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## Catching up with the West? Europeanisation of rural policies in Hungary and Poland

This paper presents a comparative perspective on Europeanisation of rural policies in Poland and Hungary. We focus on developments in these two countries in the last decade and situate them in a broader European Union (EU) narrative. This exercise shows that Europeanisation in rural development has been mostly a one-way process of transferring the EU-15 policy models into the post-socialist realm. The policy system has lacked contextual sensitivity and recognition of the significant differences in political and institutional cultures both within the Central and Eastern European countries and between the 'old' and 'new' EU Member States. The results are low effectiveness of development aid, coupled with the lack of policy learning and the possibility for gradual improvements of the system. We look here especially at the delivery of LEADER and how its transformation from being an experimental bottom-up innovation into a mainstream delivery mechanism of rural policy has affected its transfer to Hungary and Poland. We conclude with some recommendations for improvements in rural policy delivery and with some research questions to encourage further research.

**Keywords:** Common Agricultural Policy, governance, LEADER, welfare state decline, post-socialist transformation

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### Introduction

The fall of the 'iron curtain' resulted in a massive and quite spontaneous mobilisation of actors and resources, boosting significant economic and social transformation. In the Central and Eastern European (CEE) countries,<sup>1</sup> the idea of 'catching up with the West' became a fundamental underpinning of rural policies, attracting a broad variety of stakeholders to get involved. Contrasting the discredited socialist status quo, 'Western' values became here the new points of reference. 'Western models', it was hoped, would offer adequate solutions to burning issues in the CEE countries. After the political changes, in the early 1990s both Hungary and Poland were characterised by a systematic reorganisation of economic and social life and searching for new ways to handle rural issues. Many new initiatives and projects were implemented that attempted to tackle socio-economic problems of the countryside by channelling foreign aid, a process widely supported by 'Western' nations.

The 2004 European Union (EU) enlargement challenged the national rural policy systems<sup>2</sup> of the New Member States (NMS) in many ways, provoking conflicts between the political and institutional cultures of the old regimes and the emerging new approaches. Hungary and Poland, as path-dependent former socialist countries in CEE, are similar in many aspects relevant to rural policies (such as the prevalence of rural population and the strong dependence of the economy on the agricultural sector). Moreover, they have close historic links and a tradition of mutual support in various policy arenas that has continued to the present day (see for instance ENRD, 2012). Nevertheless, they are very different in many other ways (size, geography, total population, urbanisation, administrative structures etc.) and highly path-dependent in their own cultural and institutional contexts. Especially one may note that Poland has more large urban

agglomerations than Hungary, which affects the positioning of rural areas in the overall transformation (development) discourse, making the urban and industrial lobby stronger in the first case.

From the late 1980s, the EU repeatedly failed to reform significantly the Common Agricultural Policy (CAP). The start of the new Millennium brought Agenda 2000 with the hope of 'injecting' more sustainability into the system. It was also a preparation for embracing much greater diversity which, especially in social and economic terms, was a consequence of the 2004 EU enlargement. During the early phases of the negotiations for EU accession, for a while, CEE country governments seemed to be willing to accept a differently structured rural policy package compared to the EU-15. This could have meant lower direct payments and a significantly higher share of rural development funding, if they received the expected financial aid in some way. Thus, during the design of Agenda 2000, for a historic moment, there was a chance that the Eastern enlargement could become a global experiment to change fundamentally EU rural policy into a more sustainable direction. Nevertheless, this chance was lost, as Agenda 2000 materialised as only a slight incremental reform of the CAP and most NMS turned out to be strongholds of the old industrial agricultural approach.

This study critically reviews the post-socialist transformation concerning rural development. We use Poland and Hungary as examples and concentrate mainly on the evolution of rural policies in these two countries as a consequence of Europeanisation. In the wider literature Europeanisation is both enthusiastically and critically depicted by scholars, and often burdened with blurred or even contradictory meanings (Lackowska-Madurowicz, 2011). For instance Bache (2008) views it as a top-down process of EU policy 'downloading' by Member States. Börzel (2002), presenting a broader vision, combines downloading with 'uploading' of the domestic policy frameworks. Moreover, Europeanisation can be synonymous with EU policy learning (de la Porte and Pochet, 2002; Featherstone and Radaelli, 2003). In the rural policy context, Page (2003) and Gorton *et al.* (2009) consider

<sup>1</sup> In this paper the term Central and Eastern European (CEE) countries refers to the ten countries in the region that joined the European Union in the mid-2000s.

<sup>2</sup> In this paper we understand rural policy as an evolutionary policy, forming a part of multiple frameworks, especially the CAP, territorial and cohesion policies and domestic approaches.

Europeanisation as a homogenisation affecting economic and political structures, while shaping the CAP. Others (e.g. Copus and de Lima, 2014) describe it as the integration process of particular Member States into the EU policies. Here, apart from the CAP, an account is particularly being taken of a broader framework and notions of EU rural policies, such as territorial cohesion or urban-rural linkages.

## Methodology and research questions

This comparative study uses triangulation based on literature survey, evidence from two research projects<sup>3</sup> and participant observation by the authors through direct engagement in rural policy consultancy over the last 15 years. The essential part of this qualitative inquiry was semi-structured interviews with experts involved in the delivery of rural policy in both countries (15 in total, representing the public and NGO sectors), focused on the design process of the 2007-2013 Rural Development Programmes (RDPs) and particularly on its institutional side. While the objectives of both projects were much wider in scope, concerning rural policies across the EU, for this study we concentrated on the adoption of EU rural policy through the LEADER approach in Hungary and Poland. We present some results of this inquiry and contribute to the debate about the following questions: (a) was the ten years that have passed since the Eastern enlargement sufficient to 'Europeanise' rural policies in Hungary and Poland; and (b) what have been the main obstacles to policy learning?

## Challenging old regimes – new rural policies in the CEE countries

The post-socialist transformation has been subject to various coordination attempts over the last two decades. Agriculture, rural areas and their most important stakeholders have undergone radical changes. An essential part of the transformative agenda was the establishment of new institutions and governance structures for the delivery of EU aid. Yet, the desired transformation towards Western values and living standards was not without problems and provoked ongoing debates and conflicts between stakeholder groups (Augustyn 2009a). In our view, at least two major phases of the post-socialist transformation of rural policy could be distinguished when describing these processes: (a) exploratory (from the end of 1980s until the EU accession in 2004) and (b) adaptive (after 2004 and still ongoing).

The crucial element that differentiates these two phases in our analytical framework is the notion of rural policy (Table 1). As observed by Adamowicz (2000), during the exploratory period of the 1990s, in the post-socialist countries rural policies were less apparent and uncoordinated, while approaching the accession to the EU rural development policy became a compulsory part of the Europeanisation agenda

. The growing emphasis on this, however, cannot be simply explained by the accession of the NMS to the EU, as it was emerging in parallel with the so-called Pillar II of the CAP. Backed by important reforms (such as Agenda 2000 that created Pillar II), rural policy was becoming an essential instrument to channel EU funding into rural areas. Traditionally concentrated around agricultural production, the CAP under Pillar II began to emphasise multifunctionality of agriculture and the benefits that rural development can bring to a wider society in terms of public goods, environmental services and economic diversification. Nevertheless, it is still disputed if Pillar II is a real innovation dealing with rural development or rather an extension of the Pillar I payments (Dwyer *et al.* 2007; Copus and Dax, 2010). On the contrary, the instruments of cohesion and territorial policies offered a broader scope of intervention, embracing policy sectors other than agriculture (Ward and Brown, 2009; Dax, 2014).

Institutional changes have been at the heart of both phases within this overall transformation in the former 'Eastern Bloc'. In the 1990s, following the official end of socialism, agriculture and rural development in the newly emerging democracies were principally shaped by a number of multi-lateral agencies and donors (such as USAID, World Bank, FAO and UNDP). In the new Millennium, the EU became the key driver in this process. Its institutions, networks and values were gradually adopted by the NMS. The overall allocation of public expenditure for the 2007-2013 RDPs had been so far the largest rural policy funding mechanism in the CEE countries. It amounted to EUR 5.3 billion in Hungary, EUR 17.4 billion in Poland (the latter being largest EU and NMS beneficiary), whereas EUR 151.5 billion was distributed among the EU-27. These sound volumes of financial aid were greeted with huge enthusiasm and mobilisation of stakeholders at all levels.

On the other hand, with the EU accession and adaptation of its policy delivery models the enthusiasm of the 1990s' transformative phase quickly burnt out. To absorb available EU funding became a prime objective and rural stakeholders gradually adapted to functioning within a 'contract culture'. Programmes, projects, targets and deliverables in a managerialist manner began to replace the endogenous, voluntary developmental spirit. Civil movements in Poland and Hun-

**Table 1:** Some common features of the two phases of rural policy evolution in Hungary and Poland since 1989.

|                       | Exploration (1989-2004)  | Adaptation (after 2004)  |
|-----------------------|--|--|
| Rural policy regime   | Lack of a dedicated rural policy, rather within agricultural and social policies               | Rural policy evident in rhetoric, official documents and stakeholder actions           |
| Funding sources       | Development cooperation with multi-lateral donors, especially USA and EU (pre-accession funds) | EU through the European Agricultural Fund for Rural Development                        |
| Key policy objectives | Oriented on satisfying national needs, lack of stakeholder consultations                       | Oriented on EU and policy delivery and targets set up by most influential stakeholders |
| Key change agents     | Bottom-up grassroots initiatives, mainly NGOs  | Policy networks coordinated by public institutions                                     |
| Coordination          | Lack of coordination   | Evolving managerialist coordination and 'project state'                                |

Source: own composition

<sup>3</sup> RuDI (<http://www.rudi-europe.net/>), funded by the European Commission through the Seventh Framework Programme for Research (FP7), and Transleader (<http://transleader.webnode.hu/>), funded by the Hungarian National Rural Network.

gary professionalised rapidly, increasing their independence in their immediate environment, but becoming more and more dependent on the external donor – the EU. At the same time, the actual delivery of rural policies posed numerous obstacles, such as increasing control requirements, lack of pre-financing for projects and ineligibility of VAT for public stakeholders. The growing complexity of the policy delivery system resulted in an expansion of public administration and led to its domination over the process. Unhappily, as reported by Nemes *et al.* (2014), extended bureaucracy was often incompatible with the capacities of rural actors, especially those at the local level.

Funding from the EU also posed a significant challenge to public finances in Hungary and Poland in terms of co-financing. A quick look at the core policy documents – RDPs<sup>4</sup> and National Strategy Plans<sup>5</sup> – reveals that Poland treated the EU funding as a dominant source of rural development support (EAFRD contribution: 52.8 per cent in Poland c.f. 45.4 per cent in Hungary). Co-financing rural development at the domestic level shows certain weaknesses in public finances in both countries: only 16.1 per cent in Hungary and 15.9 per cent in Poland was dedicated to RDPs as domestic public contribution. The missing sources were mainly sought from the private sector: 38.5 per cent in Hungary and 31.3 per cent in Poland. In order to fulfil co-financing requirements, as per the EU legislation, both countries thus had to prioritise the allocation of funding to those sectors that could attract greater private contribution. In contrast, in most of the EU-15 Member States the input of domestic co-financing was greater, with the highest contribution in Finland – 58.7 per cent (for detailed statistics see Copus, 2010). As a result, agricultural competitiveness and modernisation (Axis 1) and to a lesser extent agri-environmental concerns (Axis 2) became the main objectives of rural policies, receiving the vast majority of funding in both Hungary and Poland. Thus, compared to the EU-15 relatively little focus was placed on socio-economic aspects in Axes 3 and 4, and on capacity building offered under the Technical Assistance measure (*ibid.*). These details well indicate that though the EU accession brought significant financial resources, new objectives and institutions and practically overruled rural policies in CEE countries, they did not change the influence of agricultural lobbies or the emphasis on industrial agriculture.

## Transferring the ‘new paradigm’ – multi-level governance and project state

Acclaimed by the OECD in its famous study on the New Rural Paradigm (OECD, 2006), decentralised, multi-level governance (MLG) and network governance were promoted as essential elements of the reformed CAP and rural policy in general. The New Rural Paradigm suggests using public money for investment rather than subsidies and in its new role

the state acts as a co-ordinator, manager or enabler rather than as a provider and director. In Europe generally, the MLG perspective reveals that much of rural policy has shifted outside direct state control. However, this was followed by increasing bureaucratic burdens (Shucksmith, 2012) and managerialist practices of institutional control (Ray, 2000) such as formal targets, contracts and performance indicators. All this entails a new operational logic for policy design and delivery that is of the ‘project state’ (Nemes *et al.*, 2014). Resulting from a systematic incorporation into public administration and policy delivery systems, this approach became the new operational logic for rural development by the Millennium. Thus, when CEE countries were preparing for EU accession, they had to demonstrate their capacity to accommodate this approach in their administrative and policy systems. This resulted in an increasing focus on governance mechanisms, reforms for decentralisation and the introduction of multi-level territorial self-governments in most post-socialist countries. Nevertheless, the functioning of multi-level governance is deeply rooted in culture, democratic traditions and social institutions that cannot be created overnight.

Delivery systems in CEE countries, including Hungary and Poland, continued to be dominated by path-dependent hierarchic modes of governance (Wasielowski, 2009; Chevalier and Maurel, 2013). As some authors suggest, with continuing dependency on the agricultural sector and ruling elites partly from the former socialist system, in the CEE countries institutional changes have remained a façade in nature. The adoption of LEADER looks rather like a modification of the old paradigm than genuine, structural change (Nemes, 2005; Kovách and Kučerová, 2009). Thus, for instance, when examining decentralised policy delivery and the presence of actors from various sectors in the official discourse, multi-level governance seems to be functioning. However, in practice, lower levels are only given autonomy from a legal perspective, but lack sufficient capacities, financial resources, networks and information to fulfil their growing tasks. The essential component of well-performing governance – trust – is almost completely lacking from the system. Instead, the tyranny of central bureaucracy, excessive controls, red tape and formal top-down transparency prevails.

As shown for Hungary by Pálné Kovács (2012), the barriers for introducing a new local governance system arose within the socio-economic context. It seems that when transferring ‘Western models’ into post-socialist space profound differences, particularly the lack of culture of decentralisation and local democratic traditions, were not sufficiently taken into account. According to Gorton *et al.* (2009), four key factors may have hindered effective targeting of the CAP in the post-socialist countries, namely “(1) the lack of convergence between the socio-economic conditions of rural areas in the NMS and those in established Member States; (2) differences in farm structures in terms of both size and organisational type; (3) an inappropriate balance of resources between Pillar I and Pillar II of the CAP; and (4) inadequate (institutional) capacity to implement rural development measures in the NMS” (p.1306). Furthermore, issues of territorial cohesion, balanced spatial development or urban-rural interrelations also played here a profound role (Copus and Van Well, 2014; Dax, 2014).

<sup>4</sup> *Agrár és Vidékfejlesztési Operatív Program, Nemzeti Fejlesztési Terv 2007-2013* in Hungary and *Program Rozwoju Obszarów Wiejskich 2007-2013* in Poland.

<sup>5</sup> *Új Magyarország Fejlesztési Terv 2007-2013* in Hungary and *Krajowy Plan Strategiczny Rozwoju Obszarów Wiejskich na lata 2007-2013* in Poland.



As observed in the RuDI studies, the trouble may also be linked with the legal responsibility for policy delivery that remains with centralised Managing Authorities, being normally ministries (Wiesinger and Dax, 2008; Augustyn, 2009b). In addition, the majority of institutional actors having actual influence over the shape of the 2007-2013 RDPs are situated at the level of the central government and within the public sector. Only a limited number of them originate from the private and NGO sectors. Hence, the outcomes of rural policies in both countries are especially oriented to correspond with the priorities of the dominant stakeholders.

The unequal proportions of institutional actors by type and input in decision making processes are likely to pose a challenge to the system's equilibrium. This has been manifested by frequent conflicts, where NGOs accused centralised public stakeholders for the lack of an open consultation process over policy priorities. Furthermore, the weakness of institutions may be seen as a key obstacle to effective design and delivery of rural policies and focal point for transfer of the 'Western' models. We agree here with Mantino (2010), that it is a real challenge to understand "how institutional diversity and constraints can influence the process of learning and adapting policy instruments in different contexts. So when the EU introduces a new measure or approach in the common tool box, we are unable to say what it implies in the different contexts in terms of institutional implementation and adaptation" (p.18). As shown by RuDI studies on Hungary and Poland, the dominant policy drivers in the rural arena are normally strong central actors with quick access to relevant and often confidential policy knowledge. 'Old' institutions and regimes still tend to focus their efforts on preserving their power and control over the emerging benefits from rural policy. The access of new players and their points of view in official policy debates is hindered by established and often informal networks of actors within closed-loop policy systems.

## Transferring the LEADER programme

Emerging as a voluntary, bottom-up approach, the EU LEADER programme from 1991 onwards quickly turned into an integrated element of official EU rural policy. It was originally intended as an innovative experiment – a 'real life laboratory' for the New Rural Paradigm. With time, elements of the LEADER method<sup>6</sup> became inherent parts of an increasing number of EU policies, through mainstreaming into RDPs, and more recently, Community-Led Local Development (CLLD)<sup>7</sup>. The mainstreaming of LEADER, the increase in finances, the growing number of LAGs across the EU and its transfer into other policy sectors reflects the wide acknowledgement of decision makers that the 'LEADER method' actually works. Nevertheless, since LEADER II more and more concerns have been raised about increasing bureaucratisation of the approach and loss of its original spirit (High and Nemes, 2007; Dwyer *et al.*, 2010). During

the two decades of its existence, LEADER has evolved from a truly bottom-up civil society initiative towards an increasingly top-down policy tool. The price of growth in budget and geographical coverage was a growing bureaucratic burden on policy delivery, leading to massive disenchantments of stakeholders. This observation was also backed by EU documents, such as the report of the European Court of Auditors (ECA, 2010), which critically reviews mainstreaming LEADER into RDPs. At the same time the European Commission replies in this report that the overall exercise was too far decentralised, thus its effectiveness shifted beyond the direct EU scope of intervention towards responsibility of particular Member States / regions. It became clear that many of these did not have sufficient capabilities to deal with this radical change, either in the 'old' and especially in the NMS, since the latter started their experience with LEADER only at the 'advanced' stage of the approach lifecycle.

The NMS missed the opportunity to participate in the experimental phase of LEADER happening at the time of the early transformation phase of post-socialist regimes. In that period the LEADER programme projected strong and effective messages promoting social innovation, empowerment, bottom-up processes, participation and decentralisation. These messages were very much in line with the post socialist democratic evolution and awoke high expectations. Rural society in both Hungary and Poland were very much expecting the actual implementation of LEADER. However, by 2004 (and especially in the 2007-2013 programming period) CEE countries met LEADER as a mature policy tool that had ceased to be an experiment. Without the sufficient time for learning and the development of institutions, networks and common knowledge, post-socialist countries had to catch up with the new, mainstreamed LEADER programme faster than their more experienced counterparts in the EU-15.

Hungary and Poland, however, had the opportunity to try out LEADER as a rural policy tool earlier than other post-socialist countries and served as a 'laboratory' before LEADER was introduced across CEE. In both countries experiments started already in the pre-accession period. During the preparation for the SAPARD programme, in rural Hungary voluntary local development micro-regions, partly based on the LEADER method, were established, having far reaching effects on rural society (Nemes, 2003), and a 'pilot LEADER Programme' with 12 LAGs was implemented in 2002-2004. In Poland the 'idea of piloting' was initially rejected by central decision makers and was introduced only after intensive lobbying by civil society in 2004-2006. Prior to this, a similar territorial development model aimed at connecting local business with civil society was introduced<sup>8</sup>. In parallel regional rural development offices were established that were closely linked with the public authorities (Augustyn, 2009a, 2009b).

After EU accession, during the last two years of the 2000-2006 programming period, both countries were thoroughly implementing LEADER+ as an integrated part of their RDPs, however, with significant differences. Poland decided to run the programme in two pilot phases, concentrating on capacity building, social learning networking establishing

<sup>6</sup> Local participation based on public private partnership, rural focus, multi-sectoral approach, networking etc.

<sup>7</sup> CLLD is the new term coined for LEADER-type activities. It allows for application of activities typical for LEADER not only in rural areas, but also in urban and urban-rural ones, and use of multiple EU funds.

<sup>8</sup> This programme was rooted in the US experiences and was called the Community Foundations approach.

some 150 LAGs, but without the distribution of significant development aid. In contrast, Hungary set up a fully-fledged programme, where altogether 70 LAGs were established that created and implemented their local development strategies. The programme had a budget of EUR 25 million that was much higher than in most other EU Member States and was only exceeded by Poland (EUR 30 million). The vast majority of this money was earmarked in Hungary for the implementation of local strategies (financing projects). At the same time a significant share of the total funds was reserved for communication. A national network unit (the Hungarian LEADER Centre), working as an observatory, was created and managed until the end of the programme. Comparing Poland and Hungary the ex-post evaluation of LEADER+ revealed that in the former the implementation of the approach had a slower, more gradual and bottom-up character than in the latter. It seems also that in Hungary there was more rush to absorb a relatively large amount of funding (Metis, 2010).

In the subsequent programming period (2007-2013), LEADER in Hungary and Poland encountered new obstacles in the form of the RDP mainstreaming. The challenge became thus to embrace the complexity of the whole 2007-2013 RDPs. The budget was hugely extended in both countries, and the geographic coverage of the programme in Hungary became 100 per cent of rural areas. Alongside this, however, the bureaucratic burden became much more explicit and political, and economic stakeholders and lobbies became interested in the programme and entered the struggle for influence over resources, institutions and control. The state in Hungary and Poland could not operate in the pragmatic and efficient ways of a 'project state' and instead of subsidiarity enhanced bureaucratic control was applied, often leading to disappointment and inefficiency. This might be also the reason for different speed of funding uptake<sup>9</sup>. For instance, by the end of 2013, 66 per cent of allocated funds in Hungary and 59 per cent in Poland were spent on Measure 431. Even so, the much bigger number of Polish LAGs (336) than Hungarian (96) may have posed a challenge to the administrative system, thus slowing down the policy delivery. Compared with the rest of the EU, both countries have been very slow to achieve their planned outputs (Chevalier, 2012). According to data from RDP progress snapshots prepared by the ENRD (see ENRD measures infosheets) by the end of 2013 Hungary had utilised approximately 33 per cent of the total public expenditure programmed for LEADER, while Poland reached 42 per cent, nearing the EU-27 average (46.7 per cent). However, Hungary reached 75 per cent of the expected number of beneficiaries while Poland reached only 27 per cent. Unlike LEADER, the expenditure for other RDP axes and the programme as a whole was much faster (71 per cent of RDP total planned expenditure was utilised in Poland, c.f. 67 per cent in Hungary), and Axes 1 and 2 were especially popular. Thus, the low priority given to LEADER and Axis 3 in both budgeting and actual spending may be one of the key reasons why operation of the approach became so difficult in Hungary and Poland.

<sup>9</sup> See ENRD Measures Information Sheets: [http://enrd.ec.europa.eu/policy-in-action/rural-development-policy-in-figures/measures-information-sheets/en/measures-information-sheets\\_en.cfm](http://enrd.ec.europa.eu/policy-in-action/rural-development-policy-in-figures/measures-information-sheets/en/measures-information-sheets_en.cfm).

The effects of LEADER in Central and Eastern Europe, including Poland and Hungary, have been far less than expected at the time of EU enlargement. The reasons are manifold. Numerous authors point to diverse pathologies of the approach in post-socialist practice, such as dominance of public authorities, persistence of old elites, lack of decentralisation, failing multi-level governance structures, administrative burdens or lack of effective evaluation (Katona Kovács *et al.*, 2006; High and Nemes, 2007; Augustyn, 2009c; Kniec, 2009; Wasielewski, 2009; Kovách *et al.*, 2012; Fałkowski, 2013). Low social capital has also been pointed to by scholars as the key obstacle to effective LEADER delivery (Goszczyński, 2009; Megyesi 2012). Our interviews in both Hungary and Poland underlined the weaknesses of the central public administration in dealing with highly complex policy process, which is particularly burdened by interests of political parties and economic interests holding power. We also found that subsidiarity is very weak. Important decisions (on allocation of funds, institutions, geographic coverage, etc.) are normally made at a political level, without consulting rural partnerships or even lower levels of public administration. Such a political, institutional environment does not particularly favour the effective implementation of the LEADER method.

The recent empirical study 'Transleader', undertaken by some Hungarian LAG managers with the support of researchers, concentrated on the practices and practical circumstances of LEADER implementation. They compared the Hungarian experience with some of the most successful LEADER regions in the EU-15 (Andalusia in Spain, Austria, Finland and Ireland). The research concluded that three factors were particularly important for success: (1) multi-level governance, (2) stability and (3) learning, and that many of the problems and failures of the Hungarian LEADER could be explained along these lines.

The 'practical manifestation' of *multi-level governance* seemed to be the most crucial element. In successful areas LEADER is normally implemented by a network of institutions, through relations characterised by trust, real partnership and the spirit of cooperation at each level and in each direction (from LAGs to the Managing Authorities). This equally holds true for Finland, endowed with developed democratic traditions and self-governance, and Andalusia, with a political and institutional culture very similar to the Hungarian one. In Hungary and Poland, as we argued above, important path dependent aspects, such as weak traditions in participatory democracy, strong tendencies for centralisation or the general lack of 'trust culture' in public life jeopardise the functioning of multi-level governance. This, consequently, seriously hampers the chances for implementing the LEADER method.

*Stability*, again on a practical level, meant here a stable institutional and legislative environment for implementation, with sufficient capacities (financial, human and institutional) at every level of the system. In successful LEADER regions many people working in LAGs and at higher administrative levels remain in place for a long time (often for 10-15 years), preserving knowledge, human and network capital. Institutions (from LAG management to Management Authority) had enough personnel and money to perform their tasks sufficiently, and strategies and important legislation were only

changed when it was absolutely necessary (namely after the CAP mid-term review). All this resulted in a fairly simple, transparent, predictable and stable system. In Hungary, political (and economic) lobbies had strong influences even on the everyday steering of the RDP, using the programme to create political capital. Institutions, responsible people and legislation were changing rapidly<sup>10</sup> and there was not enough capacity to follow all the changes. All this resulted in a rather unclear, ever-changing environment where *ad-hoc* decisions supported by a shadow system of personal connections and insider information were often overruling implementation.

*Institutionalised learning processes* also seemed to have a strong effect on the results of LEADER implementation. Although an effective evaluation methodology is still missing at the EU level, ways to collect experiences and to create knowledge, allowing for learning from mistakes in order to improve future strategies and implementation processes of LEADER, could be found all over the place. This institutional learning was in strong connection with stability and continuity on the one hand (see above) and with publicity and transparency on the other. According to Transleader, in the practice of the EU-15, draft legislative proposals and strategic documents are normally made available for public consultation already in their preparatory phase. Stakeholders can comment on them, feeding in real/practical experience saving much future debate and trouble. In Hungary the culture of public consultation is very weak, documents are normally 'kept secret' from the public until they are almost ready, thus only some of the stakeholders can influence the process. Evaluation is also mainly concentrated on the standard requirements of the Common Monitoring and Evaluation Framework. Thus, there is little chance for the improvement of the programme and implementation practices based on institutional learning.

## Conclusions and outlook

In this paper we explored the Europeanisation of rural policies in Hungary and Poland from the perspective of europeanisation. We found that the Eastern enlargement, instead of creating a 'safe haven' for the New Rural Paradigm, reinforced agricultural lobbies and turned CEE countries into strongholds of industrial agriculture within the enlarged EU. At the same time, however, rural development policies based on the LEADER method and implemented through complex institutional structures were introduced and shook up rural society in Poland and Hungary. Despite its promises and the early enthusiasm, LEADER as a rural development model proved to be difficult to operate in the post-socialist countries (Nemes *et al.*, 2014). It was expected to form an alternative to the existing policy system in both Hungary and Poland. Especially the civil society and the small enterprise sector considered it as a panacea against traditional centralisation and malfunctioning of governance mechanisms. Neverthe-

less, bottom-up processes encountered strong resistance of central institutions and the public sector at the local level, hindering efficient implementation. A number of reasons can be found for all this, however, most of them point back to two aspects: (a) the lack of genuine decentralisation and well-performing multi-level governance structures, and (b) the lack of ability of public administration to learn and to work in a project environment in an efficient, reflexive way.

At first sight, rural policies in Hungary and Poland are 'completely Europeanised'. Institutional and legislative structures, payments, monitoring and evaluation systems are all in place, according to EU requirements. However, many things beyond the façade (the culture of co-operation, open public debate, institutional learning and above all 'trust' that would glue the system together) are very often lacking. In its current form, Europeanisation is mainly a top-down process, where EU rural development policy seems to disregard disparities and diversities across the regions (Maurel, 2008; Saraceno, 2013). We agree here with Gorton *et al.* (2010) that "the unwillingness of the European Union to come to terms with the different underlying historical and socio-economic conditions of rural areas in the NMS has led to the implementation of a policy which is ill-suited for meeting its objectives in an enlarged Europe" (p.1315).

On the other hand, the EU legislation leaves quite a spacious room for manoeuvre and therefore it is up to Member States how they programme and negotiate details of their rural policy delivery systems. In practice, these systems are as many as the EU Member States and even regions (ENRD, 2011). Key directions of the post-2013 CAP, such as the increasing focus of RDPs on environmental concerns and the primary sector seem to reinforce the 'renationalisation' of the CAP. At the same time, recent policy developments, both in Poland and Hungary, can be seen as disadvantageous for rural development – reduced finances for LEADER, difficulties in incorporating CLLD and multi-funding in Partnership Agreements etc. With intensifying agricultural lobbies and weakening EU guidance, falling behind mainstream EU rural development processes based on CLLD, multi-funding, short food chains, modulation etc. might become a real danger for some CEE countries. This could mean the loss of many positive rural development results of previous Europeanisation and taking a reactionary path, reinforcing agriculture again over other parts of the rural economy and society.

The difficulty in assessing policy delivery in this regard lays in the complexity of institutional development that is not prone to definitive 'solutions' or the 'accomplishment' of realising predefined policy targets. The system of European and domestic rural policies is presently changing rapidly. To follow the development trajectory, comparative, transdisciplinary research is needed. This should engage quantitative and qualitative researchers and a wide variety of rural stakeholders. Investigations should particularly embrace the intangible properties of rural policies, moving beyond the existing formal policy evaluation frameworks. A much stronger focus on qualitative and participative approaches could possibly improve our chances to be able to reinforce good directions and warn policy makers about future dangers in time for taking preventive action (High and Nemes, 2007; Augustyn, 2009c; Dax *et al.*, 2014).

<sup>10</sup> Between 2007 and 2013 the head of the unit responsible for LEADER within the Hungarian Management Authority was changed at least four times. In 2013, in the responsible 'LEADER unit' within the central paying agency the person having the longest experience with LEADER payments had been working there for two years, all the others were more recent employees or came from other departments. The legal act regulating the implementation of LEADER was modified more than 50 times.



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