into stable regimes in which irregular seizures no longer occur and are not widely expected." (Burton & Higley 1987b: 295)

Elite settlements were presented as alternatives to social revolutions (cf. Skocpol 1979). These are defined as the elite side of peaceful transitions to

democracy and acknowledged as the more important part of it. According to the authors, elite settlements have five major characteristics: 1) Speed (it must be done quickly or not at all), 2) Negotiations (face-to-face, partially secret), 3) Written agreements, 4) Conciliatory behavior, 5) Experienced leaders.

The idea of such elite-driven change was formulated in the intellectual atmosphere of the 1980s which emphasized the importance of the more formal, minimalist, "modest" meaning of democracy (Huntington 1984, 1989), where elite choices are not so much disturbed by the masses. Huntington's own approach was also elite-centered when he said that "democratic institutions come into existence through negotiations and compromises among political elites calculating their own interests and desires" (Huntington 1984: 212). The elite settlement approach was then followed by some important contributions in "transitology" which described the process of regime change largely as "elite games" (Przeworski 1991, 1992; Bruszt & Stark 1992; Colomer & Pascual 1994; Colomer 2000; Higley & Burton 1998; Higley & Pakulski 2000a).

2. Circulation vs Reproduction

As a hypothesis for comparative research, Iván Szelényi reformulated Pareto's distinction between elite circulation and elite transformation. In a co-authored study with Szonja Szelényi they argued that there were basically two ways for elite change: 1. *elite reproduction or* 2. *elite circulation*. According to the elite reproduction theory, "revolutionary changes in Eastern Europe did not affect the social composition of elites. This is because the old nomenklatura elite has managed to survive at the top of the class structure and is now becoming the new propertied bourgeoisie." According to the elite circulation theory, "transition to post-communism resulted in a structural change at the top of the class hierarchy: new people are recruited for command positions on the basis of new principles" (Iván Szelényi & Szonja Szelényi 1995: 616).

Together with Don Treiman, Szelényi conducted the largest international comparative elite research ever in East Central Europe (in 1993-94) under the project title "Social Stratification in Eastern Europe After 1989." They collaborated with top researchers of the field in Bulgaria, the Czech Republic, Hungary, Poland, Russia and Slovakia. Their findings were published in a 1995 special issue in *Theory and Society* edited by Szelényi. Although Szelényi himself, in his earlier theory of "interrupted embourgeoisement" (1988), tended to argue for the relevance of elite circulation (opposing the views of Hankiss, Staniszkis, and Szalai who emphasized the prevalence of elite reproduction), he was right only in judging the transformation of political elites. As it turned out, contrary to his expectations, the thesis of elite reproduction was more relevant in explaining the change of

economic elites. So empirically both of them were partly right and wrong. The real relevance of Szelényi's idea was, however, not the answer but the question itself. The question of "reproduction vs circulation" proved to be very enlightening and shaped the whole discourse of the elite research of the 1990s in a fundamental way. It also turned out that his theoretical question had broader relevance than the East Central European region: it was relevant for all societies experiencing sudden social and political change.

3. Elite Differentiation and Unity — Forms of Elite Circulation

This theory was first formulated by Field and Higley (1980), later further elaborated by Higley and Pakulski (1992), and more recently by Higley and Lengyel (2000). The theory holds that there is a consensus among the otherwise widely differentiated elite groups that, despite their disagreements in ideologies and policy issues, they stick to the democratic rules of the game. "Elite unity in diversity is the sine qua non of a robust democratic polity and an effective market economy" (Higley & Lengyel 2000: 1). In a democratic society elite unity is not to be confused with elite homogeneity, elite unity exists in conditions of wide elite differentiation: in sum, the unity is about the basic procedures. There is, however, another form of elite unity, where elite differentiation is narrow: that is the case of an ideocratic elite which occurs in totalitarian or post-totalitarian political regimes. Elite disunity might produce a fragmented elite in the case of differentiated elite groups (which is a characteristic feature of unconsolidated democracies), or, alternatively, can lead to a divided elite in the case of narrow differentiation (which is typical in authoritarian regimes).

On the basis of elite unity and elite differentiation Higley and Lengyel developed a two-dimensional model applicable to different political regimes. This model, summarized in Figure 1, has served as a useful starting point in many analyses of elites and democratic consolidation in East Central Europe.

Further, Higley and Lengyel elaborated another figure for forms of elite circulation to make elite theory corresponding more to dynamics of political change. They did not follow the Szelényi and Szelényi model (1995) by talking in terms of circulation vs reproduction as alternative forms of elite change. For them circulation means something else: it is the way elites change. Circulation can only be modified by "classic," "reproduction," "replacement" and "quasi replacement" forms of change to create a typology of elite change. They use the notion of reproduction as adjective to circulation. The notion of "replacement" was borrowed from Huntington (1991).

Figure 1

Configurations of National Elites and Associated Regime Types

		Elite unity	
		Strong	Weak
Elite differentiation	Wide	*Consensual elite* (consolidated democracy)	*Fragmented elite* (unconsolidated democracy)
	Narrow	*Ideocratic elite* (totalitarian or post-totalitarian regime)	*Divided elite* (authoritarian regime)

Source: Higley and Lengyel (2000: 3).

Figure 2

Patterns of Elite Circulation

		Scope of elite circulation	
		Wide and deep	Narrow and shallow
Mode of elite circulation	Gradual and peaceful	Classic circulation	Reproduction circulation
	Sudden and enforced	Replacement circulation	Quasi-replacement circulation

Source: Higley and Lengyel (2000: 5).

4. Elite Theory vs Marxism: A 20th Century "Verdict"

Throughout the 1990s, there was a hidden debate between elite theorists and class theorists about the relevance of their theories. This debate became sometimes explicit especially between Pakulski and Waters (1995, 1996) on the one hand, who criticized the overwhelming "classological" literature and advocated elite theory, and Erik O. Wright (1996) on the other, who maintained that class analysis was still relevant. Other scholars of the field applied different, sometimes mixed research strategies. As we can see, Higley et al. continuously used elite theory only, while others, most notably Szelényi, combined elite and class approaches without committing themselves to one of these theories. Higley and Pakulski (2000b) summarized the 20th century history of both paradigms. Being on the side of elite theory, they concluded that after decades of irrelevance, finally, elite theory had returned "victoriously" in the last two decades of the century. They attribute this revival to the increasing recognition of the autonomy

of politics, and the relative autonomy of elites (Etzioni-Halévy 1990), which created more room for maneuvre for policy-makers. According to Higley and Pakulski, three historical phenomena forced this return: 1) The economic miracles in the "Asian Tiger" countries (which was largely due to elite decisions), 2) The existence of state socialist countries and special ways for researching their power relations (Kremlinology, Sovietology), and finally 3) The "elite-driven demise of the Soviet Union and the satellite countries" in 1989-91 (Higley & Pakulski 2000b: 236-7). They quote Diamond, Linz and Lipset that "Time and again across our cases we find the values, goals, skills, and styles of political leaders and elites making a difference in the fate of democracy" (Diamond et al. 1995: 19). However, despite all of the fruits of elite theory, the authors themselves modestly recognize, that "elite theory has not been renewed" (2000b: 238), so we can suppose that "the 20th century verdict" presented by Higley and Pakulski will not necessarily be the "final verdict."

5. Inspirations from Social Theory: Foucault, Bourdieu, Mann, and Poggi

These theories, approaches and conceptual tools, elaborated by Higley, Burton, Field, and Szelényi, are the main ones operationalized in elite research in East Central Europe. However, it is important to note that besides approaches in general elite theory, the impact of social theories of Michel Foucault and Pierre Bourdieu proved to be decisive in shaping conceptualizations of elite change as well. Foucault (1983) made clear that power does not excusively belong to a class or even to a group of people, rather it is a general phenomenon in all aspects of social life. Bourdieu's theory (1983) on different "forms of capital" was also crucial, because it opened the way for thinking about the convertibility of different social assets. One should also mention Michael Mann's theory of "society as organized power networks" (1986) which discussed similar points from a general historical and theoretical perspective, and stimulated most recent social thought, on "forms of power," especially the writings of Gianfranco Poggi (2001).

Contemporary Theses on Elites in East Central Europe

1. Conversion of Power and the "Grand Coalition"

Elemér Hankiss (1990, 1991) formulated a powerful thesis for elite reproduction. According to him, ruling elites are never ready to give up their power voluntarily. If they do so, there must be some special conditions which motivate them to quit. For Hankiss this motivation was the opportunity for conversion of power. Those political leaders, and their followers, who were involved in the reform processes in East Central Europe in the second part of the 1980s did not primarily act to serve the

"public good" or to achieve freedom; rather, according to Hankiss, they were working for their own self-interests. Influenced by Pierre Bourdieu, Hankiss believed that there are different forms of power available in a society and when the communist elite had to face the decline of the *ancien régime* and the possibility of losing their political power they became increasingly interested in saving their power by converting it to another terrain. Hankiss proves that legislation on "spontaneous privatization" was the main tool for them to achieve this goal. He used Hungarian examples to demonstrate his case but he extended the scope of his analysis to East Central Europe as well. At the time of the publication of his book, his thesis was more heuristic, it was not preceded by systematic empirical analysis. However, he formulated one of the strongest hypotheses of elite transformation in East Central Europe.

Hankiss thought that communist-turned-to-be-pragmatic elites would find their way-out: to get rid of the discredited regime and to save their influence at the same time. He supposed that the winners of the change would finally create a "grand coalition," in the social sense of the word, in in which the former communist political class would merge with managers, directors of state owned firms, top entrepreneurs, and those who occupy top positions in the state administration. According to Hankiss, "reform" was just a catchword to hide deeper processes of elite convergence via power conversion. Members of a potential new elite paved the way for their comfortable survival. This elite, for Hankiss, was not to come from outside the already influential circles; it was to be recruited from all of those who had enough political influence to create access to property for themselves. Later, other scholars suggested that this was the price to pay for peaceful, bloodless transition to democracy.

The Szelényi and Treiman research (1993-94) proved that Hankiss had partly been right only: elite reproduction (or reproduction circulation) was a major way for change in the post-communist economy. On the more visible terrain of politics, however, a quicker and deeper change, circulation (or "replacement circulation"), occurred in the political elite which was probably beyond Hankiss' expectations.

2. Political Capitalism

Jadwiga Staniszkis (1991) developed a very similar idea to that of Hankiss'. According to her, the former nomenklatura uses its political power to gain private wealth. She believed that the process of privatization would benefit the Communist political class which could retain its top position in the society. She anticipated the making of a propertied bourgeoisie from the ranks of top cadres and the nomenklatura. Staniszkis called this phenomenon "political capitalism" because capitalism is designed according to the needs of the "outgoing" political elite by political

means, for themselves. She sees this as a "hybrid form of Westernization" Staniszkis examines six forms of the combination of power and capital, and enlists both the advantages and disadvantages of political capitalism. Since she states that "there is no rational privatization without capital" she views this process in a somewhat disillusioned manner. Among the disadvantages she mentions "compromising the idea of privatization of state sector in the eyes of society" which makes them unenthusiastic about the new regime and prevents their active participation in public matters. Among the advantages, she observes that it made the systemic transformation easier and quicker because members of the nomenklatura had not opposed the process at all. Both Hankiss and Staniszkis accepted Bourdieu's thesis of different forms of capital (1983), and they believed that the convertibility of political capital into economic capital would be the dominant social process in elite change of the post-communist transition.

3. The Elite Network State

The Norwegian scholar, Anton Steen (1997a) did the most comprehensive work on the Baltic states and invented some important concepts for elite research. In his book, he considers the question: "Who are the new elites, how do they cooperate and what are their main priorities and decisions?" Differences in elite patterns and policy development between three Baltic states are analyzed from the perspective of historical conditions, structural problems, institutional affiliation and previous regime connection. Variations between the three Baltic states in elite attitudes, behavior and decision-making appears to be particularly related to ethnic structures. The study proposes a theory of elite control a response to ethnic problems, accounting for why the seemingly similar Baltic states are developing along different lines regarding elite configuration and the role of the state. In respect to the attitudes, Steen finds that the elites hold not as liberal views as the ones found in the US, nor as social democratic as found in Scandinavian countries. His analysis further allows him to conclude that the difference between the elites in the three Baltic countries are smaller than expected, which gave him a reason to suggest that institutions have only minor effects on variations, recruitment, attitudes and behaviour. The same applies to historical/communist legacy, which matters little, if at all. What matters, according to Steen, is the country's structural characteristics, like geographical location, religious practice, minority situation and social cleavages. On the basis of these characteristics, Steen develops the concept of elite network state which describes a post-communist society where "elites interacting under few institutional constraints, adapting to the rhetoric of market liberalism, while using the state for pragmatic pursuit of specific interests, make this kind of state formation very different from Western countries" (Steen 1997a: 335).

4. Technocratic Continuity

Erzsébet Szalai (1990, 1995) was inspired by Hankiss' thesis on the emerging "Grand Coalition." In the 1980s, she did empirical research in state owned big socialist firms and she agreed with Hankiss that managers of state companies had been prepared for a special "spontaneous" privatization which had been designed to combine political and economic capital.

However, she claimed, that it is not the whole nomenklatura class which could implement this large scale conversion but only its younger and more educated elements. Szalai pictures this process of transformation as an increasing struggle between the "old elite" and the emerging "new technocracy" inside the top strata of the communist regime. She predicted that the younger, better educated, technocratic "new elite" would control the process of regime change, or at least, the process of economic transformation. Szalai was right in her diagnosis as far as the economic transformation is concerned. For the political elites, however, circulation (or replacement type of circulation) dominated the process over reproduction (or reproduction type of circulation). As Szelényi rightly observed, Szalai's hypothesis was a bit more complex than those of Hankiss and Staniszkis: "Those who relied excusively or overwhelmingly on political capital for their power and privilege (i.e. the old elite) are likely to be downwardly mobile, while those who combined cultural and political capital (i.e. the new technocracy) are better positioned to achive positive privileges in terms of economic capital today" (Szelényi & Szelényi 1995: 618). The theses of Hankiss, Staniszkis and Szalai were the most powerful statements about elite change in East Central Europe at the beginning of the 1990s.

5. Post-Communist Managerialism: Elite Theory and New Class Theory Combined

Just two years after the "reproduction vs circulation" debate, Gil Eyal, Iván Szelényi and Eleanor Townsley (1997) came up with a new proposition that they called the theory of post-communist managerialism. The interesting feature of this approach is that the authors combined approaches of elite theory and New Class theory. In fact, Szelényi, unlike Pakulski and Waters (1996), never gave up class analysis completely. For him elite and class theories can be not mutually excusive but complementary instruments to understand social change. The authors of the study claim that

> "the distinctiveness of the new capitalist societies of East Central Europe is due to the coalition of class fractions and elites which currently rule them. This coalition constitutes a 'power elite,' which controls the command positions of political, cultural, and economic institutions, and is busy making 'capitalism without capitalists.' For the time being, this post-communist power elite does not look like a capitalist class (…) nor does it resemble the communist nomenklatura. (…) Instead, the new power elite of post-communism resembles

> most closely what Bourdieu has called 'the dominated fraction in the dominant class' in Western capitalism: it exercises power principally on the basis of knowledge, expertise and the capacity to manipulate symbols, in short 'cultural capital'." (Eyal et al. 1997: 61)

This new elite groups, the managerial elite, the new "politocracy" and cultural elite, constitute a New Class, according to the authors, which dominates a regime which can be called post-communist *managerialism*. The reference to Burnham (1941) is not accidental, although the authors recognize the differences between the social conditions of the post-depression capitalism of the 1930s, and the post-revolutionary "half-capitalism" of the 1990s. Post-communist managerialism is not the most advanced form of capitalism, as was originally by exponents of managerialism theory. Post-communist managerialism reflects upon diffuse property relations, dispersed ownership, "recombinant property" (Stark 1996), and the prevalence of social and political uncertainty. It is primarily designed by financial managers and experts working for foreign and international financial agencies who plan capitalism for a globalized economy. In a sort of true Gramscian spirit, the authors observe that the hegemonic ideology of managerialism is monetarism which serves as a political technology as well. The authors even risk stating that "managerialism may not be merely a phenomenon of transition," it might serve as a legitimizing idea of a technocratic rule for a longer period of time. The co-optation of humanistic intellectuals into this new power structure serves the goal of a more efficient legitimacy of the regime, but they will just represent the "dominated fraction" inside the power elite.

This analysis was very innovative and powerful: it offered a combination of elite and New Class theories including some parts of Szelényi's earlier theory on intellectuals. It reflected very well the chaotic period of the first part of the 1990s. In my view, however, the theory of managerialism overgeneralized the rather temporary interests of the power elite, and also the stability of the coalition of managers, technocrats, "politocrats" and the humanistic intellectuals. Approaching the millennium, it became clearer that managers and other elite circles were, in fact, very much interested in gaining property. For them, after the years of uncertainty and *anomie*, finally the restabilization of property relations meant consolidation. It turns out that managers of the post-communist era did not want to stay as managers for the rest of their life. They considered this as a tiring, nerve-breaking, unhealthy job. They wanted to get rich in the first place and retire afterwards to have enough time to enjoy their wealth and newly gained property.

Recognizing the potentially changing conditions, Eyal, Szelényi, and Townsley, while maintaining the major statements of post-communist

managerialism, somewhat relativized some of their sharp generalizations and the endurance of managerialism for East Central European societies. In their reformulation, post-communist managerialism was seen not as the beginning of a potentially unique regime in history, but as a phase of social struggles on the way of "the making the new propertied class." As a result, their book, *Making Capitalism Without Capitalists: The New Ruling Elites in Eastern Europe* (1998) became a well balanced, theoretically and empirically very rich volume, which is considered by many scholars as the best book written on post-communist elites in the 1990s.

6. Elites as Institution-builders

In an article published in the mid-1990s, Antoni Z. Kaminski and Joanna Kurczewska (1995) examined elites and institution-building processes together. They distinguished between two polar cases of institution-building: 1) A political regime "conceived and implemented by a small elite in power" (top-down implementation), 2) A political regime "emerges during the process of negotiation and compromise among many local, national, and/or functional groups" (bottom-up implementation). These two forms of institution-building correspond to two different perspectives on elites: stratificational and functional. First, from the *stratificational perspective*, elite is a group of people who occupy certain positions on the top levels of social hierarchy which give them opportunity to control or influence strategic decisions. Second, in a *functional sense*, there can be groups which are alienated from the formal authority structures and can pose an alternative to it, especially in crisis situations (social reformers, revolutionaries). As they argue,

> "In the first case, a unified, national elite constructs a regime which protects it against interferences from below and monopolistically operationalizes the meaning of the public interest. (…) In the second instance, the groups that participate in the constitutional contract create institutional devices which protect their political rights and social autonomy against arbitrary interference from the power centre." (Kaminski & Kurczewska 1995: 139)

Kaminski and Kurczewska also developed an elite typology which was inspired by Weber's writings. They distinguished between 1) Traditional elite, 2) Charismatic elite, 3) Bureaucratic-collectivist elite, and 4) Interactionist-individualist elite. While traditional elites are inherently conservative, charismatic elite groups "have a sense of mission personified in a prophet or a hero; a belief in his extraordinary virtues and qualities. (…) All relations are personalized. These elites have an active disposition towards moral values. (…) Only motives and intentions count, results are secondary" (Kaminski & Kurczewska 1995: 143-4). The third and the fourth types are both rational-legal type. While members of the bureaucratic-collectivist

elite are thinking in terms of division of labor, centralization, state assets, and *raison d'état*, members of the interactionist-individualist type of elite are thinking in terms of entrepreneurship, citizenship, civil society, the market and the public sphere. They conclude that "interactionist elites create, in comparison to the bureaucratic ones, a more open, richer and diversified form of social coexistence" (1995: 145). Exactly this type of elite is missing in countries of East Central Europe.

7. Three Elites

In a recent study, Jacek Wasilewski (2001) distinguished between three phases of social and political change in East Central Europe, 1) Transition, 2) Transformation, and 3) Consolidation. He claimed that these three epochs require three different types of elites. By transition, he means "a relatively brief period between two regimes, during which new rules of the political game are established." It is the period when strategic choices are made. Second, by transformation he means implementation processes of already made decisions, i.e. the practical processes of crafting democracy and market economy. He argues that, unlike transition, transformation processes are more embedded in the social reality of the given countries: "they emege out of a recombination of available resources, through a process of, exactly, transformation of already existing components." And finally, consolidation refers to the new order, to "its stability and smooth operation. It is the process of habituation of new rules and patterns" (Wasilewski 2001: 134). Here Wasilewski basically accepts the definition of consolidation offered by Linz and Stepan (1996).

Corresponding to these phases, 1) The elite of transition can be portrayed as the elite of mission and vision; 2) The elite of transformation "was to put into motion a vision (...) therefore it was composed of engineers and technologists of a new polity and new economy"; and finally 3) The elite of consolidation "is to habituate the new order (...). They are to be moderators, integrators, growth-inducers" (Wasilewski 2001: 135).

By simplifying Wasilewski's model we can sum it up in Table 2.

In summarizing the "three elites" thesis, Wasilewski recognizes that different periods require different political skills, approaches, leaders and also elites. Different elite groups must either rotate or adapt themselves to different tasks, because, as Schmitter (1995) and others pointed out, consolidation requires completely different approaches than transition itself. As Robert Putnam (1976) already stated, in many aspects, post-revolutionary elites are very different from the revolutionary ones.

8. Further Typologies of Political Elites

Based on Max Weber's theory and his own empirical research on four Polish parliaments, Wlodzimierz Wesolowski (2001) elaborated a typology

Table 2

Regime Change and the Three Elites

Elite/period Relations	Elite Characteristics	Major tasks	Mass-Elite
Elite of transition	mission and vision	institutional choices	symbolic politics
Elite of transformation	engineering the new order	crafting democracy and market economy	reform politics
Elite of consolidation	integration and habituation	consolidating democracy and inducing growth	distributive politics

Source: Wasilewski (2001: 137) modified.

of politicians who are members of the parliament. He recognized that, in consolidated democracies, politicians are primarily living "off politics." However, living off politics can has a positive and negative side. On the positive side, Wesolowski mentions politicians "with calling" who are ready to serve a specific, well-defined social, political, cultural or geopolitical "purpose." (Note that these are not with politicians with mission, which is a rather obscure, meta-political concept in their own self-understanding.) On the negative side, one can find politicians "seeking enjoyments" who are not motivated by particular social goals. Concerning their everyday operation, Wesolowski distinguishes between professionalization and routinization. On the positive side of politicians "living off politics" one should mention professionalization which "involves a special kind of occupational training and a special way of methodical conduct at executing the job" (Wesolowski 2001: 33). By contrast, routinization represents the negative side, a "professionalization which has gone wrong. Instead of sound knowledge the deputy makes use of a few clichés which make thinking easier" (Wesolowski 2001: 34).

Another research has examined the relationship between cultural and political elite by focusing on those intellectuals who became politicians at the period of regime change (Bozóki 1994). In this typology four types of intellectuals could be distinguished according to the individuals' attitudes to politics and to becoming politicans: 1) "Professionals," 2) "Missionaries," 3) "Hesitants," and 4) "Retreatists." In the first category, those former intellectuals were located who became professionals and found out that making politics was their real, "natural" job. They easily and rapidly identified with the politician's role and sought quickly to raise it to a professional level. The second group consisted of intellectuals taking part in politics with a sense of mission. This type of intellectuals entered politics with idealistic, romantic feelings, so they could operate well in the symbolic

Table 3

Theorizing Elites for East Central Europe

Scholar	Major thesis
Thomas A. Baylis (1994, 1998)	Elite transformation in post-communism
András Bozóki (1994)	Types of intellectual politicians
Gil Eyal & Eleanor Townsley (1995)	Communist nomenclature
Gil Eyal, Iván Szelényi & Eleanor Townsley (1997, 1998)	Post-communist managerialism: elite and New Class theory combined
Éva Fodor et al. (1995)	Political and cultural elites
Janina Frentzel-Zagórska & Jacek Wasilewski (2000)	Second generation of elites
Elemér Hankiss (1990, 1991)	Power conversion via grand coalition
Eric Hanley et al. (1996)	Post-communist elite characteristics
John Higley & György Lengyel (2000)	Forms of circulation
J. Higley, J. Pakulski & W. Wesolowski (1992)	Post-communist elites
John Higley & Jan Pakulski (2000)	Elite theory vs Marxism
Antoni Z. Kaminski & Joanna Kurczewska (1995)	Elites as institution-builders
Vladimir Shlapentokh et al. (1999)	New elites compared
Jadwiga Staniszkis (1991)	Political capitalism
Anton Steen (1994, 1997a, 1997b)	Elite control and elite network state
Erzsébet Szalai (1990, 1995)	Technocratic continuity
Iván Szelényi (1988)	Embourgoisement: "socialist entrepreneurs"
Iván Szelényi & Szonja Szelényi (1995)	Elite circulation vs reproduction
I. Szelényi, D. Treiman & E. Wnuk-Lipinski (1995)	Emerging elites compared
Jacek Wasilewski (2001)	Three elites
Wlodzimierz Wesolowski (1998a, 2001)	Elites compared, types of political elite

politics of the regime change but lost influence during consolidation, the period of habituation and routinization of democratic practices. The third group was composed by people of "brooding," who were pending, hesitating between the roles of an intellectual and of a politician, sometimes combining the two but losing ground soon in both terrains. Finally, in the fourth category one could find "people of rapid retreat" that is intellectuals interested in politics who regarded flirtation with practical politics as a passing adventure, a short detour deriving from the exceptional situation, and who, as soon as they felt that the situation had changed, returned to their old vocations.

There some other concepts, ideas, theories to be mentioned, but I have no space to discuss them. Instead, I attempt to summarize theories on political elites in Table 3.

Elite Research in Countries of East Central Europe

It is difficult to give a full overview on elite research in the individual countries of East Central Europe, although a pioneering book was already published (Best & Becker 1997). It seems to be true that systematic elite research in the last ten years has been done in Poland and Hungary only. By systematic elite research I mean research projects which are designed to analyse elites, elite change, elite behavior, etc., on the basis of elite theory.

From this viewpoint we can say that Pakulski, Panków, Post, Staniszkis, Wasilewski, Wesolowski, Wnuk-Lipinski and others did this type of research on Poland, while Böröcz, Hankiss, Lengyel, Róna-Tas, Szalai, Szelényi, Tökés and others did so on Hungary. Many Polish and Hungarian researchers participated in large scale elite-researches: first, in the Szelényi and Treiman project in 1993-94 (which discussed the Czech Republic, Slovakia and Russia as well), and second, collaborating with John Higley, in two books, published in 1998 and 2000, and with Dogan and Higley (1998). The cases of Lithuania and the Czech Republic should, perhaps, also be mentioned where important achievements have been made in elite research in the last few years.

Otherwise, in most countries, social science research was dominated by research on social and political change: democratic transition and consolidation, constitutionalism, party system, electoral system, voters' behavior, economic transformation, privatization, social stratification, ethnic conflicts, and public policy issues. Researchers were busy in describing and understanding the formalities of this historic change focusing on institution-building processes. There are also many non-systematic and semi-scientific approaches to elite change as well, which, however, can be important source of knowledge: memoirs, philosophical essays, sociographies, journalistic accounts and the like. In many cases even data collection is missing or unfinished, so documentary histories and pure statistical analyses are of great importance.

Nevertheless, many analyses touched upon the issue of political elites even though those studies were primarily focusing on other characteristics of transformation. Virtually everybody acknowledged the importance of elite studies, both in the East and the West, still most approaches in the 1990s dealt with the dynamics of change (revolution, transition, consolidation, changes in social stratification, etc.) first of all.

With a partial exception of Poland and Hungary, it was characteristic that, in the first part of the 1990s, foreign scholars, or native scholars living abroad, played a crucial role in starting researches on these countries. They had easier access to different funds and the academic skills to develop a larger or more comparative research design of a Western style. For researchers living in the countries of the region, the works of some foreign-

based scholars proved to be particularly helpful, even if not all of them cultivated elite-centered research. After the initial period of learning from them, local scholars started to co-operate with their Western colleagues in different projects. This became easier since there was a generation change in the Western academia also. Those scholars who left their own countries for the West in the 1950s and 1960s have been increasingly replaced by those East Central Europeans who left for studying in the United States, legally, in the 1980s and 1990s to do their PhD and find academic job overseas. In many cases, they were successfully collaborating with their academic partners in each country combining local, empirical knowledge with theoretical apparatus. Today, one can observe an emerging new generation in the social sciences in East Central Europe. These scholars are now able to both compete and collaborate with their Western counterparts.

The Table 4 gives a summary on elite research (and related researches) in different countries of East Central Europe.

Which Are the Main Lessons Offered by Contemporary Elite Research in East Central Europe?

First, it is noticeable that transition and elite research have been intertwined, therefore the focus of research shifted from structures to actors, from social determinism to political choice. Elites were seen as essential "players" of the democratization "game." In those countries of East Central Europe where problems of statehood did not emerge as a new problem to be solved, elites could focus on democratization, and were able to achive elite unity quickly. In countries where elites had to be involved in other "games" beside democratization — independence, ethnic conflicts, new borders, nationalism, sovereignty and the like — they proved to be less effective in managing the multiple problems of the double or even "triple transition" (Offe 1997). This "triplicity" of transition challenges — namely transition from dictatorship to democracy, from socialism to capitalism, and, in some cases, from non-state to sovereign nation-state, — posed a huge challenge for students of elite transformation.

Secondly, beside the transition studies, elite research in East Central Europe has also been connected to other projects, especially to those which analyzed political parties and party systems, social and political cleavages, and social stratification. Sometimes scholars working on these fields revealed important sociological lessons for elite studies as well.

Thirdly, regarding the fact that East Central European societies were in a constant state of flux during the transition years, it is not surprising that research on political elites has been closely interrelated to the examination of economic and cultural elites as well. The phenomenon of "conversion of power" made it imperative to study conversions of different forms of social capital (Bourdieu 1983) from political to economic, from cultural

Table 4

Research on Political Elite in Countries of East Central Europe

Country	Scholar	Focus
Bulgaria	Evgeni Dainov (1998)	political elite
	P. Kabakchieva & D. Minev (1996)	political and other elites
	Petya Kabakchieva (2001)	state vs civil society
	Georgi Karasimeonov (1995)	parties and party elites
	Dobrinka Kostova (2000)	economic elites
	N. Tikidjiev et al. (1998)	social stratification and elites
	Zdravka Toneva (1997)	elite research overview
Czech Rep.	L. Brokl, Z. Mansfeldova & Z. Kroupa (1993)	political elite
	Pavel Machonin & Milan Tucek (2000)	new elites
	Petr Matéjú & Nelson Lim (1995)	elite change
	Petr Matéjú (1997)	elite research
	Aviezer Tucker (1999)	intellectuals
Estonia	Jaan Kelder & Indrek Mustimets (1993)	parliamentary elite
	Marika Kirch et al. (1998)	elite groups
	Anton Steen (1996, 1997a, 1997b, 1997c)	political elite and the state
	Anneli Tarkmeel (2000)	elites and development
	Jaan Toomal (1999)	parliaments, old and new
Hungary	Attila Ágh (1992)	nomenclature and party elites
	András Bozóki (1996a, 1996b, 1999, 2002)	intellectuals, roundtable elite
	A. Bozóki, I. Javorniczky & I. Stumpf (1998)	political leadership
	József Böröcz & Á. Róna-Tas (1995)	formation of economic elites
	J. Böröcz & Caleb Southworth (1996)	intellectuals
	Tibor Huszár (1997)	elite research
	András Körösényi (1996, 1999)	cleavage, nomenclature, intellectuals
	György Lengyel (1989, 1998)	economic elites, managers
	Gy. Lengyel & A. Bartha (2000)	managers
	András Nyírö (1989, 1992)	politbureau, nomenclature
	Ákos Róna-Tas (1991, 1994, 1995)	new parliament, economic elites
	Erzsébet Szalai (1994, 2000)	new technocracy, intellectuals
	I. Szelényi, Sz. Szelényi & I. Kovách (1995)	political and economic elites
	Rudolf L. Tökés (1991, 1996, 2000)	communist and roundtable elites
Lithuania	G. Babachinaite et al. (1998)	power elite
	Diana Janusauskiene (2002)	political elite, democratization
	Algis Krupavicius (1996)	elite formation
	Kestutis Masiulis (1997)	elite attitudes and orientations
	Irmina Matonyte (2001a, 2001b)	post-Soviet elites

Table 4
(Continued)

Country	Scholar	Focus
Poland	Janina Frentzel-Zagórska (1993)	elites, consolidation
	A. Kaminski & J. Kurczewska (1994)	nomadic elites
	Michael D. Kennedy (1991)	professionals
	Ireneusz Krzeminski (1995)	intellectuals
	B. Mach & W. Wesolowski (2000)	political elite
	Witold Morawski (1994)	managerial elite
	Krzysztof Palecki (1992)	political elite
	Irena Panków (1994, 1998)	parliamentary elite
	Aleks Szczerbiak (1998)	bureaucrats, professionals
	Jacek Wasilewski (1990, 1993, 1994, 1995, 1997, 1998b, 2000)	elites, parliaments, consolidation
	J. Wasilewski & I. Panków (1995)	political elite
	J. Wasilewski & E. Wnuk-Lipinski (1995)	elite change
	Wlodzimierz Wesolowski (1992)	political elite and parliaments
	W. Wesolowski & B. Post (1998)	political elite and parliaments
	Jerzy Wiatr (1987)	leadership
	Edmund Wnuk-Lipinski (1993 etc.)	transition, elites, conversions
	Voytek Zubek (1991)	nomenclature
Romania	Nándor Bárdi & Zoltán Kántor (2001)	minority political elite
	Silviu Brucan (1996)	power elite
	Irina Culic (1999, 2001)	intellectuals, political elite
	Florin Mirghesiu (1998)	political elite and modernity
	Alina Mungiu-Pippidi (1999)	intellectuals, political culture
	Vladimir Pasti (1995)	transition and elite change
	Andrei Plesu (1996)	transition elites
	Laurentiu Stefan (2001)	political elite recruitment
	Stelian Tanase (1996)	elite and society
	Gheorghe Tibil (1995)	elite conflicts
	Vladimir Tismaneanu (1998)	transition, elite ideas
Slovakia	Martin Bútora et al. (1999)	consolidation and party elites
	Zuzaná Kusá (1993, 1997)	intellectuals, elite research
	L. Maliková & J. Chapman (1995)	local elites
	Janá Plichtová & E. Brozmanová (1994)	local elites
	Sona Szomolányi (1994a, 1994b)	formation of political elite
	John Gould & S. Szomolányi (2000)	consolidation of political elite

to political, from economic to political and so on. Therefore one of the characteristics of elite research in East Central Europe is that it focuses on connections of different elites as well. To present the major finding, as an East Central European pattern, in a nutshell: There was an elite circulation in politics, but elite reproduction in the economy.

Concerning political elites, understood more strictly and narrowly, research has largely focused on the members of the consecutive parliaments and party elites (Best & Becker 1997; von Beyme 1993). This part of analysis has been closely tied to positional definition of elites, i.e. elites are understood as those groups which are making strategic decisions in top positions. Democracies can be differentiated from dictatorships on the basis that while in the former regimes formal power positions correspond more reliably to the real hierarchy of power, in the latter cases there is wider room for informal powers. That is why the predominance of positional analysis of elites in new democracies is justified. On the other hand, in defining elites, perhaps, there was too much emphasis on formal positions. There are important groups in these societies which exercise informal power or influence, and the second type of research, also characteristic in the contemporary East Central European scholarship, tried to capture this phenomenon. Such research focused on the role of intellectuals and the influence of cultural elites on politics, as well as on the cooperation between economic and political actors, as networks, lobbies, families in the period of early capitalism. One should not forget that early capitalism in East Central Europe was built "without capitalists" and therefore it was a capitalism "with comradely face." Given these characteristics of East Central European elite transformation, comprehensive elite research should in the future deal with *formal*, positional analysis and an *informal*, elite network approach as well.

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Interlocking Elites in Southeast Asia

William Case

National elites in Southeast Asia's most developed countries — Singapore, Malaysia, Indonesia, the Philippines, and Thailand — conform in many respects to the power elite thesis put forth by C. Wright Mills. Elites thus often hold positions simultaneously in government offices, bureaucratic agencies, and in some cases military command centers. In other respects, though, elite behaviors in Southeast Asia depart from Mills's expectations. Interactions frequently involve informal criteria of kinship and friendship; interlock is as often deployed in intra-elite struggles as in the assertion of collective elite interests against social forces; the cohesion or disunity of national elites can be regulated by a preeminent national leader; the elite relations that result have determinative impact upon regime outcomes.

C. Wright Mills's thesis about power elites, with elites interlocking across political, corporate, and military hierarchies, finds at least partial application in the Southeast Asian setting. In the region's most developed countries — Singapore, Malaysia, Indonesia, the Philippines, and Thailand — colonial legacies and global markets have ensured that state apparatuses and business conglomerates serve as the twin pillars upon which elite statuses primarily rest. Moreover, because of pressures to accumulate and dispense political patronage, industrialize rapidly, and in some cases finesse ethnic tensions, the boundaries between these institutional pillars have been readily breached. Elites in the region thus weave easily through top government offices, corporate boardrooms, and in some countries military command centers, either gaining positions sequentially or sometimes synchronically, much as Mills would expect.

By adding a few caveats, Mills's thesis can be made to resonate in Southeast Asia even more deeply. First, the interlock between elites that extends across formal organizations, while driven by mutually beneficial exchanges of political and corporate resources, turns also on affective sentiments involving kinship, friendship, ethnic affiliations, and shared religious outlooks. National leaders often take counsel from casually posted

eminence grise, whether close personal advisors, spouses, golfing buddies, or drinking companions. At the same time, these leaders elevate their children routinely in business, breeding cohorts of "princelings," while businessmen thrust up their children in politics. And finance ministers and high-level bureaucrats privatize state assets to their relatives and cronies, while politicians recruit co-ethnics and co-religionists into their party and bureaucratic hierarchies. Accordingly, there was much justification when in Indonesia, the region's heavyweight, social forces amplified their grievances over President Suharto's practice of interlock through a popular refrain of '*korupsi, kolusi, dan nepotisme*' (corruption, collusion, and nepotism).

Next, while Mills assumed that interlock enabled elites to assert their collective interests against social forces, it is as often deployed to defend elite statuses against other elites. Inter-elite relations acquire a variety of humors, ranging from intimate cohesion to outright disunity. Indeed, the latter posture appears historically to be the more common one, with Higley and Burton (1989, 23) specifying "deep struggles for political ascendancy … as the generic condition of national elites." In these circumstances, while elites may interlock widely in order to reap multiple positions, thus fashioning alliances that range across ruling parties, bureaucracies, military forces, and business entities, they do so in order to counter similar alliances that are arrayed against them, often instigating bitter, even murderous factionalism.

Third, whether elites are cohesive or disunified has much to do with the presence and performance of a national leader, one whose preeminence is derived from an accumulation of organizational resources and a regulation of elite-level access to them. Because Mills examined industrial democracies, regimes that are characterized by frequent government turnovers and limited executive powers, he overlooked issues of leadership preeminence and regulated interlock. But in Southeast Asia, where authoritarian regimes often prevail, a formidable roster of longstanding national leaders has appeared, including Lee Kuan Yew, Mahathir Mohamad, Suharto, and Ferdinand Marcos. These leaders have generally operated as the topmost executives in state apparatuses — presidents or prime ministers. But amid weak administrative and constitutional frameworks, they have been able to work capriciously across public and private sectors, drawing freely upon the finances of business conglomerates and the military's muscle. Typically, they have also been able to bolster their standings through personal charisma, cultural appeals, and operational shrewdness, indeed, a practiced ruthlessness. In this way, the region's preeminent national leaders have made use of interlock, closely regulating flows of patronage and hence, the relations between elites.

Finally, this analysis demonstrates that in the Southeast Asian setting, the presence of national leaders and the practice of elite interlock hold strong implications for regime outcomes. The democracies investigated by Mills, however socially inequitable, remained politically stable, obviating questions about regime continuity and change. But in Southeast Asia, a great spectrum of regime types has emerged. Hence, more than documenting the occurrence of interlock in the region, this analysis makes use of the practice in accounting for authoritarian persistence and democratic transitions. In brief, where preeminent national leaders are able to regulate elites, they can resist pressures for democracy. But where preeminent leaders fail to appear, interlock can heighten elite disunity, thereby creating the fissures through which democratic pressures can surge. However, even if ratcheted downward, interlock can afterward place a brake on the new democracy's quality.

State and Business Elites in Southeast Asia

From the 16th century to the middle of the 20th, Southeast Asia was intensely colonized by the United States and European powers. Only Thailand avoided direct colonial experience, though did so by emulating many of the state-building and trading activities that it observed in neighboring territories. In this way, state apparatuses were introduced to the region, then embraced after independence by local leaders and elites.

Hence, in the region's most developed countries — Singapore and what are often designated as the "*ASEAN 4*," namely, Malaysia, Indonesia, the Philippines and Thailand[1] — leaders and elites have mainly been undergirded by large state apparatuses, in some cases alloyed with single-dominant parties. On the international scene, these countries still ardently assert the principle of sovereignty and the sanctity of internal affairs, even as the one-time colonial powers from whom they acquired these preferences forswear much sovereignty in pursuit of regional integration (Beeson 2002). The internal dealings of ASEAN, then, in contrast to those of the European Union, remain guided by the canons of non-interference and mutual veto, notwithstanding the costs they pose for collective trade benefits. In addition, where they have sought to globalize their economies and privatize state assets, elites in the region have sooner undertaken "re-regulation" than any hasty state retreat (Jayasuriya 2000). Finally, where single dominant parties exist — most clearly in Singapore and Malaysia, but also made manifest as a narrow electoral vehicle in New Order

[1] ASEAN refers to the Association of Southeast Asian Nations which, founded in 1967, remains one of the most enduring regional organizations in the developing world. ASEAN now contains ten member countries.

Indonesia and in the Philippines as a two-party rotational scheme for several decades after independence — they served initially as the means by which might hasten decolonization or gain Western approval, then afterward as reliable conduits to state power and benefits.

Beginning in the late 1960s — early 1970s, Japanese investment and American military spending in the region, rising commodity prices, and preferential access to U.S. markets provided the revenues with which some governments in Southeast Asia began to industrialize. And amid this enterprise, business conglomerates began to take shape, tightly concentrating industrial structures in the manner characteristic of late-developing countries (Haggard et al. 1997, 45-48), therein forging the sinewy hierarchies of economic power that thrust up new business elites. In subsequent decades, these conglomerates grew more sophisticated, diversifying their finance from state development banks and intra-group lending to public share offerings and joint venture partnerships with overseas investors. Of course, even if avoiding state ownership while expanding their activities, the independence that new business elites gained should not be overstated. Rather, across the region, the newness and origins of most conglomerates meant the state elites have dealt closely with business elites, even going directly into business themselves, producing the overlap and conflicts of interest that are the hazards of deep interlock.

In these circumstances, one should also avoid overestimating the productivity and export competitiveness that business elites came to acquire. Instead, the rapid industrialization enjoyed by Singapore and the *ASEAN 4* was mostly driven by foreign investors who, though often legally tethered to local joint venture partners, took the lead in extractive industries and export manufacturing, especially in the vital electronics sectors. Governments, meanwhile, in recognizing that the motor force of growth and foreign currency earnings lay in foreign investment, wisely insulated the tradeable goods sectors that resulted from the demands of local elites (Jomo and Gomez 2000, 298). However, in domestic markets, local elites were heavily promoted by governments in the *ASEAN 4*, their state enterprises and business conglomerates puffed up through skewed processes of state tendering, licensing, lending, privatizing, and, in times of crisis, bailouts and re-nationalization. In this way, business elites gained sway over key sectors in domestic markets, including finance, media, property development, basic infrastructure, and low-level manufacturing.

This duality in markets and the promotion of local business elites was defended by different governments in the name of infant industries, self-sufficiency, and in some cases ethnic equalities, hence generating a variety of sobriquets. In brief, while the political dominance of governments might be legitimated in terms of "Asian democracy" (e.g., Mahbubani 1995),

the counterpart in justifying interlock between government and business consisted of invigorating shibboleths like "Look East" and "Malaysia Inc." in Malaysia, "Indonesia Inc." in New Order Indonesia, and the more pedestrian call for *patthana* (development) in Thailand. Even Singapore, as we shall see, though mostly ignoring its private sector, has nurtured managers in the state bureaucracy who collaborate closely with foreign investors, enabling it to cast itself as "Singapore Inc.," indeed, a "total business center."

However, apart from Singapore, the complex sets of government-business relations that flourished behind official rationales, amounting to elite interlock, were geared firstly to political patronage. And to the extent that leaders administered patronage effectively, interlock perpetuated their authoritarian regimes. Where leaders failed to do this, however, interlock hastened transitions to democracy which, even if never gaining quality, permitted electoral transfers of state power.

Elite Interlock

Preeminent national leaders make artful use of interlock in order to regulate elites. In this way, they perpetuate authoritarianism, enabling them also to disperse social forces. Moreover, a configuration of mutual reinforcement sets in, one in which through a weaker reverse flow, regime outcomes filter back to top up the preeminence that national leaders have established.

But this cycle turns most crucially on the practice of interlock. And in conditions of late development, colored by political patronage and industrializing urgency, yet lacking juridical signposts, national leaders can roam arbitrarily through state apparatuses and business conglomerates, foraging for the resources with which to regulate elites. The elite statuses that result are thus conditional and delicate, built upon multiple positions in various hierarchies that the leader can readily confer or withdraw. Generals are seconded to parliaments, bureaucratic agencies, and state enterprises, then obtain the licenses with which to start their family companies. Contractors are awarded posts in dominant parties, then selection as candidates, finally rising to mayorships, state executive councils, and cabinets. Ministers and top bureaucrats are permitted to arrange monopolies or privatize state assets in ways that benefit their associates and children, then resign to take sinecures as corporate directors or partners. Accordingly, with elites finding their statuses so finely delineated by the national leader, they are deterred from engaging in leadership challenges or unmonitored factionalism, thereby enabling authoritarianism to persist.

Among the cases in this analysis, Singapore provides an exemplar of interlock, amounting nearly to a power elite. As we shall see, first Lee Kuan Yew, later Goh Chok Tong, have fused their dominant party, the

state bureaucracy, a range of state enterprises, and parts of the military in ways that have produced what Crouch and Morley (1999, 340-41) depict as deep elite "cohesion." What is more, this use of interlock across institutions, in galvanizing elites in their developmentalist roles, has not only perpetuated Singapore's authoritarian politics, but greatly accelerated economic growth.

In other settings, though, national leaders have used interlock less to galvanize national elites than simply to demarcate and balance elite factions. But while muddying their economic planning with patronage, they can still succeed in regulating elites, thereby perpetuating their authoritarian regimes and their own preeminence. And even if not on the order of Singapore, these leaders too can make industrial gains, recruiting foreign investors and carefully shielding their tradeable goods sectors along the lines mentioned above. One thinks here of Malaysia's national leader, Mahathir Mohamad, disseminating state resources to favored elites lodged equally in the dominant party and business conglomerates, thereby giving rise to a collectivity of "proxies," "trustees," and "cronies." In New Order Indonesia too, Suharto, though never fully constructing a dominant party, distributed largesse across elite factions in the state bureaucracy, military, and conglomerates, thus populating the landscape with "bureaucratic families," "financial generals," and indeed, his own business-minded offspring.

By contrast, where national leaders lose their patronage resources, neglect to deploy these resources effectively, or fail from the start to gain preeminence, national elites may unravel in ways that destabilize their authoritarian regimes. And in this situation, interlock does little to mitigate leadership challenges and elite-level factionalism. To the contrary, by foreclosing sectoral safehouses in discrete government agencies or business firms, interlock may greatly intensify elite anxieties and rivalries, with competitions escalating finally into unbounded warring across institutional fronts. Struggles over posts in the dominant party eddy swiftly through elite networks in the bureaucracy and state enterprises, then fracture financial institutions and equity markets. Corporate takeovers and collapses reverberate through the military, opening fissures between units and cliques. Further, elites in these conditions may begin to mobilize mass followings, a process that encourages once quiescent, now participatory social forces to rise through the interstices between divided elites, thereby gaining a primary, if temporary causal weight. In this way, authoritarian politics may suddenly unfold in democracy through a process that amounts to bottom-up "replacement," the mode of transition once evaluated by Samuel Huntington (1991, 276) as directionally the least common to occur and functionally the least likely to consolidate.

Nonetheless, it is precisely because the dynamics of political change in Singapore and the *ASEAN 4* have so often turned on preeminent national leadership, with leaders closely limiting democratic procedures, that the negotiations characterizing top-down and more evenly consultative processes of "transformation" and "trans-placement" have mostly been precluded. As Mark Thompson (1995, ix-x) notes with respect to Ferdinand Marcos's clinging to power in the Philippines, "Marcos had to be brought down because he would never step down… [T]he personal character of his rule meant that he had no outside interests that could be retained if he relinquished authority."

To be sure, other parts of the developing world possess equally strong traditions of leadership. But in Latin America, sub-Saharan Africa, Pakistan, and Korea, for example, leadership has often been based in the military, which, as Barbara Geddes (1999, 125-29) observes, fears the corrosive effects of its governing directly on its institutional integrity, disposing it beyond some self-imposed term limit to negotiate its withdrawal to more defensible reserve domains. In Singapore and the *ASEAN 4*, however, where national leaders have usually planted their feet more broadly across the state apparatus, then lengthened their stride into the world of business, their preeminence appears to have encouraged intransigence, even when their resources have dwindled. Hence, where democratic transitions take place in the region, they are, quite contrary to Huntington's expectations, most likely to involve bottom-up replacement. Whether Huntington is more correct about the consolidation of the new democracies that result is not yet clear, however, with complex trade-offs appearing between stability and quality.

In assessing the region's democratic transitions, we recall that a preeminent national leader, by regulating elites through interlock, can perpetuate authoritarian politics for long periods of time. However, when the leader is weakened by an abrupt loss of patronage resources, a transition by replacement may occur. This outcome is illustrated most vividly by New Order Indonesia, with student movements and urban mobs pushing past once artfully regulated, now wavering elites in order to topple Suharto. Similarly, where a national leader gains preeminence, but fails effectively to regulate elites over time, important sections of the national elite may collaborate with social forces in instigating replacement. This scenario accords with the Philippine record in which, through an exemplary display of "people power," Marcos was ousted. Finally, where preeminent national leaders never appear, or do so only briefly, multiple forms of democratization may occur. Thailand's politics demonstrates this amply, with several replacements having occurred, but also an important case of trans-placement during the late 1980s wherein the prime minister,

Prem Tinsulanond, agreed to elections that effectively transferred much state power from the military to provincial business.

However, in each of these cases of transition, elites afterward recovered enough unity, while social forces lost enough vitality, that elites have been able limit the quality of new democracies, an outcome measurable in terms of executive power abuses, institutional frictions, bureaucratic corruption, judicial weaknesses, reserve domains staked out by the military, and policy ineffectiveness.[2] Elites in these circumstances have acquiesced in, even encouraged the regular turnover of governments through electoral processes, impeachment proceedings, or informal brokering. Indonesia has thus had three different presidents since democratizing its politics in 1998, the Philippines four since 1986, and Thailand a half-dozen different prime ministers since the late 1980s. But this leadership turbulence, complemented by social fragmentation, has enabled many elites to salvage something of their standings. Politicians manipulate new party systems, while top bureaucrats and generals nestle in reserve domains, respectively evading much electoral and horizontal accountability. Likewise, the owner-managers of business conglomerates, the shoddiness of their operations laid bare by the region's financial crisis during 1997-98, have often delayed investigations and meaningful restructuring.

In short, while the interlock between unregulated state and business elites intensifies the rivalries that can destabilize authoritarian regimes, it appears afterward to encourage new forms of cooperation in which elites hold the line, thus stunting the quality of the new democracies that have emerged. Put crudely, beyond some threshold, elites are sobered by the prospect of losing it all. Hence, while denied the preeminent national leadership that makes the perpetuation of authoritarianism possible, interlocking elites have been able to regroup in ways that while allowing democratization to go forward and governments to be changed, enable them to truncate the new democracies that might otherwise endanger their statuses.

We can sketch a rough sequence of regime continuity and change in Southeast Asia's most developed countries. In Singapore, preeminent national leaders have used interlock to galvanize elites, thereby perpetuating an authoritarian regime, as well as highly rationalized interventions in the economy that have accelerated growth. In Malaysia, the national leader has used interlock to balance elite factions, similarly undergirding authoritarianism. But this form of regulation has also involved fewer rationalized economic interventions than distributions of patronage, thereby foregoing

[2] For a good discussion of democratic quality, see Carothers (2002).

some of the growth enjoyed by Singapore. Similarly, the record of New Order Indonesia shows how a national leader can balance elite factions, but also how he can be weakened by economic crisis and the loss of patronage resources, triggering an abrupt transition to democracy through bottom-up replacement. In the Philippines, throughout the national leader's tenure, elites were less ably regulated, hence paving the way for replacement in non-crisis conditions. And in Thailand, no national leader has ever exercised preeminence over an extended period of time. Instead, a series of military or military-influenced governments historically prevailed, ensuring that interlock divided elites, that iterated authoritarian regimes remained unstable, and that multiple transitions to democracy took place through a variety of modes. Thus, across Southeast Asia's most developed countries, one finds the practice of elite interlock, even acquiring in some cases the dimensions of a power elite. Whether these configurations have perpetuated authoritarian regimes, though, or have helped to precipitate democratization, has depended on the presence and performance of a preeminent national leader.

Singapore and the *ASEAN 4*

This section explores in greater detail the practice of interlock in our Southeast Asian cases. It begins with Singapore and Malaysia, showing how preeminent national leaders, drawing from sundry institutional bases, have used interlock in ways that have perpetuated authoritarian politics. Indonesia and the Philippines, by contrast, are understood as cases in which national leaders were unable to sustain or fully exploit interlock, thus triggering democratic transitions. And Thailand, finally, its military governments sometimes aspiring to leadership preeminence, but functionally hindered in attaining it, displays a protracted record of regime instability and oscillation.

Persistent Authoritarianism: Singapore and Malaysia

In Singapore and Malaysia, preeminent national leaders have drawn upon powerful state bureaucracies coupled tightly with single dominant parties. Since independence, Singapore has had two such leaders, Lee Kuan Yew and Goh Chok Tong. Each has perpetuated a close, but opaque nexus between the prime minister's office "HQ," the central executive committee of the ruling People's Action Party (PAP), the Economic Development Board — the country's industrializing pilot agency — and top echelons in the military.[3] Neighboring Malaysia, meanwhile, has been led for

[3] Explicitly citing interlock as in part the reason for this success, Lee Kuan Yew advised during the early 1980s, "I make no apologies that the PAP is the government and the government is the PAP." Quoted in Mutalib (2000, 321).

the past two decades by Mahathir Mohamad. His institutional bases of support have included the Prime Minister's Department — housing the Economic Planning Unit, tasked with privatization, and Petronas, the national petroleum company — alongside the Supreme Council of his dominant party, the United Malays National Organization (UMNO).

In nurturing business elites, Singapore's national leaders have mainly relied on the bureaucracy as their incubus. Historically, this strategy was encouraged by the government's doubting the political loyalties and technical capacities of the country's private sector, much of it made up of small- and medium-sized Chinese-educated retailers and traders (Rodan 1989, 98). Further, this strategy was made possible by the unique conditions of late-development and tiny geography. Thus, the government has fostered key planning units like the Projects Division inside the Economic Development Board, its highly trained technocrats and managers collaborating effectively with transnational firms in export markets. It also operates several state-owned holding companies, the most prominent of which are Temasek Holdings and Government of Singapore Investment Corp., as well as a range of statutory boards and government-linked companies (GLCs) like Singapore Airlines, Singapore Telecommunications, and the Development Bank of Singapore through which to dominate domestic markets. Indeed, the GLC's controlled by Temasek own one-quarter of the equity listed on the Singapore Stock Exchange, while generating 10 percent of the country's GDP (Haggard and Low 2002, 305).

In this way, Singapore's national leaders have so narrowed the terms of interlock that government, business, and military elites partly overlap. This has produced what Garry Rodan (2001, 151 and 159) has variously conceptualized as "tight interlocking directorships involving a small coterie of civil servants" and a "virtual 'class' of public entrepreneurs." The boards and executive posts of the GLCs are thus staffed with "civil servants, military officers, or government MPs who are, by definition, part of the PAP establishment." Interlock has also been facilitated by kinship, a practice nowhere better illustrated than by the fortunes of Lee Kuan Yew's own family (Haggard and Low 202, 318). Lee's eldest son, Brigadier-General Lee Hsien Loong ("B.G. Lee"), has served as defense minister and chairman of the country's currency board, the Monetary Authority of Singapore, and is today deputy prime minister. Hsien Loong's younger brother, Lee Hsien Yang, is president and chief executive officer of Singapore Telecommunications, by some measures Southeast Asia's largest company. Hsien Loong's wife, Ho Ching, moved from the defense ministry to become deputy director of the Economic Development Board, then later

became president and chief executive officer of Singapore Technologies, another prominent GLC.

In recent years, though, a new generation of private sector business elites has been given a longer leash, the government anticipating that some of these elites, retaining old skills, might be able to network with Chinese overseas along lines that Anglophone bureaucrats now find difficult to negotiate. Meanwhile, other new business elites have been ceded autonomy in hopes that they might flourish in the creative milieus demanded by information technology industries beyond middling levels of development. Nonetheless, despite the government's more permissive attitudes toward the formation of business elites, many analysts contend that in Singapore, managerial skills still beat most vitally deep in the bureaucracy.

In Malaysia, party and bureaucratic elites have also gone into business, though less to promote growth in any rational way than simply to gain entry to a storehouse of state contracts, credit, and privatized assets to which the UMNO has held the key. In this way, many have amassed great personal wealth, enabling them to locate in upscale Kuala Lumpur suburbs like Bangsar and Damansara Heights. A pivotal figure in this activity was Mahathir's close advisor, Daim Zainuddin, who, while finance minister and UMNO party treasurer, acquired a glittering array of family companies (Gomez and Jomo 1997). But unlike in Singapore, Mahathir and Daim also promoted new business elites outside the state apparatus. While their precise motivations and operating styles varied over time, they mostly recruited ethnic Malays, providing state patronage in order to breed a loyal, but entrepreneurial cohort of indigenous business elites. In doing this, Mahathir recruited his sons, Mirzan and Mokhzani, attesting that they should not be disadvantaged in their business pursuits by his prime ministerial status. Accordingly, they were able to gain state contracts and rapidly expand their conglomerates. Meanwhile, Daim selected figures whom he had earlier supervised in Peremba, a state-owned urban development agency. His proteges were awarded managerial control and substantial ownership stakes in a variety of state enterprises and conglomerates, including Renong, a major holding company linked closely to UMNO, Proton, the country's national car project, and Malaysian Airlines, the national carrier.

As Mahathir and Daim appeared to make progress in "uplifting" the Malays, they showed new favor to the country's Chinese business elites upon whose loyalties and operational acumen they felt they could depend. Prominent examples included Vincent Tan Chee Yioun and Ting Pek Kkiing, persons to whom the state granted major infrastructural contracts, as well as Ling Hee Leong, the son of the president of the Malaysian Chinese Association, the UMNO's junior partner in the ruling coalition

(Gomez 2002, 86). Thus, Mahathir, in confronting a far more complex set of elite-level tensions and social pressures than his counterparts in Singapore, deployed interlock in ways that did more to balance than to galvanize elites. And hence, while Mahathir has shown great commitments to industrialization, they have necessarily been compromised by his synchronous pursuit of balancing aims.

In considering regime outcomes, the use of interlock by Singapore's preeminent national leaders has perpetuated an authoritarian regime for more than three decades. Elites have never displayed the divisions that enable social grievances to mount, which have in any case been offset by an equally robust record of economic growth. In Malaysia too, the national leader has used interlock to forge intricate sets of government-business relations, thus enabling authoritarian politics to persist over time. But with Malaysia's national leader confronted by more complex socioeconomic structures than his counterpart in Singapore, he finds elites and hence, social forces, less easy to regulate. Significant resources must thus be dedicated merely to balancing elite factions, especially in the UMNO, redressing ethnic inequalities, coping with Islamic tensions, and allaying demands for reform. In these conditions, the stability of Malaysia's authoritarian politics, surviving regular bouts of elite-level factionalism, deep social tensions, and serious recessions, highlights even more sharply than in Singapore the primacy of preeminent national leadership and an artful use of interlock.

Transitions by Replacement: Indonesia and the Philippines

In New Order Indonesia and the Philippines, national leaders have also gained preeminence. Indonesia's longtime leader, Suharto, organized massive patronage resources through his presidential office, the State Secretariat that coordinated the bureaucracy, the national petroleum company, Petamina, and sundry "charitable" foundations known as *yayasan*. However, while outfitting the Golkar (*Golongan Karya*, Functional Groups) as an electoral vehicle through which to mobilize voter support, Suharto supplemented his rule less with single-party dominance than steep military coercion. In this way, Suharto drew upon highly centralized institutions and patronage networks to regulate a small community of interlocking elites. In Indonesia, a country of some 220 million, the national elite probably amounts to no more than a few hundred people, clustered in the opulent Jakarta districts of Menteng, Kuningan, and Pondok Indah.

In the Philippines, Marcos similarly relied on the presidency during the 1970s and early 1980s as a clearing house for patronage. But the country's singular legacies of Spanish and U.S. colonialism denied Marcos much bureaucratic capacity with which artfully to use interlock, confronting him instead with a preexisting community of vigorous business elites

and a formidable Catholic Church hierarchy. In addition, the country's comparatively poor resource endowment precluded any national petroleum company from which to take revenues. However, in achieving some convergence with regional trends, Marcos slowly built up state strength relative to social forces, then outwardly committed his government to an economic orthodoxy which, while unable to lure in foreign investors, attracted considerable overseas developmental assistance. Further, like Suharto, he formed a vehicle by which to contest elections, the New Society Movement, while depending too on a swiftly expanding military.

Turning to the formation of business elites, Suharto permitted "bureaucratic families" and "financial generals" to operate lucrative enterprises, greatly easing their passage with state contracts, licenses, loans, and "gifts." But his arbitrary, yet astute distributions of patronage served throughout most of his tenure to demarcate and balance elite factions. One notes, though, that in casting his gaze outside the state, Suharto, in marked contrast to Mahathir, never sought to promote an indigenous stratum of business elites. Instead, he turned almost exclusively to a tiny community of perhaps thirty ethnic Chinese, estimating as the Dutch colonialists once had that their social isolation would deter any political challenges. In this way, though their monopolistic dealings were doubtless inefficient, the Chinese came to dominate many domestic markets. And in entering into conditions of beatific interlock, they dutifully reciprocated, forwarding large contributions to Suharto's *yaysan*, while cutting in his siblings and children for rich partnerships. As one example, Suharto's half-brother, Probosutejo, and his longtime associate, Liem Sioe Liong, gained a state monopoly over flour milling for all of Java and Sumatra. They then passed back more than a quarter of the rent they received each year to a pair of key *yayasan*, one headed by Suharto's wife and another by the military (Eklof 2002, 217). However, though Suharto, his family members, top bureaucrats, and generals might in this way penetrate deeply into the economy, Chinese business elites were barred from any reverse progress into the state apparatus. Ethnic boundaries thus inhibited the emergence in Indonesia of any true power elite, with business influence conveyed back to the government along personalist and informal routes.

In the Philippines, Marcos also recruited new business elites in personalized ways, enabling them to gain entry to moneyed enclaves in Manila like Makati and Forbes Park. Nonetheless, the country's distinctive matrix of historical and structural variables weakened Marcos's deployment of interlock. First, though he often promoted ethnic Chinese or Chinese-Filipinos, one observes that apart from the Islamic redoubt of Mindanao, sectarian identities are less fixed in the Philippines than they are in Malaysia and Indonesia, thus failing to brace lateral loyalties between

leaders and elites. Further, while the business scene faced initially by Suharto had been wiped clean by the conflagration of 1965-66, Marcos was confronted by one of the most sophisticated business communities in Southeast Asia, one born of plantation agriculture traceable to the colonial period, then diversified through protectionist industrial policies and privileged access to U.S. markets. What is more, though possessing upper-class backgrounds, these business elites had rarely shrunk from entering politics, historically capturing seats in the Philippine congress through which to advance their interests, a habit characteristic of power elites. Hence, while the new cohort of business elites promoted by Marcos occasionally demonstrated entrepreneurial savvy, he was never able to uproot the prior community, try as he might with new land redistribution schemes, the confiscation of assets, the closure of congress, and even the arrest of a prominent oligarchical scion.

In analyzing regime outcomes and pressures for change, one observes that Suharto and Marcos operated regimes that were even more deeply authoritarian than those we have encountered in Singapore in Malaysia. Suharto not only extinguished civil liberties, but intervened deeply in the affairs of opposition parties, tightly limiting their number, recruitment, funding, and selection of officials. Thus, while parliamentary elections were regularly held, they reliably yielded Golkar majorities, paving the way for Suharto's own reelection as a president in a separate electoral college exercise held the following year. Marcos, by contrast, in confronting more troublesome historical legacies and national elites, fashioned a deeply repressive, but less sturdy authoritarian regime, one that he had regularly to shore up with procedural alterations, sporadic plebiscites, and ad hoc elections on a variety of levels for which oppositions had sometimes to be fabricated. Thus, while Suharto's New Order persisted for some three decades, Marcos's New Society lasted less than half that long.

In considering pressures for regime change, Suharto's balancing of elites, however artful, involved a variation of interlock that in encouraging corrupt practices and overseas borrowing, finally jeopardized the founts of patronage upon which the effectiveness of his interlock depended. In contrast to Malaysia's moderate approach to corruption and borrowing, Suharto's government-business relations finally intersected with, indeed, grew utterly dependent upon the speculative activities of short-term lenders and portfolio investors from abroad. And hence, amid the recent financial crisis, as concerns over leveraging mounted, Indonesia, more than any other country in the region, was buffeted by investor panic, finally depleting Suharto's resources. And the national elite, long accustomed to interlock, yet unmodulated now by any preeminent leadership, unraveled in bureaucratic ambivalence, severe military divisions, Golkar defections,

and some open criticisms from business elites, both indigenous and Chinese. In this situation, the discontents of middle class students and the urban poor, always present, erupted in the protests and mob violence that in May 1998 brought Suharto down. Hence, Indonesia's democratic transition, a process in which social forces suddenly gained primacy, is best conceptualized as bottom-up replacement.

In the Philippines, we have seen that Marcos had from the start been less able to muster patronage and balance elites. Indeed, in promoting new cronies, he did more to alienate than to discipline existing business elites, ones who in long having ranged freely across public and private sectors now found their prerogatives threatened. As Paul Hutchcroft (2000, 238) observes, "[a]uthoritarian rule, Marcos style, did not bring a great deal of cohesion and, in the end, it only promoted enormous insecurity." Thus, when a prominent landowning oligarch and former senator, Benigno Aquino, was assassinated in 1983, evidently at the behest of Marcos's wife and his defense forces chief, elite members of the Makati Business Club responded by encouraging Aquino's wife, Corazon, to stand as a candidate against Marcos for the presidency. And when Marcos was prompted by U.S. diplomatic pressure finally to hold an election, the procedural abuses characteristic of his authoritarian regime, far from dispelling social grievances, inflamed the middle class and urban poor, producing an archetypal upsurge of "people power."

Nonetheless, in both Indonesia and the Philippines elites gradually regained some cooperation, while social forces lost steam (Case 2000, 2002). And hence, elites were able to limit the quality of the new democracies they confronted. To be sure, civil liberties today are formally respected and elections competitive. But the regimes are diminished by weak and sometimes abusive executives, intense, though decentralized corruption, weak judiciaries, and severe policy ineffectiveness. In these circumstances, national elites have in some measure reconstituted their interlock, enabling them partly to salvage their standings. In Indonesia, whenever investigations drew close to the business dealings of Suharto and his family members, Jakarta was shaken by bombings, while the Outer Islands were traumatized by ethnic and religious upheavals. In the Philippines, as Corazon Aquino tried early in her tenure to carry out new land reforms, her government was challenged by a series of violent coup attempts. Thus, while politics in Indonesia and the Philippines can today be classified as formally democratic, they remain marred by low quality — sparing the critical domains in which much of the national elite has been able to survive.

Anomalous Thailand

Thailand is distinctive in terms of its national leadership, elite relations, and institutional bases. Though its leaders once emulated the state building and trading activities that they observed in neighboring colonial territories, it was in this way that they avoided direct colonial rule. And hence, traditions of electoral contestation as a means by which to gain legitimacy were never imparted to the extent they were in Singapore, Malaysia, the Philippines, and even Indonesia. In this context, Thailand's military, in collaborating with parts of the bureaucracy, overthrew the country's monarchy in 1932, then rotated into and out of power over the next sixty years.

But in trying to rule, Thailand's military governments suffered precisely the maladies about which Geddes has warned. Distracted by the perquisites of state power and the opportunities afforded by business, the military lost much institutional coherence, dissolving into factions derived from different personalist loyalties, political "mentalities," graduating class years, and service corps. Preeminent national leaders occasionally appeared, most notably Field Marshal Sarit Thanarat during the late 1950s and General Prem Tinsulanond during the 1980s. But their relatively brief tenures pale alongside the decades in power exercised by other leaders in Southeast Asia. The Thai political record has thus been a brittle one, punctuated by a "nonhierarchical" military (Linz and Stepan 1996, 68) and wracked ceaselessly by coups and counter-coups.

As successive military governments pondered opportunities in business, an unregulated interlock set in, one in which factions of military elites colluded with bureaucratic elites in operating state enterprises. Even greater returns could be secured, however, by these elites arranging the protective licensing and advancing the finance that enabled the country's Chinese business elites to operate, traders and basic manufacturers who duly reciprocated with directorships and kickbacks (Riggs 1966). Hence, in the absence of preeminent leadership, interlock in Thailand involved no disciplined galvanizing or even balancing of elites, with regulated patronage flows geared to political equilibrium, rapid industrialization, or ethnic equality. Instead, business elites and their conglomerates sprouted along factional lines, with interlock deepening splits at the elite level.

From the 1930s to the early 1990s, Thailand's politics mostly involved unstable governments either led or supported by the military. However, at junctures where warring alliances made up of military, bureaucratic, and Chinese business elites battled to a standstill, democratization could take place, producing an overall record of extraordinary regime oscillation. Indeed, elite disunity and state weakness enabled the social tenets of modernization theory to play out in a more straightforward way in Thailand than in the other countries we have surveyed, with transitions to

democracy driven principally by metropolitan business elites and students during the mid-1970s, provincial business elites during the late 1980s, and middle class elements and the urban poor in 1992.

Thus, however nonhierarchical and disunified, Thailand's military has historically resisted any retreat from state power, ensuring that the country's episodic transitions to democracy have mostly conformed to regional patterns of bottom-up replacement. Thailand's recent record also parallels the experiences of some other Southeast Asian countries with respect to elite behaviors once democratization has taken place. Specifically, since 1992, while the military appears finally to have been restored to the barracks, business elites have been free to engage in an interlock that tests the new democracy's quality. Moving brazenly from the business scene into political life, they have taken over political parties, contested elections, joined ruling coalitions, and penetrated ministries, enabling them to advance their business interests in good times, while salvaging some of their assets during crises, investigations, and restructurings. For example, Banharn Silpa-archa, prime minister during the mid-1990s, began his business career by selling chlorine to state agencies, then expanded into rice milling, construction, property, finance, and car dealerships. At the same time, he snared a long series of ministerial portfolios, including finance, industry, interior, agriculture, and communications. Accordingly, Banharn has been characterized as Thailand's "most successful business-politician from the provinces" (Wingfield 2002, 264). Thaksin Shinawatra, the prime minister today, supplied computers to the police force while serving as a police colonel, then captured lucrative state concessions in telecommunications. Hence, his accumulation of such personal wealth that he has come to be acknowledged as Thailand's richest businessman, followed by his formation of a political party and drive on the prime ministership marks "an unprecedented fusion of political and economic power" (ibid., 284). Moreover, the economic crisis of 1997-98, in having gravely weakened metropolitan and provincial business elites, has prompted them to flock in support of Thaksin, thereby introducing a new, though doubtless temporary cohesion among top business-politicians. In these conditions, we should not be surprised that the quality of Thailand's new democracy has lately been eroded, with press freedoms and new mechanisms of horizontal accountability duly curtailed.

Conclusions

In Southeast Asia, colonial legacies and late industrialization have produced state apparatuses and business conglomerates as the twin institutional pillars upon which elite statuses are founded. Further, the region's porous administrative and constitutional frameworks have permitted much

elite-level circulation between these pillars. Top politicians, bureaucrats, and generals have entered deeply into business, diverting state benefits to their sundry companies, then used their rents to bolster their political standings. At the same time, business elites have in some cases been able to filter back into the state, especially in the region's new democracies. Using their personal wealth, often supplemented by the funding of other business elites, they contest elections and gain access to ministries, then sift state benefits back to their businesses and contributors.

Within the broad pillars of state and business, the finer institutional nodes and power structures that emerge vary across Singapore and the *ASEAN 4*. But the accumulation of positions and resources in both public and private sectors evokes common practice. Further, though no country in the region conforms fully to Mills's notion of a power elite, one nonetheless detects considerable overlap in the accumulation of positions in parties, bureaucracies, militaries, and conglomerates. In Singapore, the private sector has traditionally been neglected. But elites circulate briskly between the ruling PAP, top bureaucratic and military posts, and the corporate boards of GLCs. In Malaysia, while civil traditions have limited the military's political and business activities, top UMNO politicians and bureaucrats have gone freely into business, while Malay business elites, in advancing their interests, have often entered the UMNO. Many sitting members of parliament thus operate construction and engineering firms, with state agencies providing the bulk of their contracts and finance.

In New Order Indonesia, the first family, top bureaucrats, and generals undertook corporate activities with great vigor. However, while the local Chinese business elites with whom they formed partnerships gained heavily from these dealings, these elites were unable to round out their standings in turn by gaining positions in the state apparatus. Put simply, while the informal influence of the Chinese loomed large, their ethnic identities prevented any reverse flow of interlock back into politics that might have solidified a true power elite. And despite the democratization of Indonesian politics today, Chinese business elites remain apprehensive amid deep indigenous suspicions.

In the Philippines, like Malaysia, the role of the military in politics and business has traditionally been restrained, again impeding the formation of a power elite. Yet, with ethnic resentments less intense than in Malaysia and Indonesia, business elites with Chinese or Chinese-Filipino backgrounds — rooted in traditional landholdings and diversified through import substitution industrialization — were able historically to dominate the presidency and congress. Accordingly, the Philippines is often cast as having been an archetypal case of oligarchic rule. Marcos tested these

patterns, introducing a coterie of upstart business elites, while closing the Philippine congress. He also elevated the military to new prominence. But Marcos was unable fully to dislodge the oligarchy that had preceded him. And after his ouster, these elites snatched away many of the monopolies that he had fixed, in some measure reconstituting old patterns. The military, meanwhile, has lost ground.

Finally, in Thailand, military and bureaucratic elites long engaged in business, either directly through state enterprises or in alliance with local Chinese. But with Thai politics having been re-democratized during the early 1990s, the military and bureaucracy have reduced their roles in government and business. And Chinese business elites, facing few of the ethnic barriers encountered in Malaysia and Indonesia, have stepped forthrightly into politics, presaging the tight interlock between politicians and business people one finds the Philippines, a pattern seemingly endemic in region's new democracies where ethnic affiliations lack salience.

More than recording the occurrence of elite interlock in Southeast Asia, this analysis has tried also to analyze the practice in terms of regime continuity and change. Given the region's late development, the institutional boundaries that define state apparatuses and business conglomerates remain porous, enabling national leaders to range widely in gathering resources and preeminence. And where they artfully make use of interlock, these leaders can regulate elites in ways that stabilize authoritarian regimes, while bringing industrial gains. In these circumstances, few elites contemplate defying the national leader and defecting from the government, merely to raise the caliber of the opposition and the prospects for democracy. Instead, they choose rationally to benefit from skillfully administered interlock, made manifest in the multiple positions and complex networks that enrich beneficiaries across public and private sector domains.

Southeast Asia's record shows also, however, that interlock may be practiced in the absence of a preeminent national leader. And here, it does less to restrain elites than quicken their partisanship, hence risking unregulated factional rivalries. Moreover, it is at this juncture that a democratic transition by replacement may occur. The region's elites, however, are soon chastened by the decline in their fortunes. They may then rework their interlock in ways that stanch any further deterioration in their positions, an outcome that so far in region has impinged deeply on the quality of new democracies.

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"Big Men" in Sub-Saharan Africa: How Elites Accumulate Positions and Resources

JEAN-PASCAL DALOZ

The lack of unity observed in most sub-Saharan countries is much more related to vertical ethno-regional or factional cleavages than to formal roles. It is rather uncommon to find politicians or top bureaucrats who are not in some way businessmen at the same time (personally or through their entourage). Furthermore, considering that enrichment in Africa is primarily based on politics, one rarely deals with real "owners of capital." Within the context of "rentier modes of production," it is much more crucial to obtain resources in order to partly redistribute them in a particularistic manner — which is the key aspect to acquiring social legitimacy — than to give priority to economic investment.

Some researchers have highlighted straddling strategies, that is trajectories consisting in successively occupying high posts in various sectors. But I would insist on the need to accumulate positions (at the top of ministries, firms or NGO's) to acquire maximum visibility. My thesis is that leaders usually aim at posing as Big Men, controlling as many fields of activities and networks as possible. They endeavour to be surrounded by the greatest possible number of supporters and clients. This "Big Man" model applies to all types of elites including other important categories in sub-Saharan Africa, like "traditional rulers," some religious and even top military leaders.

This trend has seldom been emphasized. The scientific study of elites has always been secondary within Africanist literature. [1] Or more precisely,

[1] What is more frequently discussed are questions of ethnicity, the state or dependence, for example. It is often considered more justifiable to take an interest in the universe of the dominated, "resistance" or, according to "voluntarist" preoccupations, development, democratization… When elite perspectives are nevertheless used, this unfortunately means

it has been a question of fitting the study of elites into very reductive schematic moulds, even if this has meant twisting the realities a little for a general coherent explanation.

Before analysing the character of elites in sub-Saharan Africa, I would like to emphasize the way this question has been addressed in the available literature — whether expressed through the development and modernization theories of the 1960's, the neo-Marxist dependency approaches of the 1970's or the so-called "third wave" of African studies from the 1980's.

I Dogmatic Apriori

A) Developmentalist Approaches

Early studies on post-colonial African systems were mainly written from a *development perspective*. Numerous books and articles stated that they would develop along the lines of Western democratic and capitalist nations. The idea was that countries started at a low level of (economic, social and political) development. Then, through a unilinear and cumulative process they were to follow the path trodden by those who were simply more advanced. Progress might have been delayed but its course was clearly charted. And it was through the African elites that this process would occur.[2]

Many authors have tried to highlight a process of social differentiation, according to a division of labour logic. In other words, development would involve a gradual separation of institutionally distinct spheres. For developmentalist authors it was self-evident that in "very simple" or "traditional" pre-colonial environments, role differentiation could only take place to an extremely limited extent.[3] At best, a single set of authorities could exercise undifferentiated military, religious, political

falling into extremely normative discourses. These discourses, more often than not, aim at the stigmatization of rulers depicted as the main ones reponsible for the ills affecting their respective countries. At the other extreme, there is also an abundant literature of a hagiographic nature. In short, the object of study rarely proves to be neutral.

[2] This functionalist literature was to be most dualistic: emphasizing systematically a modernity versus tradition cleavage. For instance, there was a clear distinction between the so-called traditional and modern elites (Smythe & Smythe 1960; Lloyd 1966). The idea was that the people with "advanced education" had become "modern" by being subject to the set course of modern intellectual culture. One common conclusion in the 1960's was that the modernizing elites would be committed to achievement and performance and would be legitimated by their success in the new states. Shills (1960) particularly emphasized the crucial role of the elite expected to break with ancient traditions and import westernization.

[3] In fact, it is difficult to get a precise idea of role differentiation under the pre-colonial era. First due to a lack or reliable sources in this respect and because the diverse situations (from acephalous communities to large kingdoms) highlighted by anthropologists and historians make any generalization difficult to accept.

and administrative functions. It was only under the colonial era that distinctions between political, economic and bureaucratic sectors would have surfaced. Arising from missionary teachings, the training of a partly Westernized indigenous elite provided staff for administrative departments and commercial companies. From generation to generation, they were to claim equality, then more autonomy and finally independence. The overwhelming majority of the elite from the independent African states were in bureaucratic employment: African nationalist government having taken over most of the functions and the correspondingly high incomes that used to be the preserve of colonial officers. In the 1960's the bureaucracy expanded quickly and offered new opportunities to the young educated elite soon to be attracted by political careers. In some countries a military elite also rapidly emerged.

Developmentalist authors concluded a little too hastily that the role differentiation process they anticipated and advocated was inevitable. One of the most fundamental shortcomings of their theory was that it was universalistic and teleological. They were often more interested in finding out how the evolution of the new African nations fitted the theory of development than with the understanding of African societies *per se*. This approach was dogmatic, ideological, and lacking in serious empirical work. By the late 1960's, it became apparent that these evolutionary approaches, centred as they were on the achievement of ideal goals, diverted attention from the examination of actual realities and failed to account for many of the processes at work. [4]

B) Neo-Marxist Approaches: the Elite as a Cohesive Bourgeoisie

Theories of dependency and underdevelopment came into vogue in the 1970's and were based on the assumption that African progress had been, and continued to be (Amin 1973), impeded by forces bent on the ongoing exploitation of the continent and its resources. Underdevelopment theory claims that contact between the capitalist system and "Third world" countries are essentially exploitative. Its goal was to explore how the economic development of the "core" capitalist countries (mainly Europe and North America) had been accomplished by underdeveloping their colonial possessions (Rodney 1972). Decolonization was not seen as the

[4] Of course, this school (largely dominated by North American scholars and whose main theoreticians were not necessarily Africanists) has relatively evolved since Almond & Coleman (1960), Deutsch (1961) or Almond & Powel (1966) pioneer works and provided for more and more sophisticated models. Progressively developmentalist authors became more skeptical and some of them (Apter (1965 and 1972), Pye (1967), Huntington (1968)) were to show that the process of socio-political development was not as obvious as their predecessors had thought.

prelude to economic self-determination but merely as a process by which the control of the political economy moved from metropolitan powers and expatriate groups to dependent African intermediaries: a process called neo-colonialism. According to such views, what was important was the process of "bourgeoisification" of the members of the elite shaped by colonialism. The leaders of the nationalist movement were increasingly concerned with acquiring wealth and power. This objective would be reached through kleptocracy and collusion with exploitative foreign business concerns. As an essentially non-productive successor elite, removed from the direct ownership of the means of production, it was compelled to look to the state apparatus as its primary source of consolidation. The bourgeoisie's uncertain position within the neo-colonial system has been expressed with ideological ambiguity. Its nationalism would be the outcome of its desire to retrieve resources from the foreign exploiter, but on the other end the local bourgeoisie would remain dependent on the neo-colonial political economy.

Quite often dependency theorist would also claim that after a few years of ethno-centred series of groupings, a dominant class would emerge forming a relatively cohesive, autonomous stratum pursuing its collective interests against the interests of other social strata. A simple dichotomy would thus be generated between the rich bourgeoisie and the dominated classes. With neo-Marxist authors, we seldom find an empirically grounded reflection on cleavages and intra-struggles within the elite. Because of dogmatic blindness and the need for ideological coherence, the authors sharing this perspective have tended to minimize these trends and to over-estimate attitudes of connivance. When they, however, admitted the existence of obvious opposition at the top they resorted to the convenient notion of class fractions (for instance between the "bureaucratic-technocratic-military sub-class," the "sub-class of politicians," and the "business class" [5]), an interpretation which remained compatible with their whole schema. This conceptual model over-determined by general macro-economy theory and full of analytical preconceptions sacrifices a close study of the actual ongoing political processes in favour of dogmatic debates over theory. Doubts were raised in the 1980's on the political economy approach. A number of Africanists began to point out the degree to which the theory used rested on Western concepts of productive accumulation or class formation, that hardly made sense in the African context.

[5] Graf (1988, p. 55). For more or less contrasted readings on this, cf. for instance Mamdani (1976), Panter-Brick (1978), Amselle & Gregoire (1987) on diverse African countries.

II Empirical Research

The developmentalist or neo-Marxist schemes were understandable within the framework of a world-wide ideological competition but they were not very useful in analyzing elite structures in Africa. Their deterministic approaches were too general to provide a plausible analysis of the societies and political systems concerned (Chabal 1992). Consequently, there was a reaction in the 1980's and an attempt to highlight the specificities of the sub-continent. The aim of this *"third wave"* was to react against the theoretical excesses of the previous approaches which applied ready-made schemes and largely ignored realities on the ground. However, this new wave has offered very little reflexion on the role of the elites. I will discuss two approaches: the so-called "politics from below" and neo-patrimonialism.

A) The "Politics from Below" Perspective

This perspective concentrates on the analysis of the specific history of the colonial and post-colonial trajectory of contemporary African states. It clarifies how the "quest for state hegemony" on the continent may have distinct outcomes according to existing differences in the political configuration of power struggles and in the social inequalities extant. What mainly interests the advocates of this approach is to consider the political behaviour of subordinate actors and to extend the domain of investigation to a very large spectrum of political expressions. By referring to a Gramscian perspective, "politics from below" authors have contended that the African elite was gradually becoming more autonomous, thereby progressively asserting their domination over society. Bayart (1989) has proposed a typology on elite cleavages highlighting various types of scenarios. "Conservative modernism" is the first one. The model example is taken from Nigeria where the aristocracy of the North has succeeded in preserving its interest through the system of indirect rule under the British — somehow overcoming its divisions and dominating the country since independence. A second scenario concerns the cases where old rulers were overthrown by new elites nurtured under the colonial era (such was the case of the Tutsi aristocracy swept off by the Hutu contra-elite in Rwanda). However, in between those two extreme scenarios, a mid-way outcome was perceived as in Senegal, the Ivory Coast, Cameroon, Gabon, Kenya, Tanzania. It consisted of a fusion or "reciprocal assimilation" of the modern and traditional elites with all the potential contra-elites being co-opted.

This approach shows an analytical advance. There is a relative rupture with regard to previous perspectives opposing "modernizing elites" and "backward populations"; or a "harmful bourgeoisie" defending its class

interest at the expense of the "suffering masses." But from another viewpoint, previous dualist perspectives are not completely left out as one still has to think in terms of relations between the old and modern elites. These authors argue that African civil societies *resist* state domination or even totalitarian trends and the elites controlling them (Bayart 1986). But the supposed counter role of civil society is very debatable in the sub-Saharan context. Examples of recent popular protest, linked as they are to the transition to multi-party politics, are often cited as evidence of the potential force of organised civil society. I would argue, however, that this interpretation is in large part derived from an unwarranted transposition of what happened in the formerly communist countries of Eastern Europe (Chabal & Daloz 1999, chap. 2).

B) Neo-Patrimonialism and the Question of the Straddling Strategies

"Neo-patrimonialism" (Eisenstadt 1973) (Médard 1982, 1991) is another good illustration of an interesting renewal of the study of African elites. This approach tried to make sense out of the contradictions found in sub-Saharan Africa states. From this perspective, the state is simultaneously illusory and substantial. It is illusory because the rule of law is feebly enforced and the ability to implement public policy remains most limited. It is substantial because access to the public institutions is seen as the main means of personal enrichment. The neo-patrimonial model also enables one to account for the undeniable fact that the public and the private spheres largely overlap. Within a neo-patrimonial system the public sector is in reality appropriated by private interests. As a consequence, public service remains personalized by way of clientelism and nepotism.

Obviously these theorists are mainly interested in the question of the state. However, one finds references to the elites, especially discussed through the related study of "straddling strategies." Within an environment where political, economic and social fields are not very differentiated, people standing at the top of social hierarchies are currently politicians, senior civil servants, but rarely "pure" businessmen. Access to the political sphere seems necessary because it is the means of acquiring wealth. The argument is that elites use a first position in order to obtain another one or to strengthen the original one (Swainson 1980), (Médard 1987), (Contamin & Fauré 1990). The analytical model identifies several types of trajectories. The most current one goes from politics to economics. Within the context of post-independence Africa, the university degree used to be the more important resource. It often allowed for recruitment at the highest state level. This initial access to the state helped establish an economic foundation: the elites used their position to obtain land (as in Kenya for example, where it was confiscated), or to create enterprises (with money obtained through corruption or credit facilities). The "informal"

income counted much more than the salary; public office was to a certain degree used as a prebend. If one lost office, one could always find a means to concentrate on business. By contrast, the reverse trajectory (from economics to politics) is most exceptional as it is easier to become rich by taking advantage of access to the state than it is to carry out business activities outside the state.

All things considered, the knowledge on African elites has progressed. But apart from a certain number of rather dispersed studies (see Bakary 1990), reflections on the elites still appear only at the margin of wider theoretical syntheses.

III Lessons from Elite Focused Studies

One can easily show the limits of the developmentalist, dependentist, "politics from below" and to a lesser extent neo-patrimonial approaches.

A) Criticism of Current Interpretations

Sub-Saharan Africa is overflowing with illustrations demonstrating that the elites from this part of the world have never been completely Westernized. For instance, as far as social change is concerned, the emphasis placed on education by developmentalist authors tended to overlook the ongoing roles of traditional norms. Empirical observation in Africa showed that the modernity versus tradition dichotomy was irrelevant. African elites operate in a universe which combines both the realms of the "modern" and the "traditional" — in congruence with the beliefs of the rest of the population. The study of the major so-called "traditional rulers" in a country such as Nigeria is a good illustration of that (Vaughn 2000). Admittedly, their power and authority primarily depended on their chieftaincy, but this does not prevent them from being university graduates, owning trade companies, or speculating on the New York Stock Exchange and being extremely involved in politics (Newswatch 1988). Contrary to developmentalist authors' expectations, the societies in question are hardly characterised by a neat differentiation between political, administrative and economic roles. The consciousness of such cleavages remains very weak compared to the contemporary persistence of ethno-regional rivalries which were expected to vanish. Whether studying the elites among chambers of commerce, higher administration, political coalitions or even some junta, their internal solidarity proves to be weakened or even undermined by the lack of trust between one ethnic group and another. The inability or unwillingness to institutionalize more formal and impersonal relations, the reluctance to accept a Western socio-economic and political order, despite repeated commitments to that effect, clearly show the inadequacy of orthodox sociological and political development perspectives.

For their part, dependency theorists have never taken into account the primacy of politics in Africa, which can hardly be reduced to a part of the superstructure being determined by basic economic relations. Empirically, this can easily be shown. The legitimacy of the African elites, such as it is, derives from their ability to nourish the clientele on which their power rests. And this may be in contradiction with simple economic enrichment. In Africa, the economy is generally embedded in social relations, it is hardly autonomous. Contrary to neo-Marxist views, the study of elites shows that although there are definitely strong inequalities within clientelistic relations, patrons also suffer considerable constraints. In fact, the maintenance of their status is entirely dependent on their capacity to meet the expectations of followers, who in turn must satisfy their own clients. The acuteness of inequalities is reduced by the need to be seen redistributing on a scale appropriate to one's standing. When rooted in clientelistic ties, social relations are inevitably based on personalized bonds of mutually beneficial reciprocity. The demands of such networks may frequently force patrons to act against their own immediate economic self-interests in order to meet the obligations on which their social rank and political authority depend. This largely prevents the emergence of a potential bourgeoisie. Enquiries on the Nigerian elites (Daloz 2002b) show that it is much more current to meet a politician/businessman who constantly draws resources from his economic activities to finance his political activities and maintain his social prestige (via many redistributions) than the contrary. Economic achievement is not in most cases an end in itself but a means and it is the capacity to represent one's community or a faction which is above all sought after. Moreover, the hypothesis of an economic bourgeoisie which would pull the strings (thus controlling the political class and the administrative or military elites) remains to be empirically proved in most instances. It is rather rare to witness pure capitalist logics of profit reinvestment. Entrepreneurs with no political connections can hardly succeed in this type of context. Consequently, one may question the existence of a category of really autonomous and predominant African entrepreneurs (Ellis & Fauré 1995).

Any elite which became a ruling "class," cuts itself off from the rest of society. But sub-Saharan Big Men generally have closer links with their clients than with rival faction leaders. At the opposite end of the social scale, ordinary people relate more directly with their local patron than with their economic peers elsewhere in the country. This brings into question the analyses on the division between the "top" and the "bottom" favoured by the "politics from below approach." Despite the undeniably large gap between elites and the populace, it is important to realize that leaders are never wholly dissociated from their supporters. They remain directly bound

to them through a myriad of clientelistic networks staffed by dependent brokers. A powerful figure will see his authority all the more reinforced as his reference group identifies with him, while he incarnates their hopes. One would be wrong to consider that this type of relationship amounts to a simple manipulation, for the evidence shows that it partakes much more profoundly of a sort of common heritage, within the framework of complex networks which are interwoven from the top to the bottom.

Often torn by internal disputes, faction leaders are forced to cultivate relations with those below them in order to gain support in their power struggle with one another. Admittedly, co-option strategies are very frequent at the top, but solidarities, mobilization, socio-political linkages tend to be more vertical than horizontal in post-colonial African societies. In this respect, interpretations insisting on the rise of civil societies, and particularly of NGO's, vis-à-vis discredited state bureaucracies do not seem very relevant. In fact it often proves to be the case that the same elites who were previously at the top of ministries are now controlling the profitable NGO sector. The significance of the massive proliferation of NGOs in Africa is essentially the reflection of a successful adaptation to the conditions laid out by foreign donors by the usual local Big Men who seek in this way to gain access to new resources. Now that foreign aid largely transits through NGOs, resources can be obtained by channels other than those emanating from the state but it does not fundamentally alter the prebendal nature of politics on the continent. In short, the 1990's have corresponded much more to shifts than changes whilst recycled Big Men knew full well how to benefit from the new deal (Chabal & Daloz 1999, chapters 2 and 3).

As far as the approaches in terms of straddling are concerned, they are limited by the fact that they are based on a small number of case studies: essentially in Kenya (in studies focused more on socio-economic history than on elites) and Côte d'Ivoire (Faure & Médard 1982). The emphasis is mainly on the overlapping between the politico-administrative and economic sectors, but much more according to shifts from one position to the next than to simultaneous multi-positioning. It is certainly important to examine the presence of many ministers or MPs within boards of private firms and reciprocally to consider how the latter need the assistance of politicians and bureaucrats to obtain import licences as well as foreign exchange. Nevertheless, the most common strategy is undoubtedly multi-sector establishment and all-directional accumulation, especially when one takes collective (communal or factional) plans into consideration and not just individual careers. Above all, straddling perspectives often tend to underestimate the social dimensions of the links between the elites and their supporters in the background. Yet, it is clear that the particularist

redistribution aspect of the legitimation of elites is always crucial within this type of environment.

B) Portrait of the Sub-Saharan "Big Men"

What developmentalist, neo-Marxist, and "third wave" perspectives share is the idea of a radical cleavage between a minority elite and the rest of the population. It is true that the elites may defend their own interests and that they continuously seek to acquire ever-increasing resources by all available means, including predatory ones. However, it would be misleading to believe that they do so as an autonomous and all-powerful group — whose interests would be necessarily economically and politically antagonistic to those of the other social groupings.

By contrast, the theory of the Big Man seems the more relevant for acknowledging, on the one hand, the close relationships between communities or factions and elites representing them and, on the other hand, the weak differentiation of the elites. This was originally an anthropological model (proposed by Marshall Sahlins in his work on Melanesia) which appears transposable to the interpretation of the behaviour of African political elites (Médard 1992). Without presenting the original model in detail here,[6] let us say that what is essential is a symbolic exchange which allows the conversion of resources of a certain nature into resources of another nature. More precisely, the Big Man accumulates wealth in order to redistribute it to gain political support. This political capital, in turn, allows him to extract more economic resources. Indeed, in contemporary African cases, economic activities are mainly used to maintain loyalties needed for socio-political status. In the post-colonial context, elites may become rich from politics but they also have to be rich to do politics. What the Big Man is primarily aiming at is the constitution of a social capital of loyalties. The economic part is only secondary since financial accumulation is merely the necessary instrument to gain credibility and supporters through renewed generosity. Social reputation is always a starting-point whereas the ultimate goal is political: each Big Man aspiring to become the leader of an increasingly substantial faction.

There is a major contradiction here between political and economic accumulation. Political rationality, according to which the "Big Man" needs to extract as much material resources through the state, so that he can redistribute them judiciously in order to obtain political support, contradicts the economic rationality of accumulation for investment. This

[6] In short, for Sallins (1963) the Big Man is the typical figure of political authority in Melanesia. His power is "acquired" as opposed to the "inherited" power of the Polynesian chief belonging to a kind of tribal aristocracy. This generalisation was to be subsequently rejected by some other anthropologists.

partially explains the continuous African economic crisis (Sandbrook 1985) which in turn leads to a political crisis insofar as the lack of redistribution means a failure of reciprocity. Another contradiction is the one opposing the personal accumulation of the Big Man to the institutional accumulation of the state. The Big Man seems to undermine the bases of his official power when he tries to consolidate them: this is the paradox of personal rule (Jackson & Roseberg 1982).

A third contradiction arises between the social accumulation of prestige and economic accumulation. Supporters expect their respective leader to display external signs of wealth with regard to those representing other networks. They revel in the idea that he possesses more prestigious and impressive goods for these are in some way a credit to the whole community or of the faction which identifies with it. The absence of eminence would be disappointing and would be a factor of de-legitimization for the Big Man. It is only when redistribution is insufficient that too much showing-off is contested. In a country such as Nigeria, ostentation therefore does not only pertain to a self-glorifying quest by top elites but also meets generalised expectations (Daloz 2002b). From a Western viewpoint, it is sometimes difficult to admit that considerable amounts of money are used for the importation of very costly prestige goods or for the organisation of showy parties whilst the majority of the population barely have enough to survive. But to be able to grasp these phenomena, we have to rid ourselves of our "eurocentric" lenses (or even of certain third-worldist "ready-made" thoughts) and empirically to make sense of what is taking place (Daloz 2002a).

The key explanation lies in the vertical structure of socio-political competition, essentially composed of rival factions and communities. This ostentation must be interpreted in terms of "vertical symbolic redistribution" which complements more concrete redistribution at the heart of patronage systems. Within the context of economies of "affection" (Hyden 1980), the effect of ostentatious display is the manifestation of a certain kind of prosperity and power, but also somehow reassures the followers of a particular Big Man about his capacity to supply and satisfy the network of dependants (Friedman 1994, p. 98). "Politicians-businessmen" endeavour to bolster their profile. For instance, those who are poorly educated suffer from this defect and are eager to buy an Honorary Doctorate. Any shortcoming is likely to be considered as an inadequacy which is most suspect for both "peers" and supporters.

This Big Man perspective helps to interpret strategies of all-directional accumulation and positioning within societies still very marked by the imperatives of particularistic exchange, where class divisions have not

fully materialised. Members of the elite really wishing to get to the top can hardly be politicians exclusively, civil servants or businessmen only. They themselves or their entourage must hold a plurality of positions in various sectors to gain a maximum of resources and social recognition. Consequently, scholars are confronted more with "State-business" or "politicians-entrepreneurs" configurations (Fauré & Médard 1995) than sectorial careers.

The limited renewal of political elites during the 1990's is a good illustration of this analytical model's pertinence. The advent of "democratic transitions" at the end of the 1980's and the beginning of the 1990's has aroused an extremely abundant literature. With the opening of authoritarian regimes, the appearance of multi-party political systems and historical leaders being replaced by elections, Africanists have rightfully debated the issue of democratization, but much more from the angle of transitions and changes in regimes than in terms of actors. Rulers who would incarnate a new generation of African presidents, as opposed to "dinosaurs" nearing extinction, have been very much brought to the fore. And yet in Benin for instance, through elections, we have witnessed the return of a strong ex-ruler who was thought to have been permanently discredited. In fact, the study of African members of parliament, government and those moving in ministerial and presidential circles reveals a high degree of continuity in personnel, including in those countries which have undergone regime changes in the recent multi-party transitions (see various case studies in Daloz 1999). The supposed new leaders are more often than not experienced politicians with a durable career in the higher echelons of government or administration — even if they had long been out of power on the eve of the last elections. Conversely, it is striking to observe how few fresh political figures have emerged in the immediate past other than through military coups.

Aspirants to political office require both credibility and the means to fulfil their ambition. They must be rich enough to become convincing. Inevitably, it is the earlier (largely prebendal) accumulation of wealth which gives the older generation the edge over younger political actors. Newcomers do not easily appear to be credible patrons, even if their electoral objectives point to a desire to address the most pressing ills of their country. In the end, voters want to know whether the potential leader will be able to call upon significant resources. When new rulers came on the scene, they very quickly proved to be prisoners of Big Men who had invested in them. Actually, whether we take into account old or new rulers, civilian or (ex)military, Big Men strategies controlling diverse spheres could never be escaped from. This is all the more obvious when we look at the entourage of the Big Men in question and their diversification tactics

through their wives, children, extended family and their trustworthy clients, all held by loyalty and engaged in all-directional transactions.[7]

In sub-Saharan Africa, the differentiation between political, administrative, economic and other channels within the elites remains far from being manifest. What is certain is that we are almost never dealing with impermeable groups, huddled up in their respective spheres. Generals in power behave more or less like their civilian counterparts. The major traditional rulers are often businessmen and in many Western or Central African countries, many higher civil servants aspire to chieftaincy titles (often bought with the money they accumulated by means of their bureaucratic functions). Actually, the quest for visibility generally goes through the accumulation of titles, positions and roles. It is enough to look at business cards of some African Big Men presenting themselves as: Chief, Dr., Alhaji, Manager, Officer, Chairman… to perceive the main importance of these symbolic attitudes. The post-colonial history South of the Sahara for the last forty years has never really contradicted this trend, even if it sometimes follows unusual paths.

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[7] Admittedly, it is well-known that certain ethnic groups (Swahili, Bamileke, Igbo, Hausa) have been particularly successful in business activities whereas others seem to provide the majority of the military troops in some countries. But, it is easy to explain the logics of these "career specializations" historically and they are not at all incompatible with the analytical model privileged in this article. The only clear differentiation which may have been observed is the one opposing a white economic elite to a black political one in some ex-settler colonies. But as the present (forced) expulsion of white farmers in Zimbabwe clearly indicates, this split is rapidly waning and will leave room for the predominant model of indigenous politicians-civil servants-businessmen aiming at seizing the most profitable resources (Compagnon 2001).

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Abstracts

Mattei Dogan
Introduction:
Diversity of Elite Configurations and Clusters of Power

Definitions of several concepts: ruling class, elite configuration, apex of power, elite interlock, functional elites, elite cousinhood. In the field of elites one notices a preponderance of contemporary American theories which are not all adequate for understanding elites stratification and roles in other parts of the world. A series of binary comparisons between France, Britain, Germany, Italy, Netherlands and Japan, underlines differences and similarities.

Mattei Dogan
Is There a Ruling Class in France?

The thesis of a ruling class in France, today or yesterday, is not validated by the empirical evidence. The arguments against such a thesis are the following: the overwhelming proportion of elite positions are not transmitted hereditarily; the elite circulation at the highest level is considerable; the professionalization of political careers, which is widespread, is incompatible with the concept of a ruling class; the recruitment of elites is marked by a shift from notables to a meritocracy; the elite configuration consists in multiple spheres and sector partitioning; the selective schools, based on academic competition, generate new elites at each generation; there is fault line between capitalists and the other elite categories; the number of entrepreneurs who have built themselves their company is enormous; the isolation of the cultural elite is astonishing; the subordination of the military elites is an historical fact; the periodical beheading of the ruling elites marks French history. Nonetheless, at the apex of power, a triad, composed of outstanding polictical leaders, of corporate managers and of highers State administrators — called "mandarins" — operates the wheelwork of the heterogeneous and complex French society and State.

Erwin Scheuch
The Structure of the German Elite across Regime Changes

Germany is an especially apt case to analyze the relationship between regime change and elite continuity. Its political history between 1860 and 1960 is marked by an unusual degree of turmoil. While the first level of leadership in politics, and to a lesser degree in business and administration, was affected by the various regime changes, the levels two and three much less so. The notable characteristic of Germany's social structure is the pervasiveness of corporatism, and this is especially pronounced in levels two and three of the leadership.

We concentrated on the periods before 1914, the halfway revolution of 1918-1920, the Weimar Republic in its closing days, the ascent to power of the nazi leadership, the post-1945 attempts of denazification, and finally on the composition and the modus operandi of leadership groups in the 1990s. During all these changes the elites in Germany retained their segmentalized character, with the economic leaders, the bureaucrats, and politicians at the center, the politicians deriving their influence from their function as linking agents in a segmentalized structure. There are indications, however, that an establishment may be in the making.

Roderic A. Camp
Informal and Formal Networking among Elite Mexican Capitalists and Politicians

This essay explores the importance of formal and informal network linkages among Mexico's leading capitalists and politicians from 1970 through 2000. It demonstrates that scholars have been misled in their conclusions about capitalist-politician connections because they have relied on shared, formal positions, rather than on numerous other means of contact. This essay also demonstrates the significant influence exerted by elite mentors, who often provide a bridge between other elites. It suggests that in most countries, a reliance on organizations as a means of measuring networking contacts has led to equally misleading conclusions. Finally, within specific leadership groups, elites share close ties with each other, ties that have impacted on policy issues and ideology.

John Scott
Transformations in the British Economic Elite

The concept of elite must be related to the distribution of authority. Elites are social groups defined by hierarchies of authoritarian power. Such elites can be investigated in the sphere of politics and in the economic sphere. This paper clarifies the general concept of an elite and shows how this can

be used to understand the formation of economic elites. This is applied to the British situation, where the restructuring of the British economic elite over the course of the twentieth century is traced. The economic elite is seen as having moved from an entrepreneurial and regional structure to a one whose intercorporate relations embed it, in an increasingly fragmented form, in a global economy.

Dennis Kavanagh & David Richards
Prime Ministers, Ministers, and Civil Servants in Britain

This paper examines a variety of recent challenges to the British political system and assesses the impact on the two key political elites in Britain – ministers and civil servants. It analyses their response to these challenges and argues that both ministers and civil servants have been adept at pursuing a public strategy of greater openness, inclusivity and flexibility, while privately remaining a homogenous elite with a tight hold on power. This appears to have continued, despite the 1997 change in government. The British political elites have been successful at ensuring the continuation of plurality without pluralism in the political system.

Michael Ornstein
The Canadian Corporate Network in Comparative Perspective

This paper compares the network of Canadian corporate directorships to the networks of ten rich nations described by Stokman, Ziegler, and Scott. The analysis tests claims about the exceptional weakness and disorganization of the Canadian capitalist class, due to high foreign ownership and dependence on resource extraction. The Canadian network is neither unusually sparse nor fragmented; there is no pronounced cleavage between, or subordination of, non-financial corporations to financial corporations; nor do the foreign-controlled corporations constitute an alternative centre or fragment of the network. It resembles the networks of countries such as Germany and France. The findings are consistent with the managerial and class cohesion models of the network, which emphasize its unity.

András Bozóki
Theoretical Interpretations of Elite Change in East Central Europe

Elite theory enjoyed a remarkable revival in Central and Eastern Europe, and also in international social science research, during the 1990s. Many researchers coming from different schools of thought turned to the analysis of rapid political and social changes and ended up doing elite-

centered research. Since democratic transition and elite transformation seemed to be parallel processes, it was understandable that sociologists and political scientists of the region started to use elite theory. The idea of "third wave" of democratization advanced a reduced, more synthetic, "exportable" understanding of democracy in the political science literature. The main focus of social sciences shifted from structures to actors, from path dependency to institutional choices. Transitions, roundtable negotiations, institution-building, constitution-making, compromise-seeking, pact-making, pact-breaking, strategic choices — all of these underlined the importance of elites and research on them. Elite settlements were seen as alternatives of social revolution. According to a widely shared view democratic institutions came into existence through negotiations and compromises among political elites calculating their own interests and desires. The elite settlement approach was then followed by some important contributions in transitology which described the process of regime change largely as "elite games." By offering a systematic overview of the theoretical interpretations of elite change from New Class theory to recent theorizing of elite change (conversion of capital, reproduction, circulation, political capitalism, technocratic continuity, three elites and the like), the paper also gives an account of the state of the arts in elite studies in different new democracies of Central and Eastern Europe.

William Case
Interlocking Elites in Southeast Asia

Analysts make much of the diversity of Southeast Asia's political regimes. However, the region also displays a mounting preponderance of pseudo- and fuller democracies, as well as a common mode of transition where fuller democratization has taken place. This analysis argues that these "intermediate" regime categories can be partly ascribed to common, though countervailing factors of colonial legacies, structural forces, some faint cultural residues, and new globalized influences. Next, it explores the conditions in which changes may take place from pseudo-democracy to more fully democratic outcomes. Analysis turns finally to the ways in which despite this weakening of leadership, elites regain enough vitality that while transitions may go forward, they have been able to collaborate in limiting the quality of the new democracies that have emerged.

Jean-Pascal Daloz

"Big Men" in Sub-Saharan Africa: How Elites Accumulate Positions and Resources

In sub-Saharan Africa, the differentiation between political, administrative, and economic elites remains far from being manifest. What is certain is that we are almost never dealing with impermeable groups, huddled up in their respective spheres. Notwithstanding the cohesive and hegemonic picture painted for ideological reasons by many intellectuals, these elites prove to be very divided in most instances. But this lack of unity is much more related to vertical ethno-regional or factional cleavages than to formal roles. Before analysing the particular character of sub-Saharan Africa in this respect by referring to the "Big Man" analytical model, this essay emphasizes the extent to which this question has been addressed in a partial way in available literature whether expressed through the development theories of the 1960s, the neo-Marxist dependency approaches of the 1970s or the so-called "third wave" of African studies from the 1980s.

Analytic Index[1]

[1] The index is adapted to the concepts and the vocabulary adopted by the various authors.

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