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Central Actors and Groups in Political Elite: Advantages of Network Approach

Abstract: Studies conducted in CEE states by a number of social and political scientists within the elite theory paradigm focus mainly on issues concerning elite circulation and recruitment, struggles between governing and non-governing (contra-) elites. Although, it is still an open question what relational structures, or networks, exist within power elites. This issue becomes even more important when 'interest groups' become the basis for creation of internally circulating 'ruling class' whose members periodically seize key positions in different institutions and collectively capture the decision-making process at the state level.

In order to define how elite members co-operate, to identify central individuals and key decision-makers, one needs to understand the structure of political elite network. This paper contains an attempt to explore political elite networks formation and functioning in Ukraine 20 years after the regime change.

Main research questions are: what ties and to what extent are important for political elite members; what clusters exist within Ukrainian political elite network; to what extent the concepts of social capital and interpersonal trust can be employed to explain the formation of joint legislative initiatives. In addition, model of elite network functioning allows the depiction and verification of the role of central players taking into account their relational patterns.

Sample included members of the Parliament, Government, and the Presidential Secretariat (almost 500 biographies). Biographical method and in-depth interviews were applied for collecting both quantitative and qualitative network data. Specific software enabled applying various SNA tools and procedures for hypotheses testing and network modeling.

Keywords: political elites, affiliation networks, central actors, post-Soviet countries, Ukraine

Introduction

The role of linkages between elite members who possess key positions in the state decision-making has been the subject of academic research interest throughout the last decades, and it is particularly salient in societies under transition, i.e. Ukraine after almost twenty years of the regime change. Despite the numerous studies of elite groups in transition states (Best et al. 1997; Lane & Ross 1999; Higley & Lenguel 2000) which addresses the issues of post-Socialist elites recruitment patterns, circulation, and values as well as their role in democratic transformations during the last twenty years, it is still an open question of what relational structures (networks) are formed and exist within power elites in such post-Socialist states as Ukraine, in particular. This issue becomes even more important when interest groups and friendship networks become the basis for the creation of an internally circulating "ruling class" whose members periodically seize key positions in differ-

ent institutions and collectively capture the decision-making process at the state
level.

To define how elite members circulate and identify key decision-makers, one needs
to understand the network structure of political elites as well as the communication
structures they employ. The paper seeks to picture how the political elite networks
are formed and function in transitioning society twenty years after the regime change.
Network embeddedness is argued to be crucial for understanding of power elite con-
tinuity as described by Grødeland (2005) who stressed the importance of informality
as "a leftover from communism."

The research objective is to map five types of ties (political, business, civic, educa-
tional, and kinship) that connect members of the political elite (legislative, executive,
Presidential branches) basing on common biographical experiences and overlapping
period of studying/employment in the same institution or company before occupying
elite positions. The key research questions of this paper include: what ties are impor-
tant to what extent for political elites; what subgroups exist inside current political
elite network; who are the 'central players' within the network; to what extent can the
concepts of social capital and interpersonal trust be employed to explain the forma-
tion (or break-up) of political coalitions, lobby groups, and joint legislative initiatives;
to what extent are political, civic, and business networks dense and centralized within
the Ukrainian context.

Theoretical Framework

Elite groups were in the research focus of social scientists, who explored the 'ruling
class', through two perspectives—class theorists vs. elitists (Etzioni-Halevy 1997).
Thus, class theory was initiated by the works of Marx regarding capital distribution
and relations based on private property, where governing circles are a part of the
bourgeoisie and thus the owners gain opportunities to influence on the state decision-
making in order to protect their capital. In other words, the economic sphere is
a determinant of power distribution. But as it was later suggested by Weber, social
stratification depends on two additional indicators—political party affiliation and
social status. Hence, class theory defines group of 'elite' in terms of social hierarchies
where highest positions in ownership or management systems enable to access the
resources and to influence top-level decision-making.

The other approach developed by the elitists (including Pareto, Mosca,
Michels, Miliband) distinguishes elite membership through political influence. Re-
search on such issues as elite circulation and recruitment, 'governing and non-
governing elite' relations, consensus within the elite are in focus within elite
theory.[1]

Despite these two theoretical perspectives use different approaches to define elite,
common features can be found in the work of Charles Write Mills titled *The Power Elite*

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[1] For more details on the analyses of the elite groups in transition societies, see also: D. Lane, Ross,
Cameron (1999); A. Przeworski (1991); J. Higley & M. Burton (2006).

(1956) where he suggested to interpret this social group in term of 'higher circles'—as groups highly connected together through common membership in power institutions in political, economic and military spheres. Occupying interlocking positions even increases one's influence on state decision-making, but here the hierarchy is presented in terms of network, specifically, interlocks within elite groups. These concepts are basic for understanding the functionality of power elite influence on community development.

Later, William Domhoff (1970) argued that 'interlocking directorates' are the results of top-managers (non-owners) gathering in corporate boards, and not only due to their professional skills, but also because of interpersonal connections with each other. He also stressed that corporate interlocks are extremely important for the intensification of information flows within the interlocking persons, who are often invited to the sessions of state committees.

The topic of the influence of 'interlocking directorates' on corporate performance and success have been examined by the number of researchers over the last three decades.[2] These studies examine different issues within the topic, from mapping the interlocks to forecasting how network members may behave in the future, or political affiliation of corporate interlocks (i.e. Burris 2005). But the main point within this context is that the overall elite group is treated through the network perspective which refers to the real relational and communication patterns inside the 'ruling class', its structure and functioning.

Although a number of studies explored elite groups and interlocks were conducted in post-socialist states during the last decade (Stark and Vedres 2001; Fortesque 2006; Best 2005; Grødeland 2005), they did not result in a picturing network structures within elites, and moreover, they did not include Ukraine into their research focus. Some exploratory studies on 'corporate interlocks' have been developed recently in Ukraine (i.e. the research of the affiliation of Ukrainian banks with political authorities and its impact on banks outcomes developed by Baum and colleagues [2008]), but neither network map was suggested with regard to Ukrainian political elite.

Methodology

Applying social network analysis (SNA) approach to the exploration of political elites was chosen basing on several reasons. This perspective enables to draw a picture of status-roles interaction between actors who occupy governing positions and to include the aspect of influence on decision-making into the analysis (Knoke 1990). In addition, the SNA is rooted in communication processes and resource exchange studies, including investigations of how social capital is accumulated (Lin 2001: 3–25). Finally, as Wellman argues, the network perspective focus on interpersonal ties that do not form strict groups, that are flexible and agent-based (Wellman, 1988), thus

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[2] For more details see, for example: G.F. Davis (1996); G.W. Domhoff (2002); R. Burt (1980).

it allows to operate the picture of informal relational patters of the actors within a pre-defined sample of officials.

In general, the research project contains two stages:

1) analysis of elite members' biographies in order to identify possible network ties based on common biographical experiences (e.g. individuals who graduated the same university/ same faculty during overlapping periods of time; those who were or still are co-owners of the same company; those who were members of the same civic organization, etc.);

2) in-depth interviews with state officials (actors of the network) to add details into their relational pattern and verify the functionality of network ties from the perspective of decision-making, information flows and lobbying opportunities.

In order to identify possible network ties based on common historical experiences, the analysis of biographies of elite members was conducted first. The data on Ukrainian political elite was collected during 2007–2010. Sample design was based on position approach of elite theory, and the total sample covers 493 biographies of political elite members (Parliamentary deputies, Ministers of the Cabinet of Ministers, high-level functionaries within the Presidential Secretariat). Biographical method was followed by in-depth interviews applied for collecting and verifying the network data; the overall number of them is 15 for the moment.[3] The biographies were collected from official web-sites of state institutions, from periodicals and handbooks (annual edition of *Who is Who in Ukraine*), and from press interviews. As a results of the preliminary analysis of Ukraine's political elite proves, the network approach (social network analysis, SNA) based on biographical analysis and verified through the in-depth interviews is relevant for studying the functioning of power circles from various aspects on the state level.

Then, five types of ties were collected into a database, including political, business, civic, kinship, and educational connections through the overlapping periods of affiliation with the same institution, enterprise, or relative connections. Specifically, the definition of each connection was based on the following details from actors' biographies:

a) political connection: common membership in state, regional and local governing authorities, committees of the Parliament during previous terms,

b) business (economic) connection: affiliation with a corporate board of the same company, overlapping periods of being employed by the same company,

c) civic connection: affiliation with the same NGO, political party, civic organization, football club, or other non-governmental and non-commercial organization,

d) educational connections: overlapping periods of study at the same higher educational institution/ same department,

e) kinship: being close or distant relatives.

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[3] In-depth interviews with political elite members were started in April 2008 and lasted till April 2010 with a break for presidential elections period when respondents were mostly inaccessible.

Research Results

Analysis was conducted in UCINET with visualization in NetDraw.[4] According to the principal of tracking connections described above, the final network data was 1-mode and multirelational where common affiliation with one institution/enterprise was represented as a tie between two actors. Parliament fraction membership or current affiliation with the state-governing institution were included into visualized graphs as attributes.

According to the tasks listed before the analysis, several routines were run to:

1) analyze network measures (density, distance) among five networks formed by different types of ties between elite members,
2) define the level of centralization of the aggregated network containing all types of ties, including core-periphery model vizualization,
3) compare centrality measures within/ between five sets of connections, and define most 'central' actors in aggregated network containing all types of ties.

Although the density values are comparatively low (mainly, lower than 0.01) due to the large size of the overall network sample,[5] it is still possible to conclude that political ties constitute a half of all connections observed (see Table 1).

Distances were calculated for aggregated network in order to define how close elite members to each other are with regard to all types of connections that were tracked between them. Consequently, more than 70% pairs of nodes have distance of 3–4 steps between them, though the diameter is 7 (See Table 2 below). And only 3% of pairs can reach each other directly in 1-step distance.

Table 1

Density Values

Type of subset	Density
Aggregated network density	0.0231
Political ties subset	0.0128
Economic ties subset	0.0007
Civic ties subset	0.0070
Educational ties subset	0.0025
Kinship ties subset	0.0001

Core of the network contains 55% of nodes; its density is almost 5 times higher than of periphery (0.094 compared with 0.015). As it is visualize on Fig. 1 below, grey-circles represent core and black-squares correspond with periphery partitioning
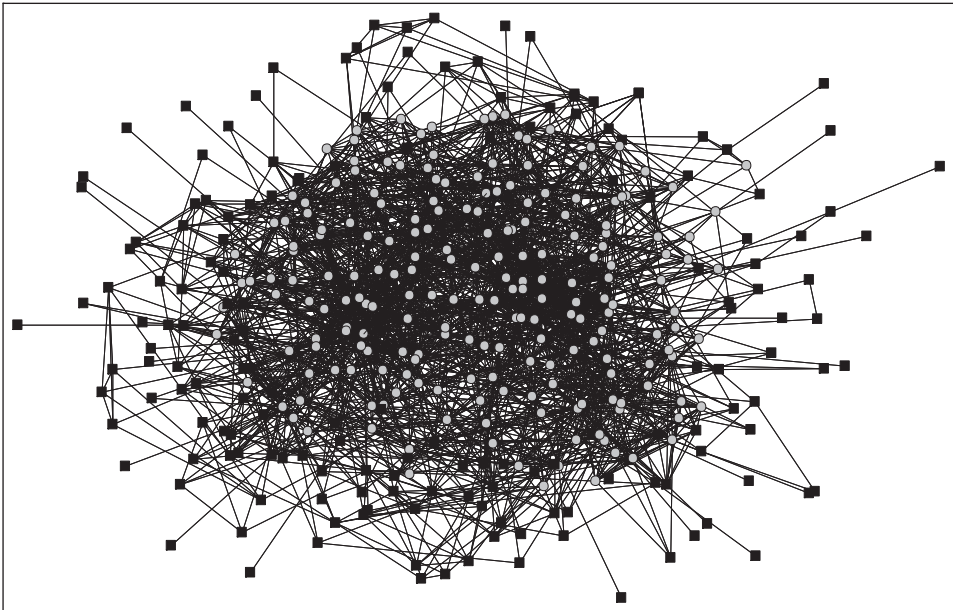
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[4] The network data is undirected and valued, the aggregated dataset which contains all five types of ties is valued as well. Visualization was conducted in NetDraw, SpringEmbedding layout with Gower scaling applied.

[5] As remarked by John Scott, "…larger graph… will have lower densities than small graphs" (Scott 2000: 74–75).

Table 2

Geodesic Distances

Geod. dist.	Frequency	Proportion
1	2894	0.0302
2	16234	0.1695
3	42052	0.4390
4	26910	0.2809
5	6368	0.0665
6	1242	0.0130
7	96	0.0010

Figure 1

Aggregated Network as a Core-Periphery model

All types of ties aggregated into one dataset, main component extracted, N = 376.

positions. According to the results, it might be assumed that the core contains partic-ular subgraphs that are very cohesive. And it is an issue for further analysis what type of ties connects nodes in these dense subgraphs.

To conclude above-mentioned findings, it could be argued that the core of the political elite network is considerably dense group. Nevertheless, the majority of the actors cannot reach each other directly, and this might be a constraint for establishing a consensus between different fractions and political forces. Necessity to overcome distance of 3–4 steps might result in an effect of a 'Broken Telephone' when initial message can be misinterpret on its way to recipient. In the context of the approach that was applied to track connections (common biographical experiences), these finding

also initiate assumptions about importance of common affiliation in the past for the more effective communication in the present, although information about the quality of such kind of experience (positive, negative, neutral) can be verified only though in-depth interview and thus is a subject for further investigation.

Further analysis of centrality measures was conducted[6] in order to identify as highly-connected actors, as 'cutpoints' that connect different subgraphs and thus control information flows. Degree and Betweenness centrality measures[7] were calculated for the complete network of 492 agents while closeness centrality routine was run on main component of 376 actors. Further, network of kinship ties were excluded during further comparative analysis due to extremely low total number of kinship ties within the sample.

Table 3

Degree Centrality values

Political		Economic		Civic		Educational	
YanukovychVF	82	Akhmetov	18	Donii	39	BondarenkoOF	14
Tretiakov	38	Vilkul	7	Hryniv	33	Holub	14
Rybak	34	Prasolov	6	Kosiv	32	Hryniv	12
Osyka	31	Bilyi	5	Zaiets	27	KniazevychRP	12
Yankovskyi	28	Hlushchenko	5	Stetskiv	27	Keterynchuk	11

All subsets were analysed as valued data, thus the non-normalized values were used.

Table 4

Betweenness Centrality Values

Political		Economic		Civic		Educational	
YanukovychVF	11574.7	Akhmetov	438.5	Stetskiv	3244.5	BondarenkoOF	856.7
YushchenkoVA	3725.9	Prasolov	264.0	Donii	3130.7	BondarenkoVD	505.6
Tretiakov	2630.2	Khmelnytskyi	234.0	Zarubinskyi	2234.1	KniazevychRP	499.2
Rybak	2589.3	Hryvkovskyi	174.0	Larin	1981.8	Marushchenko	399.0
Kuchma	2198.0	MelnykSA	174.0	Matvienko	1292.2	Lavrynovych	391.7

Tables 3 and 4 contain TOP-5 actors within the each subset who possess the highest degree and betweeness centrality values, and if to compare the lists, some of the elite members appear to be 'central' from both degree and betweenness perspectives

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[6] This analysis is based on calculations made, before the presidential elections 2010 and the following changes in Presidential Secretariat, the Cabinet of Ministers and rotation of some deputies in the Verkhovna Rada.

[7] Basically, degree centrality means how well connected the actor is and counts the number of direct ties, thus it can be interpreted as potential for direct influence of particular actor. Instead, betweenness centrality is based on the number of times that a node lies along the shortest paths between two others, thus showing one's gate-keeping position and potential for the actor to control the information flows. For the detailed description of the network centrality measures, please, see for instance: Scott (2000: 82–96), or Hannemann (2005: 60–76).

(like Yanukovych VF, Tretiakov, Rybak within political network, Akhmetov and Pra-
solov within economic subset of ties, Stetskiv and Donii within civic connections, or
Bondarenko OF and Kniazevych RP within educational).

What is more important is to explore whether the older political elite members
who have longer experience of being in power become more central due to their
more extended connections, or the level of influence is observed due to accumulation
of the other forms of capital. For instance, YanukovychVF—leader of 'opposition'
in the Parliament for several years after the 'Orange Revolution' in 2004, term and
pre-term parliamentary elections of 2006 and 2007, and one of the candidates during
the presidential elections—started his career inside regional political elite ten years
ago, and he had been a director of coal-mining enterprise for ten years before that.
Thus, horizontal mobility between elite positions made a great impact into formation
of his social (network) capital. Instead, Akhmetov who is the most 'central' person
within economic subset of ties is claimed to be the richest person in Ukraine and even
among the billionaires in CEE states. He is a shareholder in the range of enterprises
in energy, metal industry, coal-mining sectors as well as an owner of mass media
companies and a President of a football club. He can directly lobby his business
interests in the Parliament being a deputy for the last four years.

Finally, closeness centrality was calculated on the aggregated dataset with main-
component extracted. Results of the analysis have shown that those actors, who were
most 'central' in terms of degree and betweeness, are also the closest ones: Rybak
(closeness value = 796), YanukovychVF (796), and Holovatyi (813) who was not on
top-positions in degree and betweeness centrality when analyzing different subsets
but appeared to be 'central' and one of the least distanced from the other actors.
This analysis results led to the assumption that closeness level might be improved by
the involving of different types of ties into one's relational patterns. In other words,
diversification of connections makes actors less distant from each other.

In addition to the centrality values of particular elite members, the centralization
indices were compared. Degree centralization was not included into the comparison
because of the data character (valued). Instead, betweeness centralization analysis
discovered comparatively high result in dimension of political ties (9.46%) followed
by educational ties (2.65%). Economic and educational subsets are the least central-
ized (0.36% and 0.70% respectively). Thus, it can be assumed that ties within political
and civic dimensions result in formation of subgroups (probably, coalitions) whether
economic and educational ties do not produce a centralized network structure. Above
all, the closeness centralization calculated on aggregated network and main compo-
nent extracted is 23.13%. Thus, if all possible types of ties are taken together network
structure is more centralized.

Discussion

The results of the research included both descriptive part (network 'map') and as-
sumptions for the further analysis. The database of political elite network based

on analysis of biographies has led to the identification of 'central' players within Ukraine's political elite circles. The core of the whole network is considerably dense and it includes more than a half of all actors. Nevertheless, the majority of political elite members cannot reach each other directly, and this might be a constraint for establishing a consensus between different fractions and subgroups.

The research data received will be also tested by verifying whether information flows in the political elite actually occur through central players, and whether historical inter-personal links reflect the way in which the network operates currently. A network simulation could be performed then (i.e.in SIENA package)—to enable modeling of information flows within political elite groups and estimation of the further importance of current 'central' players.

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