

## THE ECONOMIC SITUATION OF CARINTHIAN SLOVENES AFTER WW II

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### **Introduction**

The situation of Carinthian Slovenes has changed greatly during that period of recent history when they have been a minority in Carinthia. At the onset of ethnic differentiation in Austrian lands their relations with non-Slovene speaking neighbors was marked by coexistence and cooperation, but with the rise of European nationalism, ethnic confrontation escalated and eventually came to involve territorial claims during the break-up of the Habsburg empire. Decades of deliberate oppression of the Slovene minority followed. However, since the Second World War it has experienced gradual social, political, and cultural emancipation. And today this minority plays the role of a bridge between Austria and Slovenia. During this period the minority changed significantly from a predominantly agrarian-rural population to one engaged in industry and now by the service economy. Today, Carinthian Slovenes are socially emancipated, economically integrated, well-educated, spatially dispersed, culturally active, and well organized as a community.

### **Social and spatial transformation of a minority**

More than a century ago the Slovene population of Carinthia exceeded 100,000 and constituted a local majority in rural areas. Families were large and beyond the family circle contacts were mainly limited to the local environment. Slovene language prevailed, even though political conditions did not particularly favor it. After the 1920 plebiscite, state authorities began to pressure the small Slovene intelligentsia. As the result of threats and intimidation, part of it was even forced to emigrate. Workers and the rural proletariat were the most exposed to assimilation because of their economic dependence. Assimilation in that period was above all statistical. In censuses and on various occasions of public manifestation of linguistic and ethnic affiliation, many concealed their origin out of fear. Those who moved from the countryside to town to seek work often abandoned Slovene, as a consequence of social dependence and the absence of conversation partners. Social transformation was thus paralleled by assimilation. Rapid industrialization and a shift from agricultural to non-agrarian occupations followed. The trades, white-collar employment, and tourism (Paschinger 1976) came, over time, to dominate the Carinthian economy. Southern Carinthia is today crisscrossed by tourist routes and rich in cultural and natural attractions served by an above-average number of retail businesses and a well developed tourist infrastructure (Zimmermann

1995: 30–37). Small family businesses increased particularly in the 1970s. Educated Slovene entrepreneurs and professionals began to establish themselves (Reiterer 1986). Together with an increasing number of ethnically Slovene civil servants, they contributed to rapid changes in the social structure of the minority. They founded several economic organizations, particularly cooperative associations with stores and banks. Increasingly, jobs required command of the minority language, increasing minority members' self-confidence. Due to the relaxation of border controls during the 1980s cross-border cooperation began to increase. Slovenia established seven jointly-owned industrial ventures in southern Carinthia.

Trade increased in the second half of the 1980s. Widespread "shopping tourism" greatly enhanced the role of the Slovene language, which became an identifiable economic asset. The retail sector in Carinthia became oversized (Podlipnig 1991: 119–25), serving a demand that exceeded by a factor of four the purchasing power of the local population (Wastl-Walter 1991: 126–34). At the same time, Yugoslav citizens from Slovenia invested large sums in Austrian banks and insurance companies (Fassmann 1995: 18–24). Yugoslav citizens from Slovenia used the services of Carinthian Slovenes (as translators, financial advisors, etc.) to mediate their participation in Carinthian institutions.

This commerce declined sharply in the 1990s. One after another, the jointly owned industrial enterprises closed. Unemployment became a problem in Carinthia at a time when tourism also began to decline. However, with increased communication and traffic across the border, fresh opportunities appeared for members of the minority. New, EU-sponsored projects involved implementation of advisory and monitoring services in the region. Austrian companies began investing in Slovenia. They needed a dynamic, mobile, and above all professionally and linguistically competent workforce. More than 700 Austrian companies that located operations in Slovenia used the services of members of the Slovene minority. The purchase of used cars in Slovenia, a typical commercial activity in the early 1990s, was replaced by a variety of professional and advisory services in banking and other sectors. Members of the minority found a comfortable niche in the labor market along the open border (Zupančič 2002: 145–57). Knowledge of Slovene, supported by professional qualifications and expertise, became valuable assets (Zupančič 2005: 30–38).

At the end of the twentieth century the Slovene minority came to represent a social elite. The minority has attained a higher level of education and qualification than the majority population. This phenomenon can be explained on the one hand as the result of the successful upward social mobility of the minority and the formation of its own elite, and on the other, as a consequence of the intensive assimilation of the less educated Slovene population shown in official Austrian statistics (Reiterer 1996).

### **The contemporary Slovene minority was formed by its educational institutions**

The rapid transformation of the Carinthian Slovene social structure can be attributed, above all, to the development of Slovene minority educational institutions. In 1957 the Slovene high school was founded in Klagenfurt/Celovec. In the 1990s two more secondary educational institutions were established, the Bilingual Federal Academy of Commerce and the private Secondary School for Service Industry Occupations, opened. Around 3000 students have graduated from these schools and subsequently assumed important positions in the economic, social, political, and cultural life of the minority and the region at large (Zupančič 1999).

The majority of graduates went on to study at Austrian universities, mainly in Vienna and Graz, but some also in Innsbruck, Salzburg, and Klagenfurt. A well-functioning educational system contributed to the upward social mobility of part of the minority and hence to the creation of an economic, political, and cultural elite among Carinthian Slovenes. Another consequence of this social transformation is the emigration of members of the minority. Nuclei of new Slovene settlements have been formed in large cities, particularly in Vienna and Graz.

### **From the problem to advantages: The functions of a minority**

During the establishment of Central Europe's modern nation-states, ethnic minorities in its borderlands were an undesirable phenomenon. With the opening of borders and increasing cross-border cooperation, minorities have obtained some very real opportunities. Since members of minorities are usually bilingual, and because they know the legal and economic systems, habits, and prevailing mentalities of at least two countries, they have quickly proven themselves to be not only participants in but also initiators of cross-border cooperation (Klemenčič 1992). This has been true in agriculture, manufacturing, and the retail and service sectors (Lokar 1994). Today emphasis is upon expansion of Slovene enterprises into the other countries of Southeastern Europe. Here the role of minorities can be seen above all as that of a "bridgehead" (Zupančič 2005: 30–38). However as a result of increased mobility, which reduces communications barriers between people from different cultures, minority members are gradually losing their role as "a bridge" in cross-border communication.

### **Towards "tomorrow": The Slovenian minority's future perspectives**

Today the Slovene minority is facing two important challenges: finding new economic niches along an open border and retaining elements

of an ethnic identity under new conditions. Only an economically stable minority with specific functions along the open border can survive. Knowledge of Slovene has declined sharply; only a small portion of the pupils arriving at bilingual schools already have a satisfactory knowledge of Slovene. Slovene is thus becoming, to an increasing extent, a first semi-foreign language, which pupils learn well in the three Slovene secondary schools but later use only if necessary. On the other hand, interest in learning the language already at the pre-school level and interest in cultural or sports societies and other minority-affiliated organizations is constantly growing. It will be necessary to redefine the situation and position of the minority, and also its contemporary identity. It is clear that local and global influences on linguistic and ethnic conditions are not negligible and that it is difficult to measure them with the criteria used for agrarian and industrial conditions. On the other hand, the information age, thanks to the ease of communication, also affords new opportunities to strengthen "classic" elements of ethnic affiliation. We can note a declining significance for collective identity generated through daily social interaction within a given group and an increasing significance for individual collective self-identification in an environment where ethnic categories are losing their political and economic significance.

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