

**EU INTEGRATION MECHANISMS
AFFECTING HUNGARIAN PUBLIC POLICIES
IN THE CASE OF WASTE MANAGEMENT**

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Prepared within the scope of the EU-5 research programme entitled “EU Enlargement and Multi-Level Governance in European Regional and Environmental Policies: Patterns of Institutional Learning, Adaptation and Europeanisation among Cohesion Countries (Greece, Ireland and Portugal) and Lessons for New Members (Hungary and Poland)” (ADAPT). The international team coordinators are Christos Paraskevopoulos and Panayotis Getimis (Greece).

Budapest, September 2003.

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ABSTRACT

The European Union's integration activity and style of governance directed at the public policy of member states has undergone a major learning process over the last fifteen years. Apart from using legal means, so-called open methods of coordination have come to the fore, which, besides – indeed complementing – compulsory adaptation, have asserted incentives based on the exchange of experiences. In the course of the spread of the European pattern of environmental protection, the EU has learnt a great deal from its earlier enlargements, and in addition to legal harmonisation it has allocated substantial resources for the development of the capacity for the enforcement of the *Acquis Communautaire* in the new acceding countries.

The adaptational process has not been evenly effective in every dimension of the public policy in question. While waste management in Hungary has thoroughly fallen into line with the EU patterns as regards *tools* – especially legal tools –, the declared *objectives* of this policy area in many cases only pay lip service to the objectives recommended by the EU. This means that governance has been guided by the infrastructural and material conditions, moreover by governmental traditions more forcefully than by the declared objectives. During the last 15 years the government's *environmental institution building* has proceeded along a course which in all probability would have been followed in a similar manner without Hungary's integration into Europe. An exception to this is exactly the institutional behaviour patterns which concern multi-level governance. That is to say, those efforts to mobilise a wide range of tools that seek to harmonise the interests of different levels of government, economic sectors and civil society have to a large extent developed in reaction to EU regulations and financing conditions.

However, this proved to be insufficient for the *style* of the young Hungarian environmental policy to manage to keep pace with the clear development of tools. Among the reasons for the uneven performance of government, there are numerous factors that refer to precisely the inadequacies of the style of governance, such as the schematic imitation of EU patterns, an unfortunate choice of centralization patterns, the lack of unison between the ministries, the party political influence over professional matters, and the ambiguous relationship maintained with the civil sector.

It is indisputable that in the last decade – in no small measure due to the impact of adaptation to EU integration – Hungarian waste management policy has undergone fundamental reforms. The most important driving forces behind these changes have been the adaptation to EU patterns of the legal system, institutions implementing the law, financing frameworks and planning activity. As an effect of these adaptation mechanisms and also due to the opening of the waste management market, behaviour patterns in waste management previously developed in the EU have spread in the institutions and their networks.

Nevertheless, the positive impacts of these developments appeared in Hungary's performance in environmental protection only to a limited extent. The standard of waste management in Hungary lags well behind the average for EU member states. There are numerous causes of this underperformance: the expensiveness of running the existing out-dated waste management infrastructure, the high costs of its modernisation, the legal difficulties of creating the new type of co-operation networks, institutional incapability, the misinterpreted autonomy of local government, the supposed and actual distortions of competition observable in the waste management market and the lack of social capital.

Hungarian waste management policy is centralized but it cannot be regarded as purely a top-down managed activity: it also includes the continuous relaying and representation of the interests of micro-level actors. In the style of governance of waste management public policy, the

multi-levelledness seen as an EU requirement is spreading, yet at the same time patterns of centralization habitual and familiar in Hungary are also being re-established.

The style of governance can be considered open if the involvement of *businesses* and *economic interest groups* as well as *civil organisations* are already routine. The Hungarian Waste Management Act passed in 2000 gave the government regulatory responsibility for all types of waste. The regional organs of the environmental government operate on the basis of strictly enforced central considerations. However, for the environmental deficit typical of the country to be eliminated and to grow up for the tasks of the enforcement of the regulations following from legal harmonisation, measures in organisational development and a great many more resources than at present are required. The task of the local governments is partly to follow the regulations and partly to see that others observe them. At the same time implementing waste management decisions or postponing them is typical in many respects of the activity of the underfinanced *local governments*. In its planning activity the government co-operates closely with the local governments, businesses and civil groups.

The Europeanisation of public policy has fundamentally changed the motivational mechanism and scope of action of all waste management actors and those affected by this policy area. Local conflicts, court cases and referenda related to waste management issues often involve political party interests and often the well-known NIMBY (not in my back yard) motivation is clearly discernable. Elsewhere, however, as the deposition of waste is a profitable activity for public and privately owned landfills in the period studied, the "PIMBY" motivation (that is put in my back yard) was also widespread. These considerations influence decisions directed at creating subregional associations operating with EU co-financing as well.

In the Central Hungary Region chosen for the case study the network of relations of governmental, private and civil organisations playing a role in waste management is not uniformly dense. While influential institutional actors have a central position, others have only managed to become embedded in the web of market- and bureaucratic relations to a lesser extent. It is characteristic of *the core of the government, local government and private organisations* in the centre of the web that their rich network extends to a wide range of ownership, regulation and customer relations. In contrast with this, the meshing of small local governments and waste management firms on the periphery of the network is mainly determined by whether they are on the demand or supply side in the waste management services market. Although certain communities in the region have undertaken a significant role in accepting waste from Budapest, no distinct trace of this can be found in the development of the network of institutions. The total impact of *civil organisations* is modest, but their relations are rich; they work together regularly with almost all kinds of actors.

The structure of the paper. This paper examines the spreading style of multi-level governance prevalent in the Europeanisation process in relation to the European adaptation of Hungarian environmental policy. The case study used as an illustration presents the evolution and actor-specific examination of the waste management of a region. After presenting concepts of political science and precedents from the European Union, the interactive patterns and networks are described which were created between the local public institution structures, the private sector and civil organisations in the context of European integration, and in particular in the framework of legal harmonisation and the ISPA programme. The paper then presents the main actors and problems in waste management in the Central Hungary Region, and reviews the co-operation and conflicts between regional and local actors, as well as their direct and indirect interconnections with the process of EU integration.

EU INTEGRATION MECHANISMS AFFECTING HUNGARIAN PUBLIC POLICIES IN THE CASE OF WASTE MANAGEMENT¹

INTEGRATION AND THE EUROPEANISATION OF PUBLIC POLICIES

Conceptual frameworks

The process of *Europeanisation* is viewed by political scientists as a gradual transformation which gives new direction and form to national policy and policy-making by making the European Union's policy and economic dynamics part of organisational logic. Most researchers of this phenomenon (Bache 2003) view the Europeanisation process by applying the cause and effect paradigm, thus it is interpreted as a succession of consequences developing in member states of which the cause and driving force is the EU's integration policy. At the same time the member states are not merely passive recipients of incoming pressure from the EU, but they convey their national preferences back to the EU. Researchers who believe the EU is also the product of Europeanisation are in the minority (Wallace 2000). The consensus holds that the adaptational process of nation-states is the result of a certain *compulsion or pressure to adapt*. In the course of this the depth and the dynamics of the changes depend on

- the extent to which there are organisations and supporting *institutions* with the right of veto present in the member state in question,
- what sort of organisational- and policy making *culture* the country has, and
- the extent of the *influence and learning ability* of the actors.

The target groups of Europeanisation are individuals, households, businesses and institutions; i.e. public, private and civil society actors. Adaptation is realised not just on an institutional level but due to this process the acceptance of European values and policy paradigms also changes the identity of the actors and the dialogue between them. The impact varies not simply from country to country but also according to policy area, actor type and institution. In addition to the enlargement of the

¹ Prepared within the scope of the EU-5 research programme entitled "EU Enlargement and Multi-Level Governance in European Regional and Environmental Policies: Patterns of Institutional Learning, Adaptation and Europeanisation among Cohesion Countries (Greece, Ireland and Portugal) and Lessons for New Members (Hungary and Poland)" (ADAPT). 2001–2003. The work of the international team was coordinated by Christos Paraskevopoulos and Panayotis Getimis (Greece).

EU, *deepening* is also frequently mentioned as a parallel concept, and what is usually meant by this is the extent to which integration penetrates the member countries.

Research into Europeanisation has recently laid greater stress than before on bottom-up and horizontal exertion of pressure, on the values and interests of actors, on the enforcement of regulations combined with voluntary learning, on the identity of the actors, on the diversity of the impacts and on the dynamics of the process itself apart from the result (Bache 2003).

It is exciting to pose the question: which *attributes and characteristics of the public policies of nation-states change as the effect of pressure to Europeanise*. In recent analyses (e.g. Liefferink–Jordan 2002) public policy attributes are usually defined as follows:

- the policy *content* (that is the paradigms and objectives of the action of the policy as well as the tools and how they are calibrated)
- the *institutional structures*
- and the prevailing *style* of the interactions.

The EU primarily seeks to integrate the *content* of public policies, but the convergence mechanisms can also affect the structure and style of a policy. In Hungary, for instance, the stated objectives of environmental policy are in complete unison with the objectives of the EU, and its tools, especially the system of legal provisions, can be considered in part Europeanised. Nevertheless, the nature and state of development of the institutions, and the style of the interactions between the actors preserve the old governmental traditions, and they only adapt very slowly to Western European patterns and standards.

Convergence. Describing the phenomenon of Europeanisation would be simple if it could be characterised merely by the metaphor of convergence. However, several researchers believe that applying the convergence theory leads to superficial results and overall it is not sufficiently refined to describe the complex Europeanisation patterns developing in each public policy area in the member states. Four types of convergence mechanisms for the Europeanisation of public policies are distinguished in specialist literature (See e.g. Liefferink-Jordan 2002 and Bennet 1991):

- imitation founded on foreign experiences;
- impact made through the network of elites, based on common understanding and learning,
- harmonisation, an internationally accepted process which is based on mutual dependence and the autonomy of nation-states;
- and penetration, which is based on external compulsion and pressure.

Based on Hungarian experiences, it can be stated that in the process of the Europeanisation of public policies the harmonisation mechanism based on international agreements prevails. The mechanisms based on imitation and elite network learning have been given a role mainly in the preparation of the more significant institutional reforms. Only Euro-sceptic researchers allege that the penetration mechanism would have a significant role in the Europeanisation of Hungary (Böröcz 2001).

The “*governance*” approach emphasises the significance of interaction between actors and of bargaining networks in the area of policy-making as opposed to the traditional “*government*” approach. Dictionaries define both terms as “governing, the action or manner of controlling or regulating”. However, in recent political science literature the increasing use of the term “good governance”, implicitly contrasts this approach with the governments’ traditional “top-down” governmental methods in the centre of which is the rigid interpretation of centrally devised concepts and the continual appraisal of lower levels of government and of all actors. The “governance” approach supplements this with accented new elements. The frequent appearance of this concept implies that public and private sector and civil society actors are becoming more and more active in the policy process. At the same time it needs to be underscored that the more active appearance of non-governmental actors is not necessarily accompanied by the diffusion of power (Ahonen 2003 and Bache 2003).

Multi-level governance. Political science literature devotes increasing attention to this concept as well (See e.g. Hooghe-Marks 2001). It expresses the phenomenon of an increasing number of powers being transferred from the central state apparatus to superordinate international as well as subordinate and co-ordinate domestic organisations. There is no unified view about what sort of model it is practical to base organising this on. In the course of analysing multi-level governance attention needs to be paid not only to the transfer of *powers* (competences) in various directions but also to the right of institutions to levy and dispose of taxes as well as the decentralisation of formal and informal relations in the exercise of power. One of the principal dimensions of the division of power is realisable through regional levels, while the division of power through forms of ownership, legal formulae and economic sectors shade and interlace the basic texture.

The current level of the multi-levelled nature of governance in the European Union is indicated by the fact that the regions can establish direct relations with the central organs of the European Union, as international organisations, bypassing central government. Specifically in the area of environmental protection, the decision-making competence of central governments is also restricted by international agreements, regional autonomies and powers delegated to NGOs.

Open methods of co-ordination. This phrase covers a portfolio of methods of governance which helps to bridge the coordinational difficulties accompanying the

introduction of multi-level governance. In EU practice in the course of the harmonisation of the different public policies of member states the means of command and persuasion are fused in a peculiar manner:

- on the one hand the laying down of common objectives and principles, and the formulation of quantitative and qualitative objectives for member states are prescribed,
- while on the other – dependent on the policy area – co-operation, the exchange of best practices, the devising of action plans for member states, the monitoring of progress at regular intervals, and the comparison of member states' efforts are not so much prescribed but rather encouraged.

Networks. It is a widely accepted perception that the competitiveness of the regions and the success of planning and implementing public policies is determined not so much by the good qualities of individual institutions and businesses than by the richness of their relationships, and by the viability and harmony of *networks* created by the institutional actors. Over the last decade representatives of sociology, and within this of institutional sociology, have also joined the school that researches the significance of networks in the most diverse disciplines of the natural and social sciences (See Barabási 2002 and Paraskevopoulos 2001). Researching the density of relations, centralisation and the structure of networks created by public service, business and civil actors fits in well with the productive sociological paradigm of social network analysis (SNA) developed during the last decade. The quantitative analysis of personal and institutional networks is appears as an ever more widespread method in the examination of economic co-operation, the impact of policies and the spread of innovations (See e.g. Letenyei 2000).

Network building is also a tried and tested adaptation strategy in most organisations during the course of Europeanisation. The enrichment of the structure of the social and institutional networks created by community actors enables information flow and creates confidence, thereby reducing the costs of market transactions, promoting exchange, and increasing the possibilities of co-operation in the risky process of Europeanisation and innovation; network building also leads to positive economic consequences, and facilitates local and regional development. In particular, local development policies can be elaborated and implemented more effectively in close co-operation between the public sector and private actors. On the other hand closely knit networks can also play negative roles if they become the means of avoiding competition or if they serve the reduction of individual autonomies; in such cases they can discourage the spirit of development and thus decrease efficiency. In extreme cases excessively strong networks may lead to protectionism, the development of a political client system, or even corruption and economic criminality. However, most researchers agree that there is a need for measures that promote the creation and development of co-operative networks between institutional actors through legal, organisation developmental and financial support (Triglia 2001).

Social Network Analysis. Apart from the verbal, descriptive approaches applied in the most varied network analysis contexts, quantitative methods based on exact empiria have also appeared. Social Network Analysis (SNA) examines how actors are embedded in the system of relations and assess the characteristics of this network on a mathematical basis with computer support (Scott, 1991).

Social capital – as a feature or resource of a community – is a concept that is increasingly used in explaining the variability of the success in Europeanisation processes. This term expresses in an integrated manner the common values and commitments of the actors, together with their positive traditions and ability to co-operate, the extent of which closely depends on the ability of the local institutional system to adapt and learn. International organisations acknowledge that the general feeling of well-being in a society and the growth of the economy closely depend on factors comprising social capital (OECD 2001).

The EU places ever greater emphasis on "open" methods of governance

In 2001 the European Union issued a White Paper on methods of European governance (European Governance – a White Paper 2001). The document is addressed not only to the central administration of the EU but also to the current and acceding member states, and their regions, towns and civil societies. The aim of the initiative is to increase the openness, flexibility and accountability of the policy process, and improve the quality and efficiency of regulation.

The White Paper

- criticises the slowness and inflexibility of *integrating the Acquis Communautaire into the legal system of the member states*,
- emphasises that *social networks* (the relations of businesses, local governments, research centres and communities) can effectively improve EU policies,
- draws attention to the fact that the wide-ranging involvement of *experts* and the preparation of *risk analyses and impact assessments* related to the Acquis Communautaire and its application can improve the quality and efficiency of regulation, and increase its transparency,
- promotes the involvement of the representatives of *civil society* - i.e. the churches, trade unions, employers' organisations - in interest conciliation and decision-making at an even more intensive level than at present,
- lays down that the culture of dialogue needs to be strengthened and thus accepts a *code of conduct* of consultation in the law-making and policy process.

According to the White Paper, accepting and harmonising legislation is merely one element of spreading European solutions; in addition to this, other non-binding tools should also be given a role, thus proposals, guidelines on application and framework agreements enabling autonomously devised solutions.

The document makes special mention of when and how the Community can apply the so-called Open Methods of Coordination (OMC). In projects that can be typified by OMC, vertical and horizontal coordination is combined with the experimentation of nation-states, EU-level monitoring and the publicizing of successful solutions. The aim of these methods is to create a *framework for policy learning* by the application of guidelines given by central organs, standards, and benchmarking techniques. OMC are a promising means of identifying and monitoring common objectives because they clearly acknowledge national diversity and transform the European Union into a natural laboratory for policy experimentation. In particular, through their use the *multi-level governance* of federal systems can be improved. At the same time OMC make new demands for the development of decentralised and vertical coordination, and make a new institutional design necessary.

OMC are not intended to replace, but rather to complement, traditional legislative and implementation processes. They should primarily be used where the EU treaties can only be applied in a limited manner, where there is a lack of consensus for the use of binding directives, and in policy areas which are too complex to be well harmonised on a European level (Overdevest 2002, Zeitlin 2002).

Since their appearance in 2000 OMC have run a successful course in the practice of European policy-making. In close-to-life experiments they have proved themselves to be suitable for bringing to the surface what works well in solving public policy problems and what does not. The prototypes for the OMC consist of the *entry requirements* for the single market and the European Monetary Union, as well as the implementation of the European Employment Strategy (EES).

The White Paper attaches a major priority to not just the legal steps that should be taken against those who infringe community law, but also to reviewing those areas of the body of law that are difficult to apply, analysing the reasons for this, continuously monitoring the coherence of national and community law and, within the framework of institutional co-operation, to developing the most successful tools for legal enforcement.

Open methods had also been present in EU governance beforehand and the White Paper only shifted the emphasis to a certain extent. The EU's policies that did not have legally binding tools – for example, small and medium-sized business development policy – have always used more vigorously open means (e.g. *recommendations*, *intergovernmental exchange of experiences* realised during benchmarking

and twinning projects, and so-called “processes” formulating actual objectives, which bore the names of the cities staging the initiating conferences) (Futó 1999).

The White Paper provoked a lively debate. Critics pointed out that overemphasising the rights of interest groups could lead to "overloading" the processes of EU democracy (See Greenwood 2002). Today there are already over 1.400 registered interest groups and almost 20.000 interest representations involved in forming European Union policy. For this reason the critics believe it would be timely to examine and accredit interest groups, to make dialogue between the regulated and the regulators more organised in order to avoid the dilution of the interest reconciliation process. Critics likewise condemn the fact that in projects and studies mapping best practices laggard countries are too sharply censured (Porte 2001).

Learning process in the EU's environmental protection diplomacy

Major changes have occurred in the European Union's international environmental protection diplomacy since the accession of Spain in 1986 (Christiansen-Tangen 2001). At Spain's accession negotiations the EU only insisted that Spain accepted the EU's environmental protection regulations and integrated them into its own legal system. This requirement at that time did not involve aspects which would draw attention to the fact that the implementation of the regulations in question could be obstructed by institutional deficiencies or lack of funds.

In the following one and half decades, however, the EU's position vis-à-vis newly acceding countries changed completely. The environmental problems of Eastern European countries represented a greater challenge to the EU than in previous waves of accession. This is because firstly the state of the environment was far worse here, secondly the amount of environmental protection legislation has grown significantly in the meantime, reaching 300, and thirdly in the intervening one and a half decades it has become clear to the EU that if the details of the environmental protection chapter of accession are not duly drawn up, significant subsequent costs can be incurred by the EU. The EU also recognised that the administrative structures of environmental protection in the acceding countries required reinforcing.

Compared to the earlier waves of accession there was a major difference in that in Central and Eastern Europe the environmental protection projects of the EU's pre-accession aid programmes (Phare, ISPA) were instructive from the point-of-view of how successfully the supported countries managed to use the financial aid earmarked for environmental protection. Moreover, the EU in the meantime has recognised that the pace of environmental integration is determined to a large extent by the slowest and most reluctant country.

Due to these developments the EU produced a threefold set of requirements in Central and Eastern Europe, so that applicant countries had to satisfy not only (a) *legal requirements* of environmental protection but also had to find answers to (b) *institutional* and (c) *financial* challenges. The integration strategy thus went far beyond requiring merely the formal transfer of rules of law, and a significant amount of energy was invested in elaborating institution building and financial measures in order to avoid the so-called “implementation deficit”.

Thus the policy of adaptation goes far beyond legal harmonisation, as attention has to be devoted to social interests and conflicts influencing actual decision-making in every acceding country. Due to the different past and political structure of the newly acceding countries, the European Union had to change not only its methods, but also the nature of its own institutions (Fiala 2001).

More intensive Europeanisation in methods and institutions than in objectives and style

One case study examined the quality and quantity of the impact of the European Union on the environmental policy of member states, and through what mechanisms this impact was effected (Lieberink–Jordan 2002). The authors defined the Europeanisation process simply as the impact of European integration on the policy-making processes and the policies of member states. The question was also posed of whether it was at all possible to describe this process of decades as convergence, and thus whether member states are proceeding in the same direction in the area of environmental policy. Another question was whether these changes have general trends valid for all member states. The counterhypothesis proposes that the top-down impact from Brussels has a different effect in the context of each nation-state.

Methodological paradox. Research into Europeanisation here – and also in the case of the adaptation of all other actual policy areas – is made difficult by a general paradox of impact assessments. According to this (Lieberink–Jordan 2002 and Goetz, 2000), Europeanisation research is nothing other than a search for the effect (impact) belonging to a cause; – but as soon as the impact becomes clear in some detail, suddenly several similarly probable competitors appear around the original cause, which also have a rightful claim themselves to being the causes of the observed impact. Applying the paradox to EU integration, the question arises: if convergence does occur, how can it be proved that it was caused by Europeanisation?

Environmental policy is the EU’s most developed area of competence, which over the last 30 years has covered an ever greater number of topics and policy areas related to the environment. At the start of the integration process the majority of the community’s member states already had more or less developed environmental policies, and so convergence or the lack of it was more or less observable for researchers.

The research extended to ten member states (Austria, Finland, France, Germany, Greece, Ireland, the Netherlands, Spain, Sweden and the United Kingdom). In each country a national study was made which outlined the effectiveness of the EU environmental policy.

The results were as follows.

- *As regards the objectives of environmental policy*, it was shown that the acceptance of modern environmental protection principles (for example, instead of just diminishing pollution, its cause as far as possible should be eliminated) was faster and more obvious in EU member states that had had a more progressive orientation towards environmental protection from the start. This placed something of a question mark over the intensity of the EU-specific impact.
- *As regards the methods of environmental policy*, the impact of the EU was more clearly discernable. Thus, for example, in the area of the methods of measuring the emission of pollution and various environmental procedures (impact assessments, offering access to environmental information, environmental management) stronger convergence was perceivable than in the area of the objectives. Furthermore, with the aid of directives environmental standards for numerous products and technologies were unified.
- *As regards the institutional structure of the policy*, here the strongest convergence was perceptible in the institutions of nation-states that have working relations with the central EU organisations. These are usually central implementing organisations, such as the environment ministries, whose units responsible for EU adaptation have come out of the process in a strengthened position. While several member states took steps for the regional decentralisation of environmental policy decisions, the obligation to apply community aspects began an unavoidable *centralization process*. Simultaneously with this, legal harmonisation reduced the influence of national parliaments in making environmental law. At the same time the EU broadened the possibilities for NGOs, which used Brussels as a lever in their policies. The EU also intervened in the conciliation and coordination policy of certain member states in the area of environmental protection, but basically it did not question the traditional methods of the bargaining process in forming regulations.
- *As regards the style of the national environmental policy*, this was not greatly influenced by European integration, and consequently countries where environmental policy had been greener or more preventive in nature, have retained these attributes.

Thus convergence mechanisms largely affected the policy content, in particular through the harmonisation mechanism, while imitation, the example of elite networks and penetration worked less well (Lieberink-Jordan 2002). The impact of the

EU is thus an “interweaving” of the the national environmental policies with its own blue and yellow threads , mainly through its influence on standards, ministries, parliaments and the status of NGOs. Moreover, it “ironed out” those creases which arose following the inception of modern environmental policies in the 1960s. For example, the exclusive use of certain implementation methods was abandoned or the range of private and regional actors involved in conciliation was expanded. Thus the EU has changed in essence neither the fundamental content nor the pattern of the fabric of the member states’ environmental policies, and the environmental policies did not converge in the direction of a single model by any means. It is likely that if the convergence mechanisms do not change, the acceding countries will not perceive the changes as if put into a European straitjacket, and indeed, alongside the phenomena of Europeanisation, environmental solutions and approaches of one or the other of the acceding countries may actually spread within the old member states.

IMPACT MECHANISMS FOR CLOSING THE GAP WITH THE EU IN HUNGARIAN WASTE MANAGEMENT

In the next two sections we shall examine how the learning process that has taken place in the EU’s environmental policy occurs in Hungary in one of environmental protection’s most sensitive policy areas, waste management. Attention is focused on the following issues:

- How does Europeanisation affect Hungarian environmental policy? Through which institutions and which of their networks does it spread? How and through which mechanisms is it enforced and what sort of institutional learning processes does it induce?
- How multi-levelled is Hungarian environmental governance, and what impact has EU adaptation had on it?
- Which form of EU adaptation has succeeded best: imitation, harmonisation or penetration, and in what sense can convergence be talked about?
- Which attributes of governance has been most affected by EU adaptation: objectives, methods, institutions or style of governance?

Harmonisation of the legal system

Legal harmonisation is EU adaptation’s most formal and classic mechanism in the course of which the legal instruments of the public policy in question are transformed in accordance with the requirements of the *Acquis Communautaire*.

Hungary undertook to adjust its ecological policy and laws to conform with EU standards pursuant to the *Treaty of Association* as early as the beginning of the 90s.

Over the last decade the co-operation between the Hungarian and EU authorities has been continuous as regards environmental protection. The EU's annual country reports assessed Hungary's varying results in environmental protection. During the last decade Hungarian environmental regulations were continuously and in all details harmonised with EU legislation. Regulations conforming to the most important EU standards have already been built into the legal system.

The cornerstones of this development are as follows:

- *The Environmental Protection Act.* Act 53 of 1995 on the general regulations for the protection of the environment lays down the comprehensive system of requirements related to protecting the environment, and the economic tools for environmental protection as well as clarifying the obligations of the various major actors.
- *The National Environmental Protection Programme.* Devising the 1997-2002 National Environmental Protection Programme took place in accordance with Parliament's decision no. 83/1997. The National Environmental Protection Programme takes into consideration the EU enlargement document for Central and Eastern Europe, the EU's Fifth Action Programme and the plan of action for the environment entitled Agenda 21.
- *Government Programmes.* The Government Programme for the period between 1998 and 2000 introduced the legal harmonisation programme with the aim of fully conforming with EU legislation in terms of Hungarian environmental law by 2002. The National Programme for the Acceptance of the Acquis Communautaire defined objectives, deadlines for the legal harmonisation, and requirements for institution building and implementation as well as assessed the costs of harmonisation and detailed their financial sources broken down into the central budget, the private sector and local authorities.
- *The Waste Management Act.* Hungarian waste management's basic legal document is Act XLIII of 2000 on waste management, which is already in harmony with the EU Waste Framework Directive no. 75/442. The Act together with the instructions on implementation issued by the ministries in accordance with the Act clarifies the rights and obligations of all types of actors in waste management. The Ministry of the Environment was only given greater responsibility in relation to communal waste pursuant to the provisions of this Act, as previously waste management issues belonged to the local governments and to certain regional level public administration organisations regulating construction. The Act has replaced a previous set of waste management regulations which were lacunary and out-dated.
- *Environmental accession negotiations.* The environmental chapter of the accession negotiations between the EU and Hungary was completed in June 2001. According to estimates the harmonisation costs of only this chapter of

negotiation came to HUF 2.500 billion (approx. 10 billion Euros). Hungary was granted derogation from only four EU regulations. According to the agreement, the EU inspects the range, content and quality of implementation of the harmonised environmental protection regulations, and in case of non-conformance the European Supreme Court is entitled to impose a punishment on the Hungarian government. Of the derogations from EU legislation, two concern waste management: the requirements of EU Directives related to waste incineration and the recycling of packaging materials do not have to be fulfilled by the time of Hungary's accession to the EU.

Results and deficiencies. The results of legal harmonisation to date are significant. By 2002 the majority of EU legislation and standards related to environmental protection had been accepted. Environmental policies are mainly grounded on the use of economic regulation and market-conform tools, and their realisation has been accompanied by a large number of environment-oriented projects. At the same time, most of the problems encountered during legal harmonisation arise from the lack of coordination between the institutions of the respective policy areas and the uneven speed of the adaptation of government organisations. The adaptation process is slowed down by the facts that the system of lower level implementation decrees have been divided between the competent ministries without adequate harmonisation and that numerous local government decrees necessary for their implementation are still lacking.

Implementing the law and institution building

To ensure that rules of law do not remain simply written requirements, the institutional capacity and organisational culture needs to be developed. In the Europeanisation of environmental protection the greatest challenge is posed by the application of law, that is the implementation and enforcement of environmental regulation, and its pre-condition: improving the environmental protection institutional system. However, modern legal enforcement is hindered by inconsistent political decisions, by the lack of resources and information, moreover by the deficiencies of political culture and of environmental awareness.

The Hungarian environmental protection and nature conservancy policy was raised to a ministerial level in April 1988. Since the parliamentary elections in 2002 environmental protection issues have again been dealt with by the same ministry as water management. The institutional decentralisation in waste management was brought about by the change of political regime in 1989 and here the impact of EU integration cannot be shown directly. The environmental protection agencies are in fact units of the ministry and work under its strict supervision.

In the course of the integration process, while implementing environmental protection legislation, the requirements concerning the medium-level institutional structures under the national level are increasing. Various tasks and responsibilities which used to belong to central government organs were transferred from the national level to local governments, and to regional and local levels of decentralised government agencies. The capacity of these organisations, however, is limited both as regards resources and expertise.

The aim of numerous projects of the PHARE programme was the modernisation of the institutional structure of environmental protection. The purpose of many institution building campaigns was precisely to help introduce the EU's environmental legislation and to transfer the member states' experiences. The first wave of these programmes started in 1988-89 when experts delegated by the EU prepared feasibility studies, and made IT and organisational development proposals. Later their support was manifested more and more in the financing of investments, and then from the end of the 1990s the investment programmes gave way to the so-called twinning programmes in the framework of PHARE. Within the framework of these programmes, EU experts arrived from national environmental protection agencies and implemented actual projects in Hungary.

Waste management planning

Waste management planning is one of the most important coordination mechanisms of multi-level governance as at the same time as the plans are prepared, a kind of informal bargaining occurs between public administration levels, the economic interest groups and the civil sector. The preparation of plans is an element of key importance prescribed by EU environmental law, which the Hungarian environmental policy has also adopted.

The National Waste Management Plan was passed by Parliament in 2002. Drafting the Plan was preceded by a broad interest reconciliation process. Among its aims are the recycling of half the packaging materials by after 2005 and that after 2008 landfills can only accept waste which can neither be recycled nor incinerated. The implementation of the Plan between 2002 and 2008 involves an expense of HUF 360 billion (1.4 billion Euros). The government intends to finance one third of this from EU ISPA funds.

The work is hierarchically organised as subsequently regional, county and local waste management plans, in part of a compulsory and in part of a recommended nature, will also be prepared. The waste management plans influence decisions made by administrative bodies, and determine the basis for implementing projects, and thus their impact extends to all waste producers and organisations dealing with the collection, elimination and utilization of waste. Waste management projects which do

not conform with these plans cannot be financed from environmental funds. Planning work is largely the task of the environmental protection apparatus. This involves new, hereto unknown and non-customised work which is not so much official work but rather a series of interest reconciliation measures and management tasks.

EU supported development programmes for the waste management infrastructure

The objectives and means of programmes co-financed by the EU have been defined in a way so as to force co-operation between groups in the public, private and civil sectors. These projects can only be realised through public-private partnership (PPP), that is by creating an alliance of the local governments of nearby communities with each other and with private waste treatment companies.

The Community financially supports the process of complying by Hungary's obligations arising from EU membership. Jointly with Hungarian government actors, it co-finances important projects of modernising the infrastructure of environmental protection, and ensures material and professional resources for the implementation of legal harmonisation, and the introduction of changes in environmental policy. Already a number of waste management projects have been co-financed by EU grants.

In the course of the 90s the efficient and transparent institutional conditions of the community financing of environmental investments were created. A system of institutions receiving moneys from EU pre-accession funds was gradually established. In the first years following the change of regime most EU support was provided by the PHARE programme, which also supported many environmental protection projects. This programme is gradually being phased out and replaced by the ISPA and SAPARD pre-accession programmes. Almost half of the resources of the ISPA programme is devoted to protecting the environment.

Although the support programmes help in financing new investments, the annual operational costs of the infrastructure created as a result must be paid by the local governments and their private business partners. For this reason such projects often produce either contractually based proprietary co-operations between the beneficiary local governments or PPPs involving the infrastructure-owner local governments and the infrastructure-operator private companies.

Due to coordination problems and the lack of local resources, a relatively long time is devoted to organisation and planning of projects as compared to actually building these facilities. Another unfavourable phenomenon is that, because of the forceful lobbies of local and sectoral interest groups, environmental projects are often aimed at areas with questionable priority thus leading to lower environmental performance.

In the framework of the ISPA programme the EU has planned in the years 2000-03 to support the development of 12 integrated waste management systems across Hungary. In fact in 2002 six integrated waste management projects were in the process of realisation in the country, each of which will be able to accept waste from several dozen communities². The programmes typically embrace the building of a series of regionally scattered waste management infrastructure (waste collection, composting, selection and transport capacities) at the centre of which is the development of a high-capacity, modern, central landfill.

THE DOMESTIC SCENES OF MULTI-LEVEL GOVERNANCE IN WASTE MANAGEMENT

The development of conciliation between the regional levels of public administration

The formulation of regulations for waste management is the duty of the central government and, in the course of this, agreement must be reached with EU institutions. The lower levels of public administration and regional development may participate in the bargaining process prior to the making of regulations but they receive a more significant role in the sharing of funds and in the implementation of legislation, as well as supervising the application of the law.

The *regions* as official bodies are among the least significant actors in regulating the waste management market. Nevertheless, they influence the sharing of funds from the EU and Hungarian central budget, and thus they can have a great impact on the investment decisions in waste management infrastructure. Their key development documents, the so called regional strategic plans usually take waste management aspects into account, and in the framework of complex waste management programmes make provisions about establishing regional landfills, waste recycling programmes, the recultivation of filled, uncontrolled landfills, and assessing and stopping illegal dumping sites.

The *counties'* waste management role has been gradually decreased in spite of the fact that pursuant to effective legislation the county self-governments are obliged to take part in waste management development, satisfying the environmental aspect within the territory of their county. County self-governments can also prepare a waste treatment plan but this is not compulsory. If they do, however, they must coordinate local waste management plans, promote the demarcation of joint waste treatment areas of local governments, and co-operate with other county self-governments in the implementation of waste management tasks.

² Two of these subregional projects fall within the area of the Central Hungary Region examined in detail below.

The city of Budapest is a special unit in the solution of the waste issue. The capital produces the highest quantity of waste per capita in the country. Budapest's landfills are situated in the capital's agglomeration, which means there is a significant flow of waste from the centre to the periphery. The incineration of solid waste also creates conflicts between the capital and the agglomeration. The country's largest waste incinerator, which is owned by the Municipality of Budapest, is in the capital, but causes air pollution taken by prevailing winds to neighbouring communities. The legal pressure from these communities contributes to the realisation of an environment-friendly solution at the waste incinerator (more effective off-gas filters). The Mayor's Office of Budapest is at one and the same time the owner and the biggest client of Hungary's largest waste management company, the FKF Rt.

The local governments have to shoulder the greatest responsibility for the location of communal solid waste produced in their community. They provide waste management services either by a local public service company in their own ownership, or through a private or possibly mixed ownership company. Waste management is only one of the many policy areas where the obligations of the local governments do not correspond with their funds. The Waste Management Act (2000) and the National Waste Management Plan (2002) made this fact even more visible by prescribing that all landfills lacking modern sealing must be closed, compelling local governments to handle organic solid waste separately, and to check the compliance of locally owned landfills. In practice the local governments ignore these statutes, and the government has no means of intervening to encourage law-abiding behaviour. Local government associations often condemn the fact that the government does not provide funds commensurate with their obligations.

The development of conciliation with economic interest groups

In Hungary from the mid-nineties increasingly greater stress was laid on co-operation between the private sector and the government in the framework of legal harmonisation. In drafting legislation government environmental protection organs have developed the practice of social conciliation whereby the interested parties are usually questioned separately. Experiences show that this way more serious added value and a more useful set of principles is obtained from the actors than by sitting down with the representatives of all stakeholders around the same table.

The acceptance of regulations related to waste and waste management plans is today always preceded by conciliation and a bargaining process. Governmental organs send draft plans on the basis of a list to those affected: interest representations, trade unions and chambers, for facts and opinions, and these organisations are also invited to ministerial or interministerial forums. The form of co-operation with governmental organs in many cases is an impact assessment prepared by professional organisations. Big business interest groups (such as the Confederation of Hungarian

Employers and Industrialists) established environmental protection working committees, and the members of their specialist networks are corporate experts. Thus over several years the conception of the Waste Management Act and the National Waste Management Plan was negotiated and agreed, and in this process conferences and other forums also played a role.

However, the possibility for businesses to enforce their interests did not stop at that. In practice it has been established that if companies cannot be reconciled with an official decision, they routinely turn to political intermediaries: to representatives of the Parliament and to political decision makers such as Secretaries of State.

Within the economic interest groups, waste management companies and waste treatment enterprises form a separate sector from the viewpoint of waste management. If smaller and specialist companies are also taken into account, throughout Hungary there are over 1.400 companies dealing with waste collection, deposition, utilization, transport, and processing or treating hazardous waste. These services are partly in private ownership, the larger usually owned by foreign investors, while the other part comprises waste treatment enterprises either in partial or full public ownership, which are closely connected to their client local governments.

While the association of publicly owned waste management companies dates back to decades, lately the privately owned waste utilization and waste treatment companies have also formed their own trade associations. These lobby groups intensively represent their interests at various government and local government levels in areas such as rule-making, choice of public and private investment strategies, and the application of funds from domestic, foreign, private and central budgetary sources.

There is lively competition between landfills in the course of which the operators and owners of the facilities (including local governments) compete to obtain waste produced in a specific area in order to achieve cost efficiency for the landfill. Due to the distinctive features of regulation and the waste management market in Hungary, the NIMBY (Not In My Back Yard) syndrome is supplemented by what can be called the PIMBY (Put In My Back Yard) syndrome. This acronym in the domestic environment means that landfill owners, both public and private, compete for waste to be put in their landfills.

The interest of private waste treatment companies is the further liberalisation of the waste management services market, and the introduction of freer competition in those local markets where companies in local government ownership are still in a monopoly position. A few privately owned waste management companies consider themselves the losers in EU integration due to the EU financed waste management programmes, as these programmes give their publicly owned rivals an advantage. Another competitive disadvantage is that the publicly owned companies are much

closer to the managerial and investment decisions of their main clients, the local governments.

One of the conditions of the Europeanisation of waste management is that the several thousand landfills now operating in Hungary will be reduced to at least one tenth the present number which, however, will have to conform with the requirements for modern landfills. The number, capacity and optimal geographical location of the landfills to be created is currently being debated. This debate typically has companies already with a landfill on the one side and local governments without such a facility on the other. Opinions are greatly influenced by the former investments of the actors.

The development of conciliation with the population and with civil organisations

Since the mid-nineties the institutional system of public hearings and other forums designed to express citizen's opinion has developed gradually. Numerous laws adopted on the EU pattern prescribe the involvement of citizens in the decision process; such are the acts on environmental impact assessment or on the prevention of integrated pollution. Similarly, if Phare or ISPA support is earmarked for an environmental project, the opinion of the public concerned must be sought by the beneficiary organisations and the results must be documented. Local communities often use these opportunities and occasionally obstruct the realisation of planned investments. In other cases, however, the role of public forums is insignificant and are only a formality.

In the course of social conciliation, decision-makers regularly listen to the opinion of environmental protection organisations despite widespread beliefs that opinions of such NGOs often overemphasise the possibilities of prohibiting and obliging, and do not take into account economic tools and the economic consequences of a measure. Contact between the environmental government and the green movements is not regular enough although the framework for conciliation was created a long time ago.

The activities of the green movements are hindered by financial and legal problems and the lack of volunteers. Local governments fail to assess which environmental tasks could be assigned to the local civil movements, but it must be admitted that often civil movements would not be capable of doing them. On the other hand most local civil movements are typically more prepared as regards European regulation than the regionally competent local government.

CASE STUDY: SURVEY IN THE REGION CENTRAL HUNGARY

Besides reviewing the Europeanisation process in the Hungarian waste management sector, the research has also analysed the behaviour of various main actors in the process and mapped the actually formed networks of relations through a survey of an actual regional survey using in-depth interviews and questionnaires.

Survey of the actors in waste management policy

In the framework of the survey structured interviews have been made with 32 institutional actors in waste management in the Central Hungary Region, public institutions, companies and civil organisations. When necessary several individuals within the same institution were questioned.

Subject matter of the interviews. Interviews have covered the following areas:

- The *network of relations* of the organisation in question with other organisations and institutions;
- The appearance of EU *integration mechanisms* in the organisation in question, and their impacts on the organisations' network;
- The *processes of adaptation and learning* in the organisation in question.

Sample from the population of actors. In selecting the actors interviewed (institutions, companies, organisations) an important consideration was that they should represent every major type of stakeholder including government and local government institutions, actors of the private and civil sectors in the field of waste management in the Central Hungary Region. Actors were classified as follows:

- About half of the institutions questioned represented the central, regional, subregional, capital and local administration, with special regard to the representatives of the environmental government. The sample contained a territorially representative sample of the local governments of the region.
- A significant part of the institutions questioned were actors from the private sector. Among the respondents there was a representative sample by activity of the region's active waste management companies and their alliances. Besides the representatives of waste producing companies these are mainly enterprises that perform their waste treatment services mostly on behalf of local governments. The larger waste treatment companies are usually owned by larger communities or foreign owners and are mostly the Hungarian subsidiary of a holding company operating in an EU member state.
- Some other organisations questioned belong to the civil sector; these are environmental protection groups dealing with waste management issues.

Table 1
Interviews made in the framework of the research

Government institutions	Ministry of Environmental Protection and Water Management (ISPA Department and Waste Management Department, Budapest), Central Danube Region Environmental Protection Agency (Budapest).
County self-government	Pest County Council's Environmental Management Office (Budapest).
Regional development institutions	"Pro Regio" Agency: Central Hungary Development and Services Public Benefit Company. (Budapest).
Subregional associations of local governments	South Buda Region's Regional Development Local Government Association (Budakeszi), Zsámért - Zsámbék Basin Regional Development Association (Biatorbágy).
Local governments	Aszód, Municipality of Budapest's Public Utility Department (Budapest), Budakeszi, Csömör, Gödöllő, Pusztazámor, Solymár, Zsámbék.
Waste management companies	FKF Rt., Budapest Municipal Waste Company (Budapest), Ökoviz Kft. (Cegléd), VÜSZI Kft. (Gödöllő), Ceszolg Kft. (Cegléd), ASA Hungary Kft. (Gyál), Biofilter Kft. (Budaörs), Doppstadt Kft. (Zsámbék), Ereco Co. (Budapest), Pyrus-Rumpold Kft. (Budapest-Aszód), Becker Kft. (Érd), Mózes Kft. (Cegléd), Selective Waste Utilization Kft. (Tura), Rumpold Bicske Kft. (Bicske).
Trade associations, entrepreneurs' interest representations	Association of Private Communal Waste Management Companies (Budapest), Public Hygiene Society (Gárdony), National Association of Waste Utilizers (Budapest), Confederation of Hungarian Employers and Industrialists (Budapest).
Environmental protection and nature conservancy associations	Humus - Waste Work Association (Budapest), Zsámbék Basin Nature Conservancy Association (Perbál).

Description of the selected region from the environmental aspect

The selected case study region Central Hungary includes the 1,8 million-strong capital and the surrounding Pest county, home of 1 million people. The region appropriately illustrates the centre-periphery relation as regards environmental issues.

At the same time, it must be noted that the Central Hungary Region, which is relatively small, densely populated and centralised compared to the other six regions of Hungary, is not typical inasmuch as the conflicts between actors appear to be sharper here than in other areas of the country. The capital produces a large amount of waste but does not have an area within its own boundaries suitable for its deposition. For this reason, the capital co-operates with communities in its agglomeration to use their areas for waste deposition purposes. In the region this and other interactions in waste management well demonstrate the mutual dependency existing between the capital city and its surrounding area.

In the capital itself the general state of the environment has become a veritable bottleneck of urban development. On the list of the city's problems air pollution and sewage disposal are the most acute problems, followed by the lack of green areas in the overcrowded inner city districts. The surrounding densely populated agglomeration is of an agro-industrial nature. Moving away from the agglomeration, into rural areas, the state of the environment mostly depends on whether in the specific community heavy industry, a dense transport network, agriculture or significant natural resources dominate.

The production and collection of communal solid waste is characterised by the following facts in the case study region:

- *In the capital* the quantity of solid communal waste collected in the framework of public service is approximately 4 million cubic metres per annum. During the nineties the capital's population decreased by ten per cent which also reduced the quantity of urban waste in Budapest. Organised collection of waste covers almost 100 per cent of the capital. Hungary's only communal solid waste incinerator operates here, processing 60% of the solid communal waste collected in the city. At the beginning of the nineties four landfills operated in the area of the capital but these all became full and were closed down. Since then some 40% of the capital's communal waste has been deposited in landfills in the surrounding Pest county.
- *The surrounding Pest county* produces an annual amount of solid communal waste of 1.7 million cubic metres, which increased in the course of the nineties. The organised collection of waste is developing dynamically in the county but the service still does not cover every settlement.

The following facts characterise industrial waste production in the region:

- *Hazardous waste.* Companies are obliged to report the production of hazardous wastes and thus there is accessible data about their production. Production of hazardous waste fell significantly between 1993 and 1997 both in Bu-

dapest (from 600,000 tonnes/year to 200,000 tonnes/year), and in Pest county (from 400,000 tonnes/year to 75,000 tonnes/year).³

- *Non-hazardous industrial waste.* This category of industrial waste can be estimated to be 1,660,000 tonnes/year in Budapest and 780,000 tonnes/year in Pest county.

Table 2
SWOT analysis of the Central Hungary Region's communal solid waste management

Strengths	Weaknesses
Well-organised solid communal waste collection in Budapest Improving solid waste collection in Pest county. Recently established regional landfills.	Complex and significant pollution arising from the city's role as a capital and the central role it plays in the transport infrastructure – (Budapest and its Agglomeration). Lack of selective waste collection - (Region). The region is typified by the continuous practice of dumping waste at illegal, uncontrolled sites and a high number of illegal waste dumps (Pest county). Many legally operated landfills do not conform to the basic hygiene requirements (Region). The problem of special waste (e.g. car batteries, batteries) partly unsolved (Region). The local governments' tight budget hinders the enforcement of a number of environmental considerations – (Region). Poor awareness of the environment – (Region).
Opportunities	Threats
Spreading selective waste collection. Developing integrated waste management through national and ISPA financing. Developing the waste utilization industry. Organising collection of hazardous household waste. Spreading household composting.	Illegal waste dumps pose a health hazard. Illegal practice of dumping sewage sludge in landfills maintained for solid waste. The air pollution impacts of waste incineration cause conflicts between local governments. (Affected districts and communities in the Agglomeration took legal steps against the city of Budapest). Conflicts between local governments due to their underused landfills which became obsolete due to competitive investments in nearby communities (The region's various subregions). Conflicts from outside Pest county due to the waste coming to the county's landfills.

Source: compiled by the authors based on interviews made during the ADAPT research, also using the following two documents: Közép-Magyarország [Central Hungary] (2001) and Pest Megye [Pest County] (2001).

THE SOCIAL NETWORK

In the course of the interviews the actors were asked to give a detailed account of their social network. One important criterion of the success of the waste manage-

³ Category changes also played a role in the large-scale reduction.

ment policy is the co-operation of a wide range of actors in its implementation. In this policy area, too, the harmonised action of autonomous actors is an important condition of environmental performance and appears to be the only behaviour pattern that can be followed in the future. A good example of this is the compulsion to co-operate of local governments as only in this manner can economical plant sizes be created for their waste management investments.

The research has assessed the network which arose in the course of administrative and market coordination: long lasting relationships of ownership, subcontractorship and between service providers and their customers. Also projects initiated jointly by stakeholders for a fixed period were taken into consideration, some of them creating more or less regular, occasional, formal and informal relations between the investigated stakeholders. The raw relational data gained from the interviews was quantitatively assessed and processed using the standard Social Network Analysis method by computer application using UCINET 6.0 software.

Determining features of the social network created by the waste management actors of the Central Hungary Region were as follows:

The quantitative analysis revealed that the majority of relations fall into two groups.

- One part of the relations can be interpreted in the *market, supply and demand paradigm*. The most typical demand side actors are regional local governments, while on the supply side there are the waste management service providers.
- Another set of relationships is of a *bureaucratic* nature: e.g. such are the relations between environmental protection agencies and all other actors subject to the regulations.

One of the interesting results of the analysis is that in the centre of the network relations between the most significant supply and demand actors are rich: their ownership-, regulation- or customer relations have a strengthening or balancing impact on each other. Such an actor is, for instance, the capital's waste management company. In comparison there are smaller local governments or waste management companies on the periphery of the network which are confined to a simple clear-cut role on the demand or on the supply side of waste management services and characteristically develop a poorer network of relations.

Further characteristics of the network:

- *Density*. The network's density shows how rich or poor the actors' network is. As expected, the density of relations is rather uneven if the different groups of waste management actors are compared. The most dense is the subnetwork comprising government sector institutions, publicly owned waste

treatment companies and their trade associations as well as of the largest private-owned waste treatment companies with their numerous subsidiaries, and customer and subcontractor relations.

- *Degree of centrality.* Centrality indicators are intended to reveal how deeply an actor is embedded in the network of relations and how centralised the network is, i.e. how dominant a role its centre and subcentres play. Asymmetric relations are typical of the waste management networks of the case study region. Actors in the centre of the network, such as the Ministry of the Environment and the region's Environmental Protection Agency, were mentioned by name by many respondents, while these institutions themselves only highlighted their most important administrative relations. On the other hand, local actors mentioned relations of a broader range compared to how often they were mentioned by others. The network of relations shows the phenomenon that landfills of a subregional or regional attraction are a *scarce resource*. This means that their operators, and private and public owners are embedded more deeply in the waste management network, that is these organisations have a more central role in the region's waste management market than other communities or companies without a landfill.
- *Structural equivalence.* The aim of this calculation is to reveal groups of *similar structure* among the actors as regards their relations. In the region examined the algorithm seeking structural equivalences revealed the following four groups: (1) The first group comprises actors with strong relations accounting for half of the sample. The density of relations within this group is about twice as dense than the density of relations within or between any other blocks. The members of this group are central (national) administrative institutions, the capital city and a few communities and companies which have easy access to subregional landfills. (2) The second group contains the bulk of waste management companies. The web of relationships of these companies within the sample are relatively poor. They are strongly connected to their client communities but their relations between each other are weak, which can be explained by the fierce competition in the market of waste management services. (3) The third group of actors consists of important regional public actors such as the implementation organ of the Regional Development Council and Pest county as well as the trade association of publicly owned waste management companies. (4) The fourth group only includes local governments and their subregional associations. They only connect to each other horizontally if they are neighbours or use a *landfill* owned by another local government, or if they belong to the same subregional association. Their vertical connections, however, with the third group, county and regional organs, are strong.

Based on the above analysis there is a phenomenon worthy of attention. While within the region on the one hand, the *capital's institutions* belong to the first group

representing the most dense network, where organs with a national influence can also be found, on the other hand the system of relations for *institutions representing the region and the county* is different from the above and forms a separate group. Thus while the capital city depends strongly on surrounding areas regarding the *physical processes* of waste management, the *institutional network* of waste management shows a very different picture: the capital and the few communities and waste management enterprises involved in the capital's service are distinctly separated from the institutions, local governments and enterprises of the region's remaining areas.

The reason for the lack and undeveloped nature of the relations is often that the civil culture in Hungary concerning the environment is relatively undeveloped and cannot be compared to the level of self-conscious environment-aware behaviour observable in Western Europe. The amount of illegally dumped waste is very high in Hungary, which is a reliable indicator of the deficiencies of social capital, i.e. the willingness to co-operate and the level of consciousness of citizens. Compared to the infrastructural investments being made in Hungary with EU co-financing, PR campaigns on any waste management topic, including selective waste collection or fights against illegal dumps could be made *significantly cheaper*. In this area, however, there is a significant lagging behind and this disadvantage has *not been eliminated through EU aid programmes* either.

Conflicts between the actors. Waste management policy is not only typified by *co-operation* between the various actors but also by *conflicts* and *competition*. Europeanisation restructured conflicts as well as mechanisms for their solution in the area of waste management. The Central Hungary Region and within it Budapest are different from the other regions inasmuch as inter-communal and inter-sectoral conflicts related to waste management are sharper here. A part of waste conflicts are of a market protection nature. The opening of the country's borders was not immediately followed by the free flow of the so-called green list (non-hazardous) waste. For instance, entrepreneurs' worries regarding the impact of exports of iron waste on the raw material supply of Hungarian steel production were listened to in governmental administration and the resulting measures have created substantial business for metal recycling companies.

Table 3
Conflicts and tensions between the different waste management actors in Hungary

Causes and their EU aspects	Ensuing conflicts and tensions
EU harmonisation of environmental protection legislation, growing complexity of environmental tasks	Conflict over resources on a macro level, as the implementation of all EU environmental instructions amounts to more than 10% of Hungary's GDP.
	Conflict over resources on the level of applying the law, as environmental agencies cannot cope with increasing tasks due to lack of manpower and expertise.
The government and the EU co-finance landfills and other waste management infrastructure within the ISPA programme, whose beneficiaries are public institutions.	Conflicts of a NIMBY (not in my back yard) and PIMBY (put in my back yard) nature over the deposition of waste between local governments, and between civil organisations and waste management companies. Procedural conflicts due to unregulated Public-Private Partnership. Infrastructure financed from public funds creates competition for landfills established by purely private investment. Competitive conflicts between privately and publicly owned service providers for the local government market and investment sources.
The EU only supports waste management systems of regional significance.	Due to this, trends to centralise waste management are typical, the landfills will become ever larger, and an increasing amount of waste has to be transported between communities. This trend reorganises the spatial structure of the flow of waste and creates new relationships of dependency between communities.
Continuing debate on the optimal treatment of waste, which is influenced by the EU regulations (incineration, landfills, recycling, etc.)	Trade and local groups with opposing interests develop. For example, conflicts between communities over pollution caused by waste incineration dependent on prevailing winds.
Illegal dumping in public areas: one of the signs of the weak implementation of harmonised EU regulations.	This results in conflicts between the environmental agencies and local governments on the one hand, and households and companies on the other.
The majority of legal landfills does not satisfy EU environmental, technical and health requirements. Their continued use is one of the signs of the weak implementation of EU regulations.	This results in conflicts between landfill owners and operators (mainly local governments) on the one hand, and environmental agencies on the other.
Local governments transfer responsibility for communal waste management to private and semi-private (local government-owned) companies. Landfills in public ownership are for financial reasons usually operated by PPPs. There are financial reasons for this but the EU also supports this institutional arrangement.	Disputes related to procedural rules, conflicts over contractual conditions, waste fees and collection methods.
The time schedule for the solution of various environmental tasks (e.g. sewage treatment and waste management) depends on local circumstances, but EU obligations and resources influence the order as well.	Conflicts between groups of various business interests which influence public affair decisions.
Selective waste collection is a legal harmonisation obligation, but it is only profitable for certain types of waste (metals, paper).	Conflicts between local governments, profit-oriented service providers and environmental interest associations over plans for the financing of the selective collection of waste.

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