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Social Stratification Changes in Serbia. An Introduction

Abstract. In this introduction, the author contextualises the research into social stratification in Serbia as a long-term project on the transformation of class structure in that country. The researchers in this project have established how the systemic transformation in Serbia unfolded, doubly conditioned by the more general European processes of postsocialist transformation and the specific conditions in Serbia. The surveys on representative samples of the adult population in the whole of Serbia were conducted in 2003/2004, 2012 and 2018. The author lays out the methodological basis and the contents of the studies included in the special issue.

The research articles addressing social-structure changes in Serbia over the past thirty some years included in this thematic section present an expansion of analyses published several years ago in this journal, which focused on the creation and formation of the economic elite in Serbia in the period of the postsocialist (systemic) transformation. In other words, the contributions to these two thematic sections form one whole.1 Some basic methodological problems with sociological-stratification surveys derive from the fact that they are carried out on proportional representative samples. In consequence of this procedure, they include a very low representation of the highest social strata, accounting for barely a few per cent of the general population and thus also of the samples, with a share of 3–5% of respondents, depending on the theoretical standpoint and its operationalisation. Therefore, the social class whose activity determines the most important forms

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of reproduction of the social order is, as a rule, only marginally represented in survey samples and thus eludes more reliable analytical examination. Typical interpretative deficiencies in this kind of sampling concern, for example, the analysis of the economic position of social groups (inequalities appear to a lesser degree) and patterns of mobility (openness apparently increases). \(^2\)

The research systematically carried out by the Institute for Sociological Research of the Faculty of Philosophy at the University of Belgrade sought to solve this problem by supplementing proportional samples of the general population with additional samples of economic- and political-elite members, surveyed either at the same time or with some delay (due to lack of financial or human resources). In the case of this project, the order has been reversed, as the research into economic elites was carried out in 2013, after the survey of the general population, while the survey of the general population, the results of which are analysed in the contributions to this thematic section, was carried out in 2018. \(^3\) In other words, the trends in the stratification changes registered in the previous analyses, which offered a wider interpretative context for the inquiry into the corresponding shifts in the elite social strata, are examined here with greater reliability and detail. The authors could ‘correct’ their most recent findings with relevant data on the changes, in the same typical characteristics of the economic elites, already identified in the earlier, detailed examination of this part of the population.

Thematically, the interest of the research teams is characterised by two elements, with regard to both general and elite coverage. On the one hand, this is a continuous focus on several problems that are crucial for the analysis of the reproduction of a ruling social order, which in Serbia was in three phases, over the past three decades: the socialist phase; the ‘hybrid’ phase in the transitory period of what we call the ‘blocked’ postsocialist transformation, largely around the decade from 1990 to 2000; and the capitalist phase, after 2000. On the other hand, the research paradigms gradually expanded, with researchers including new areas into their investigation.

For the first element, the dominant topics are those crucial for analysing the modes of functioning of basic social relations in any society. In the process of systemic variation, these are changes in the manner of reproduction of the basic


social groups during the postsocialist transformation and the capitalist consolidation, in vertical mobility patterns; the changes in the economic positions of social groups; the changes in the type of political order, that is the one-party monopoly as opposed to the subsequent multiparty political competition, which however is less a focus in the contributions to this issue; and finally the changes in basic value orientations. For the second element, examples of thematic expansion include, for example, the almost two-decade-long study of the socio-economic strategies of households, and the examination of work orientations of the population.

The first, lasting stratification topic begs the following question: what is it that makes the systemic transformation of the Serbian society so specific? During the 1990s, the norm would have been a more or less peaceful transition towards a market economy and pluralist political order—a liberal type of capitalism. This is why the specific nature of Serbia’s transition can be called a ‘blocked’ transformation. The substitution of the economic–political monopoly of the hitherto ruling nomenclature with the economic and political domination of the same group of people, headed by Slobodan Milošević, now newly constituted as a political and economic elite in a pluralist order, represented a clear departure from that norm and was considered a temporary deviation. This development was also influenced by the policy of the international community to impose wide-ranging economic–political sanctions, which isolated Serbia from the ‘normal’ international order. Today, however, the increasingly pronounced departures from liberal principles, not only in some of the former socialist societies in Central and Eastern Europe but also in long-established democratic regimes, are a sign that capitalism is by no means homogenous and, irrespective of globalisation (probably partly also because of it), has been moving towards ever more numerous and mutually more distant variants. This clearly supports the need to divert from the hitherto predominant search for a general model of change—and possible ‘problematic’ departures from it—towards a more detailed study of the processes of social changes in different countries, Serbia among them. The analyses in this issue use a series of temporally comparable data (2003–2019) in order to demonstrate that the constitution and reproduction of capitalist social relations in Serbia has been, at least nominally, returning into the mainstream (rather than deviating from it). It has done so on bases substantially different from those upon which this process developed in other formerly socialist countries. In fact, the starting bases are no longer defined by the socialist type of social relations but rather by

the characteristics of the hybrid system that took form over fifteen or so years starting in the early 1990s, the years of ‘blocked transformation’.

The postsocialist transformation in Serbia started as a kind of ‘revolution from above’, in contrast to other East European countries, where the main actors of change were members of the middle strata.⁶ This substantially influenced the reproduction of social relations, and in the first place the reproduction of basic social groups. In a situation of nationalist mass mobilisation preceding the outbreak of the conflict over the distribution of territories between the successor states of the former Yugoslavia, members of the previous nomenclature managed to retain their grip on power after the first (and then also a few successive) parliamentary elections. Using their continued political domination, they managed to ensure the conversion of substantial economic resources for their own benefit.⁷ Thus, the ‘blocked transformation’ of the 1990s implied a specific variant of systemic change: the establishment of a hybrid order whereby the reproduction of the largest part of the ruling social class was secured. In the mid-1990s, as much as two-thirds of the economic elite had belonged to the former socialist nomenclature, in contrast to other European postsocialist countries, where that figure ranged between a quarter and a third.⁸

The substantial limitation of vertical mobility at the top of the social hierarchy, due to control over political and economic resources exercised by the transformed nomenclature, was accompanied by further processes of closure at the lower social levels. In other words, the general character of the newly established, tendentially capitalist, relations, in historical circumstances where socialism was only just finalising a belated process of modernisation (without actually completing it), manifested a substantial decrease in interclass, intergenerational mobility, which is a visible growth in class and intrastratal self-reproduction.⁹ This process of rising interclass barriers has continued to this day.¹⁰ Although the patterns of elite reproduction started to gradually change as of the mid-1990s, gaining substantial momentum after the year 2000, over the next fifteen years the breakthrough of new members into both the political and

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⁶ Cf. e.g. Ivan Berend, Central and Eastern Europe, 1944–1993. Detour from the Periphery to the Periphery, Cambridge 1996.
⁷ For more details, cf. Lazić / Pešić, Making and Unmaking; Lazić, Čekajući kapitalizam.
economic elites was increasingly limited to members of the middle strata, and made more difficult for individuals starting out from the lower strata.

Along with this contraction of the recruitment pool, the systemic changes had yet another consequence, and by definition so: the control over the private economic resources in capitalism supports the intergenerational inheritance of ownership, which is conducive to a gradual strengthening of the economic elite’s self-reproduction. The most recent survey, the findings of which should be handled with caution, due to the above-mentioned reasons, indicates that the recruitment patterns of the ruling class once more feature certain changes. The rate of self-reproduction of this group has been somewhat reduced; chances of professionals for intergenerational rise have partly decreased while chances of descendants of skilled workers have mildly increased. Unfortunately, due to a relatively small number of members of this group in the sample, a more detailed explanation of these phenomena cannot be offered. It is, however, fairly safe to assume that the recruitment patterns of the political elite have partially changed, due to the rise to power of the Serbian Progressive Party (Srpska napredna stranka, SNS), which, until then, had had the lower strata as its base. When it comes to the recruitment of the economic elite, it could be that the ascent from the stratum of the professionals is reduced due to their increased orientation to self-reproduction, as well as emigration. In addition, both these factors implicitly indicate the rise of (possibly temporary) obstacles to the social ascent of members of this part of the middle strata to the elite. In any case, the fact that the stabilisation of the recruitment patterns of the ruling class in Serbia expected by researchers failed to materialise requires additional research, on larger samples.

A look at research findings concerning vertical mobility as a whole allows the conclusion that, first, the strengthening of self-reproduction in almost all social strata primarily indicates a further growth of barriers between most social groups—this is especially true for farmers and unskilled workers at the bottom of the social hierarchy, but also for professionals at the higher levels. Second, these barriers for ascent have not been reinforced at all hierarchical levels, and have even been reduced in some instances, as is the case with increased possibilities for ascent of children of skilled workers to the ruling class (primarily the political elite). This also reveals that the consolidation of capitalist class relations in Serbia has not yet been completed.

The changes in the economic position of basic social groups during the capitalist transformation have been remarkably turbulent in Serbia. A large

11 Lazić/Pešić, Making a New Consensual Elite in Serbia; cf. also Mladen Lazić, ed, Politička elita u Srbiji u periodu konsolidacije kapitalističkog poretka, Belgrade 2016, 57–80.
12 Cvejić, Obrasci pokretljivosti.
13 Cvejić, Obrasci pokretljivosti.
majority of the postsocialist European countries started their systemic transformation with a drop in the national income and a worsened economic position of members of the lower social strata—but after five or six years these economic trends started to reverse, although the growth of economic inequalities persisted, but in a situation marked by a gradual rise over all of living standards.\textsuperscript{14} In contrast, the decline in the national income in Serbia was much larger and lasted longer (with pronounced oscillations), and has only recently reached the level it had in the late 1980s. This drop was accompanied by a dramatic aggravation in the position of all social groups, except the elite, especially during the 1990s. Today, average earnings in Serbia are among the lowest in the region of the Western Balkans, the accelerated growth over the past two years notwithstanding. Finally, the economic differences in Serbia, as measured by the Gini coefficient, today are among the highest in Europe, amounting to 38.6 points in 2016, compared with Croatia with 30.6 points, or Slovenia with 24.5.\textsuperscript{15}

The changes in the economic positions of households in Serbia over the past twenty years are addressed by Željka Manić and Anđelka Mirkov. These changes were essentially influenced by two factors: the general course of systemic changes, common to all postsocialist European countries, and the specific features of transformation of Serbian society, unfolding amidst civil wars and international isolation during the first decade of change. As for the former factor, the breakdown of state socialism led in most countries to increased economic inequalities, a large growth of property and income of members of higher social strata, an absolute and relative (compared with lower strata) improvement in the position of members of the middle strata, as well as a relative, and in the first few years also absolute, worsening of the position of manual workers, as well as a significant absolute growth of poverty, especially among the elderly/pensioners, the unemployed and farmers. While the reversed trend of the Gross Domestic Product (GDP) (from decline to growth) in the second half of the 1990s brought about an improvement in the position of the most vulnerable categories of the population (higher real income, decreased unemployment, etc.), the substantial relative differences in the economic positions between members of social classes persisted and even deepened (increase in the number of the super-rich).\textsuperscript{16}


\textsuperscript{15} Mihail Arandarenko / Gordana Krstić / Jelena Žarković Rakić, Dohodna nejednakost u Srbiji, Belgrade 2017.

\textsuperscript{16} On the growth of inequality worldwide and, especially, the accumulation of wealth at the very top of the social hierarchy (0.1 % of the population) as characteristic of present-day capitalism, cf. Thomas Piketty, Capital in the Twenty-First Century, Cambridge/MA, London 2014.
All these phenomena characterised the systemic changes in Serbia too, and were even more pronounced than elsewhere in view of the country’s much stronger and longer-lasting economic regression, in consequence of the wars and international isolation, persisting with varying intensities until the beginning of the new millennium. Thus, the absolute impoverishment during the first half of 1990s spread to members of all social strata, except the elite.\(^{17}\) These specific circumstances brought about another departure from overall trends: during the first half of 1990s the economic position of farmers improved relative to the strata of unskilled and semi-skilled manual workers, as a result of the lower elasticity of demand for agricultural products. This situation of the farmers being no longer at the very bottom of the scale of economic positions has been sustained to this day; however, their number has undergone further substantial decrease, while inequalities within this social group have increased, due to the formation of a large landowners subgroup.

The economic upsurge after Milošević’s regime, happening parallel to the ‘normalisation’ of Serbia’s international position, was relatively short-lived and interrupted by the global crisis of 2008, to be stabilised only a few years ago. It did, however, bring about an improvement of the living conditions of all basic social groups, as Manić and Mirkov illustrate in detail. However, the new dominant social relations created a situation where all private-owner strata within the wider classes acquired, at least temporarily, relatively better economic positions compared to the non-owner strata, when comparing the economic elite with the political elite, medium and small entrepreneurs with professionals, and farmers with unskilled workers. Due to this insufficient representation of the elite strata, especially the economic elite, in the proportional sample of the surveys underlying the contributions to this issue, the degree of inequality between the top of the social hierarchy and the other social strata has probably been underestimated. This can be ‘rightsized’ only when an additional survey of the economic elite is carried out.

The improvement of the economic position of social groups in the new millennium, interrupted between 2009 and 2015 due to the world financial crises, as substantiated by research findings, is characteristic of all three domains: incomes, ownership and consumption. However, along with the increase in inequality, which was a factor to be expected during the consolidation of the capitalist order, strong oscillations in the possibilities to meet the basic needs of most social groups are visible; this once again was an expected factor, a consequence of the cyclical developments in capital production. In addition, the effects of structural changes in the organisation of work, such as the fast

\(^{17}\) On the change in the economic positions of the basic social groups during the 1990s, cf. Lazić / Pešić, Making and Unmaking; Lazić, Čekajući kapitalizam. On the subsequent development, cf. the study by Željka Manić and Andelka Mirkov in this issue.
expansion of precarious work forms, have not yet been strongly felt in Serbian society.\textsuperscript{18} They will doubtlessly bring about additional interstratal, as well as intrastratal, differentiation of material life conditions of the basic social classes. The picture of the class basis of inequality becomes even more complex if, instead of the class/strata grouping, the starting analytical point is the basic class unit: the family as an active participant in social action. In this realm, the general class division loses its exclusive determinative role, in view of existing individual options that may influence the economic position of a household.

This kind of analysis has been undertaken by Marija Babović, who in her contribution addresses the changes in the economic strategies of households in Serbia. Combining the four criteria of ‘economic in/activity’, ‘non/market orientation’, ‘non/formalisation of work’ and ‘non/agricultural activity’, she identifies eight types of economic strategies and monitors their spread, generally and with relation to class/strata, after 2008 and after 2015, when economic recovery commenced. She also looks at the consequences of strategy selection for interclass economic inequality. Her findings show that the overall economic living conditions and the choice of strategies are connected through a declining share of proactive strategies in the periods of crisis, whereas they increased during the economic recovery. Interestingly, along with the overall decline in the share of agricultural work in Serbia, the number of households that combine agricultural and non-agricultural work has increased. This combination improves the economic position of households belonging to different social groups, and this includes even those at the top of the hierarchy. The different individual selections of types of work engagements, in the framework of such choices actually existing, reveal that diversified work strategies of households improve their position independently of the class or stratum they belong to, thus increasing the intrastratal, and reducing the interclass, disparities. This once again interferes with the notion of clear-cut class divisions, making class relations on the ground more complex than the general class analysis suggests.

In her research on work orientations, Dunja Poleti Ćosić examines yet another phenomenon on the labour market emerging with the growth of that market in Serbia, from the perspective of the active or inactive individual. Her analysis demonstrates how individuals with a formed value system, that is those socialised in a setting where work engagement has been in principle available, confront the flexibilisation of the labour market in the neoliberal capitalist environment. Such value socialisation happened as part of the socialist quasi-labour market or within the state’s safety net, i.e. state-owned firms protected from bankruptcy, during the 1990s, the time of the ‘blocked transformation’ in

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Serbia. In addition, after 2000 this radical change in the Serbian environment was supplemented by a belated economic restructuring, with the consequential collapse of a large number of enterprises and a reduced number of workplaces. Then the world financial crisis of 2008 brought similar consequences as well.

Cross-correlating the created (value) preferences and the actual economic development, Poleti Ćosić shows how the previous predominance of the orientation to intensify labour has slowly given ground to an entrepreneurial orientation in the selection of work engagement, especially among the older, poor, and less educated. Thus, the stabilisation of capitalism produces two pools of available work force: the traditional one, ready to invest time and strength in any kind of work available in a situation of economic contraction, and the more modern one which is, under conditions of economic expansion, orientated towards ‘freer’, that is more independent (entrepreneurial) engagements. Serbia’s delay in the systemic transformation is here reflected in the slow withdrawal of the former orientation, even when structural circumstances change for the benefit of the latter.

Individual preferences with respect to types of economic activities in Serbia are at the focus in Jelisaveta Petrović’s and Dragan Stanojević’s contribution, supplemented by an analysis of preferred forms of political activities. Their research data show that, generally speaking, the majority of Serbian citizens are not ready to devote a significant part of their free time to political activities, or else prefer conventional forms of action. This is best revealed by the fact that the most frequently chosen options of political activism include ethical/political consumption and petition signing, as well as membership of political parties. The latter is, in all likelihood, primarily instrumentally motivated by efforts of individuals to join clientelistic networks, rather than to assume an active role in politics.\textsuperscript{19} Strong collective engagements, such as mass gatherings and long-lasting protest actions in 1991, 1996, and 2000, were exceptions that do not change the dominant picture, that the Serbian population in principle let the political elites regulate political relations relatively independently. True, Petrović and Stanojević also note an increase in the forms of direct action over the past few years and see it as the possible arrival of ‘active citizenship’, referring for example to the movement ‘Don’t Let Belgrade D(r)own’ (\textit{Ne da(vi) mo Beograd}) in 2016, or the current ‘#1 of 5 million’ (\#1 od 5 miliona) movement, active for two years now. However, the data of this survey do not substantiate such expectations to a significant extent, as the finding that 20\% of respondents reported to have signed a protest petition could sooner be interpreted as a result of their anticipation of what the researchers, or public opinion, consider

desirable political conduct than as a valid indicator of their political practice. In that respect, relatively poorly developed democratic forms of political participation, elsewhere characteristic of liberal capitalism, in Serbia are rather an indicator of the consolidation of this order not yet having reached an advanced stage.

The third thematic sphere of this special issue is the (changes in the) spread of liberal value orientations. Mladen Lazić’s and Jelena Pešić’s central analytical concept is the ‘normative–value dissonance’ which, in briefest terms, indicates a discord between the normative order in a society and the value orientations of its social groups and individuals. A pronounced normative–value dissonance was established in Yugoslavia/Serbia by a survey carried out in 1989, meaning that the liberal nature of Yugoslav socialism, and especially the country’s openness towards the West, resulted in the widespread existence of values characteristic of the capitalist order, such as the support of private ownership and political pluralism. As expected, the systemic changes reinforced the expansion of these values, but not continuously and linearly, and especially not evenly within all social strata. Alongside lasting support to the pluralist political order and the economy based on private ownership, collectivist value patterns persisted in both social subsystems. These probably have a twofold origin: in the previous socialist order, and also in more long-term traditionalist patterns, persisting due to the belated modernisation of the country. Serbia’s ‘blocked transformation’ and the related deep economic crisis, coupled with wars and external isolation, of the 1990s, followed by the global financial crisis of 2008, which interrupted economic recovery, slow as it was, all represent factors that sustained ambivalent developments in the spread of the different value patterns: the advance and regression of liberalism, with a complementary withdrawal and advance of authoritarian/illiberal and collectivist orientations. In addition, although liberal orientations in the political and economic subsystems have the expected majority support among members of the higher and middle social strata, while opposing orientations are more often found among members of the lower strata, some surprising findings in this respect were obtained: state redistribution of economic resources is supported by a substantial number of members of the economic elite, who by definition should instead act as systemic proponents of the capitalist (market) economy. The authors conclude that the course of the consolidation of a capitalist order in Serbia is still uncertain.

Irena Petrović and Marija Radoman in their contribution analyse changes in the acceptance of traditionalist value patterns in Serbia between 2003 and 2018.

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They come to the conclusion, complementary to previous insights, that value changes are of a non-linear nature. They note how traditionalist values have been maintained as a core pattern of social consciousness, regardless of the systemic changes that have been unfolding for some thirty years. Widespread overall authoritarianism, as well as entrenched organic nationalism and private patriarcalism, have been the value basis for the introduction of capitalism from ‘above’, that is by the former socialist nomenclature. The order so created, whereby (changeable) leaders defined the transformation patterns, has ensured the reproduction of inherited value patterns. The advancement of overall modernisation processes has brought changes only to the extent that more peripheral traditionalistic value patterns, such as ethnocentric nationalism, public patriarchy and a specific authoritarianism, under certain circumstances may retreat, but this retreat has been temporary, susceptible to oscillations and reversible. Hence, the most recent survey findings once again caution that the consolidation of liberal capitalism in Serbia, the achievement of which assumes the reinforcement of modernisation values, is but one possibility among others in future social change.

Thus, the past decades of social change have contradicted expectations that globalisation processes would lead to the prevalence of a single form of liberal capitalism worldwide. Instead, a series of alternative societal models have emerged, based on some form of market transactions and a (more or less) pluralist political order. Serbia is a vivid example of this. While most analyses of the Serbian society point to the strengthening of the market economy with a firm regulative role of the state and an illiberal political order, sudden and substantial changes of the basic development course have been typical of this society over the past thirty years, warning against drawing any linear conclusions concerning the future.

Concluding, I will explain the design of the sample for the survey on which the authors of this special issue conducted their analyses, as to relieve the individual texts of this (repetitive) task. The survey covered diverse topics of social life in Serbia, whose actors are individuals, families and various collectivities, such as social classes/strata, ethnic groups, genders, age cohorts, and employed/unemployed. The target population is the Serbian adult population. A multistage sample was designed. The first stage dealt with defining contingencies, namely four statistical regions: Vojvodina, Belgrade, western Serbia and Šumadija, as well as southern and eastern Serbia. Their sizes were proportional to their adult population according to the latest demographic estimates. In the next stage, a certain number of cities and municipalities within each of the contingencies were

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21 Milanovic, Capitalism, Alone.
22 This part of my introduction is based on Mladen Lazić/Slobodan Cvejić, Uvod, in: Lazić/Cvejić, eds, Stratifikacijske promene, 18–20.
selected at random, although cities with a population of over 100,000 were accorded some certainty of selection for the sample, proportional to their part in the adult population in Serbia, while other selected cities in that contingent shared the remaining number of units it had been assigned. After that, in the third stage, in each of these cities or municipalities one to twelve census circles were selected, depending on the size of their adult population, and within each of these census circles fifteen households were selected at random. Persons in these households were chosen on the principle of the closest birthday. This basic sample was then boosted with another forty appropriately selected members of the economic and political elites, in order to secure a sufficient number of representatives of this social stratum. The final size of the sample included 2,211 households, and one individual in each of the sampled households.

The sample so obtained largely reflects the distribution of different socio-demographic characteristics among the basic population. The survey included 28% of respondents in Vojvodina, 26% in Belgrade, 27% in western Serbia and Šumadija and 19% in southern and eastern Serbia. As for the features not controlled by stratification, for instance the proportion of the highly educated (all degrees of education above secondary school), their share among all members of the surveyed households registered by the census is 24%, or 28% among the adults surveyed; pensioners account for 25% of all household members, and 32% of the surveyed adult individuals; while women share in the surveyed population with 52%. These figures indicate that the more educated and older citizens more often participated in the survey, but that this bias was not major (up to 10%) and thus does not affect the reliability of the findings.

A somewhat larger bias was present in the opposite selection of respondents belonging to the political and economic elites. Namely, according to the operational definition used in this survey, this category is formed by politicians occupying high positions in state bodies or political parties at the central and local levels, as well as large and medium entrepreneurs and managers of higher and medium rank. Our sample of 75 respondents in this category includes a disproportionally small number of large and medium entrepreneurs, only nine, while the numbers of politicians and managers (mostly in state firms) of higher and medium rank are disproportionally large: 32 and 34 respectively. Findings on political and economic elites displayed by the authors ought therefore to be interpreted with this particular disproportion in mind.

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23 Lazić / Cvejić, Class and Values.