ENVIRONMENTAL POLICY CHANGE IN EMERGING MARKET DEMOCRACIES

Central and Eastern Europe and Latin America Compared

Studies in Comparative Political Economy and Public Policy

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Preface

This book is the result of a lengthy research project that I was able to conduct at the Department of Politics and Public Administration of the University of Konstanz, Germany. It builds on and extends my doctoral thesis, which I completed in December 2009 under the supervision of Christoph Knill. This book would not have been possible without his continuous professional and personal support. In addition, this study benefited greatly from many thoughtful remarks of Katharina Holzinger, who co-supervised my doctoral thesis. I made many significant changes to the original thesis during a research stay at the Edward J. Bloustein School of Planning and Public Policy of Rutgers University, from March until June 2010. I want to thank Radha Jagannathan, Michael Greenberg, and Joseph Seneca for their interest in my research and for providing me with fresh ideas about how to approach the topic.

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This book is dedicated to my mother Zekiye Tosun and my husband Marc Debus, who have been constant sources of encouragement.

Jale Tosun
Mannheim, December 2012

Abbreviations

AIC	Akaike Information Criterion
BIC	Bayesian Information Criterion
BOD	Biological oxygen demand
CEE	Central and Eastern Europe(an)
CO_2	Carbon dioxide
DOTS	Direction of trade statistics
EPA	Environmental Protection Agency
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FDI	Foreign direct investment
GATT	General Agreement on Tariffs and Trade
GDP	Gross domestic product
GM	Genetically modified
GMO	Genetically modified organism
IMF	International Monetary Fund
INECE	International Network for Environmental Compliance and Enforcement
INGO	International non-governmental organization
IUCN	International Union for Conservation of Nature
LA	Latin America(n)
Mercosur	Southern Common Market
NAFTA	North American Free Trade Agreement
NGO	Non-governmental organization
OECD	Organization for Economic Cooperation and Development
PAH	Polycyclic aromatic hydrocarbon
SFM	Sustainable forest management
UNECE	United Nations Economic Commission for Europe

UNEP	United National Environment Program
US	United States
WDI	World Development Indicators
WHO	World Health Organization
WTO	World Trade Organization
ZINB	Zero-inflated negative binominal model

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1 Introduction

The last four decades have been characterized by two central changes in the political and economic systems of industrializing countries. First, an ever-growing number of them have introduced democratic polities. This "third wave" of democratization (Huntington 1991) started in Southern Europe in the mid-1970s, before spreading to Latin America, Central and Eastern Europe, Asia, and Africa (see Haerpfer et al. 2009). Second, several industrializing countries introduced market economic structures and participated in an unprecedented "rush to free trade" (Rodrik 1992). The launch of multilateral trade regimes such as the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO), and the proliferation of regional economic integration, such as the North American Free Trade Agreement (NAFTA) or the Southern Common Market (Mercosur), has further intensified economic interactions between countries of different socio-economic development levels (Ayres 1998: 9).[1] The financial crisis that posed a serious threat to the global economic order between 2007 and 2009 provided evidence of how interdependent the national economies have become (Teeple and McBride 2011: ix).

Industrializing countries that have been affected by "the end of the Cold War, the "third wave" of democratization, and economic globalization" are commonly referred to as emerging market democracies (Whitehead 2000: 65). This book examines how changes in the political and economic systems of emerging market democracies have affected policymaking. To this end, it focuses on environmental policy change in two regions that underwent comparatively similar political and economic reforms: Central and Eastern Europe (CEE) and Latin America (LA). Of course, the extent, the timing, and the sequence of the

different transformation processes vary from one country to another within each region as well as across the two regions. Moreover, the points of departure for the transformation processes were different. While most LA countries were under military rule before their transition to democracy, the CEE countries and Mexico had hegemonic party systems in place. Concerning the economic dimension, the LA countries experienced import-substitution industrialization, that is, a development strategy designed to stimulate the domestic production of labour-intensive goods that were formerly imported from industrialized countries. The CEE countries' economies were centrally planned, that is, the direction and development of economic activities were defined and administered by the government and inter-country competition was restricted to the members of the Council for Mutual Economic Assistance trade system (see Hewett 2011).

Despite these different initial situations, the countries in both regions have developed democratic polities and market economies that gradually became integrated into the international system. In light of these similarities, with respect to the outcome of the transformation processes, a number of empirical studies compare CEE and LA countries and provide many intriguing insights into the characteristics of policymaking in emerging market democracies (see, e.g., Przeworski 1991; Lijphart and Waisman 1996; Pickvance 1999; Weyland 1999; Anderson, Lewis-Beck, and Stegmaier 2003; Müller 2003). This book aims to contribute to this seminal research strand by extending the analysis of policymaking in CEE and LA to the field of environmental policy.

Environmental issues represent a particularly suitable policy field for the purpose of this study as the theoretical literature suggests that democratization and economic globalization are key determinants of the governments' responses to degradation. Regarding democratization, the literature predominantly argues that there exists a positive relationship between the level of democracy and the stringency of environmental policies (see, e.g., Silva 1996; Cole 1998; Desai 1998; Neumayer 2002; Li and Reuveny 2006). This expectation is straightforward as citizens in democracies are usually better informed about environmental problems and can express demands for regulation, which will, in turn, put pressure on policymakers to respond positively to these demands (Payne 1995). The main expectation with regard to economic globalization is that it is likely to induce a "race to the bottom," in which countries deliberately set environmental protection standards at low levels to avoid a reduction in their competitive position (see, e.g., Sinn 1997; Holzinger and Knill 2004, 2005, 2008; Drezner 2007;

Holzinger, Knill, and Sommerer 2008, 2011). Hence, the two most central dimensions of political and economic transformation, that is, democratization and economic globalization, are associated with different, if not to say contradictory, expectations regarding their respective impact on environmental policy choices. This raises the question of which of these two forces is the dominant one and, more generally, if the theoretical expectations as stated above hold true empirically for a large number of emerging market democracies.

There is an additional aspect of environmental policymaking in emerging market democracies that turns it into an appealing research subject. The literature generally stresses that even if environmental regulations have recently proliferated in these countries, the governmental capacity and willingness to enforce them has lagged behind significantly (Desai 1998; Holzinger and Knoepfel 2000; Andonova 2004; McAllister 2008; McAllister, Van Rooij, and Kagan 2010). In other words, emerging market democracies in CEE and LA are frequently connected with reduced regulatory enforcement efforts. Against this background, it seems promising to investigate to what extent and in which ways processes of political and economic transformation have affected the governments' commitment to enforce environmental protection standards. Again, the general expectation is that the consequences of democratization for enforcement are positive (see, e.g., Earnhart 1997; Cole 1998; Pickvance 2003), whereas economic developments are often associated with the preservation of a lax approach to regulatory enforcement (see, e.g., Porter 1999; Gallagher 2002, 2004; Konisky 2007; Knill, Tosun, and Heichel 2008; Bechtel and Tosun 2009).

These considerations give way to the three core research questions that guide this book: How have the consequences of dual system transformation affected environmental policy arrangements? Have the CEE and LA countries developed similar environmental regulation patterns? How have these processes affected the governments' commitment to enforce the set rules? To account for the dynamic processes underlying political and economic transformation, the study approaches these research questions from an equally dynamic theoretical perspective, namely, the study of policy and institutional change.

Overview of Key Concepts

This book investigates changes in the stringency of environmental policy and the governments' commitment to enforce environmental law. Concerning the term "policy," this study conceives of it as any

sort of legally binding rules enacted by elected policymakers in order to solve a particular societal problem like environmental degradation. This definition already refines the subject of analysis by excluding, for instance, people's opinions on environmental issues or public spending for environmental programs. Nevertheless, policy is still a very encompassing term and to be able to elaborate an accurate explanatory model a more precise disaggregation of the various elements of a policy is needed (Howlett and Cashore 2009: 37). The widely accepted typology of Hall (1993) that distinguishes between policy paradigms, policy instruments, and instrument settings represents a useful tool for this purpose. Policy paradigms refer to the goals guiding a policy in a particular field, which also involves how the societal problem in question is perceived. The dimension of policy instruments concerns how or by which means something is regulated. The settings involve the calibration of policy instruments, that is, how stringent they are. In accordance with this taxonomy, the present study conceives of environmental policy dynamics as changes in certain environmental policy instruments and their corresponding settings. It leaves unconsidered changes in policy paradigms since those are difficult to measure and prone to different interpretations.[2]

The second key concept refers to changes in the governments' commitment to enforce environmental protection standards. Most essentially, regulatory enforcement is about monitoring and the imposition of sanctions. Monitoring increases transparency and exposes possible environmental offenders, whereas sanctions raise the costs of non-compliance and turn it into a less attractive option (Becker 1968; see also Gray and Shimshack 2011). The use of public prosecution with environmental offences increases the costs of non-compliance significantly and can therefore be regarded as a particularly consequential form of regulatory enforcement (Strock 1990: 920; Garvie and Keeler 1994: 158).

This study sets changes in the governmental commitment to the enforcement of environmental protection standards as equal to institutional change. More precisely, it focuses on the establishment of an agency or any other type of organizational unit that is authorized to prosecute non-compliance with environmental regulations, also known as an "environmental procuracy" (see McAllister 2008; Abbot 2009; Mueller 2010). Changes in the enforcement commitment are hence defined as changes in the governments' attitude towards strengthening environmental enforcement institutions. Although rather simple and

narrow, this definition is more concrete and more functional than most alternatives, thus facilitating data gathering and empirical analysis.

As concerns the conceptualization of policy and institutional dynamics, this book adopts a broad perspective in terms of the scope, the direction, and the reversibility of change (see Capano 2009: 13–18). The scope of policy change is usually characterized as either incremental or radical. The classical policy-analytical literature predominantly conceives of policy change as an incremental process where new elements are added to existing policy arrangements. It was Lindblom (1959) who most prominently argued that incrementalism is the most likely form of policy change as policymakers possess limited information and resources and are often confronted with the disagreement of the other actors involved regarding values and ideas. Events of radical policy change are thought to occur rather seldom and be caused by "exogenous" disturbances (see, e.g., Sabatier and Jenkins-Smith 1993, 1999; Sabatier 1998; Howlett and Ramesh 2002; Sabatier and Weible 2007; Baumgartner and Jones 2009). However, since the interpretation of the scope of policy change depends on the levels of abstraction (Knill and Lenschow 2001: 211), this study does not put forward any theoretical expectations with regard to this dimension. This means that all instances of policy – whether they refer to changes in policy instruments or their settings – are employed for the empirical analysis, but the explanatory model does not associate the independent variables with policy change of different scopes.

This book, however, does contend that it is vital to understand that policy change can occur either as "upward" change or "downward" change (Knill, Tosun, and Bauer 2009). Upward – or "positive" – change entails an increase in the degree to which the environment is protected, which may be achieved through adopting a new policy instrument or tightening the setting of the existing policy arrangements. Downward – or "negative" – change, in contrast, leads to a reduction in the extent to which the environment is protected, which may occur by means of abolishing policy instruments or redefining their settings in such ways that they become less stringent.

Finally, and related to the prior point, this study holds the view that policy change is principally reversible. This means that it explicitly acknowledges a scenario in which a government first adopts stricter protection standards and then relaxes them again and vice versa. Such a back-peddling can have many reasons, such as the recognition of a "wrong" policy decision, the realization of costs emerging from a

newly adopted policy, changes in the public's will or changes in the preferences of the policymakers. Hence, the reasons for reversing policies should be no different from those inducing other types of policy change.

Main Arguments in Brief

There are three lines along which this book aims to advance the understanding of policy and institutional change in emerging market democracies. First, it seeks to demonstrate that comparative policy analysis offers a suitable theoretical approach for explaining policymaking in emerging market democracies. Second, the book pursues the objective of combining different methodological approaches to increase confidence in its central findings. The third intention is to identify patterns of stability and change in environmental policymaking and to elucidate the underlying causal factors. These objectives are reflected in the book's theoretical framework, the methodological approach, and the main empirical findings.

Theoretical Framework

At the theoretical level, the book is located within the resurging academic debate about the patterns and determinants of policy and institutional change (see, e.g., Bennett and Howlett 1992; Hall 1993; Sabatier and Jenkins-Smith 1993; Knill and Lenschow 2001; Howlett and Ramesh 2002; Héritier 2007; Baumgartner and Jones 2009; Baumgartner et al. 2009). Despite the increasing popularity of this research perspective, there are many theoretical ambiguities that need to be assessed and resolved to ensure empirical and conceptual progress (Capano and Howlett 2009).

In this regard, the book argues that processes of change can be appropriately explained by relying on the framework provided by comparative policy analysis. The objective of this particular research perspective is to explain how policy decisions come about, and to what extent polities (i.e., political institutions) and politics (i.e., political processes) shape them (see, e.g., Schmidt 1996; Roller 2005; Zohlnhöfer 2009). Comparative policy analysis provides a promising framework for the present study since it allows for flexibly focusing on the relevant explanatory factors while establishing causality by means of specific

theories for each of them. In this way, changes in the economic and political system can be directly related to incentives for governments to alter existing environmental protection arrangements. Four groups of independent variables are important for explaining changes in environmental policy and enforcement commitment in emerging market democracies: economic integration with international markets, political party competition and participation of environmental groups, integration with international institutions, and increasing response to public demand.

While the analysis of the environmental policy consequences of system transformation clearly addresses a question specific to comparative policy analysis, it also stands at the intersection of three other research perspectives, namely, comparative political economy (see, e.g., Keohane 1984, 2002; Katzenstein 1985; Krasner 1994; Lee and McBride 2007; Teeple and McBride 2011), the study of policy diffusion (see, e.g., Simmons and Elkins 2004; Braun and Gilardi 2006; Gilardi 2008), and cross-national policy convergence (see, e.g., Bennett 1991; Holzinger and Knill 2005; Holzinger, Knill, and Arts 2008; Holzinger, Knill, and Sommerer 2008, 2011; Howlett and Joshi-Koop 2011). The inclusion of these research perspectives is a natural extension in light of the book's analytical focus on economic globalization and other processes of internationalization. Moreover, studies of policy diffusion and cross-national policy are particularly suitable for cross-fertilization as they stress policy dynamics and employ longitudinal data.

Methodological Approach

The book scrutinizes changes in environmental policy and enforcement institutions in twenty-eight countries in CEE and LA between 1990 and 2010. The data are pooled, that is, they consist of repeated observations for each of the countries for multiple years, creating the units of analysis known as "country-years." In this way, the number of observations is increased, which helps to alleviate the "small N" problem experienced by cross-sectional data sets that are based on countries as units of analysis (see Kittel 1999). By increasing the number of observations, quantitative techniques can be employed for analysing the data. Consequently, the first analytical step consists of running different types of quantitative analyses in accordance with the characteristics of the dependent variables in terms of measurement level. In a

second step, the quantitative analysis is complemented by a qualitative one in accordance with the logic of "nested analysis" as proposed by Lieberman (2005). The strategy of combining the two methodological approaches aims to improve the quality of conceptualization and measurement.

The two core dependent variables of this study are changes in environmental policy and enforcement institutions. However, as environmental policy spans a multitude of very different areas (see, e.g., Sterner 2002; Holzinger, Knill, and Arts 2008), five indicators – or "policy items" – are selected to take into account the various environmental media. Technically speaking, each of these five indicators represents a dependent variable in the empirical analyses. The first dependent variable is the regulation of water pollution by defining maximum permissible limit values for the concentration of organic material in industrial effluent discharges. A further dependent variable is the definition of limit values for ground-level concentrations of ozone in ambient air. The third dependent variable corresponds to the setting of limit values for polycyclic aromatic hydrocarbon concentrations in agricultural soils. The final two dependent variables refer to restrictions regarding the commercial cultivation of genetically modified (GM) maize and the adoption of the principle of sustainable forest management. As regards the complementary qualitative analysis, it should be noted that it is carried out for the regulation of GM maize as a more fine-grained measurement of this policy item is needed than can be achieved in the context of the quantitative approach. The second core dependent variable measures whether or not the emerging market democracies in CEE and LA established organizations endowed with the competence for prosecuting environmental offences.

The data set used for this study is original and was constructed through the collection of primary and secondary data. Since the study is about policy decisions and legislative outputs, the predominant data sources were legal acts and administrative circulars. The sources used for data gathering were either accessed electronically via the websites of the national environmental ministries or the legislative database FAOLEX. Older legal acts were obtained as hard copies from the International Union for Conservation of Nature (IUCN) Environmental Law Centre in Bonn, Germany. In addition, for cross-checking purposes such secondary sources as academic publications were employed. Furthermore, environmental ministries, procuracies, and a number of practitioners were contacted to clarify data queries.

Empirical Findings

The study provides numerous descriptive and analytical insights. In terms of empirically describing changes in environmental policies and enforcement institutions, the following findings are noteworthy. First, environmental policies are relatively stable over time despite the occurrence of profound changes in the economic and political systems of the CEE and LA countries. Often, the relevant laws changed only once or twice during the observation period of twenty years. In this context, the "maturity" of the different policy items is decisive for the frequency of policy change. For example, water pollution has been regulated since the 1980s in the countries under study and therefore more changes could be observed for this policy item than for those that represent relatively new complements to environmental policy such as the regulation of soil pollution and GM maize.

This picture of relative policy stability stands in marked contrast to studies of policy change that employ budgetary data that vary considerably over time (see, e.g., Baumgartner 2006; Breunig, Koski, and Mortensen 2010). This suggests that data on environmental spending do not adequately reflect the regulatory dynamics of individual policy items, which indicates that these two measurements cannot be regarded as interchangeable. From this it follows that the findings of studies based on budgetary data or other proxies for measuring policy change, for instance, data for the emission of pollutants into the air, may well deviate from the results of the present study, simply because of the different conceptualizations of the dependent variable.

Second, despite the relatively low instances of policy change, on average, environmental policy arrangements became strengthened in both regions over the course of time. This is mainly due to the fact that many events of policy change entailed the adoption of regulatory standards that were previously not in place. However, when the two regions are treated separately, both the frequency of policy change but also the average strictness of environmental protection standards are higher in CEE than in LA. Especially regarding the regulation of air, soil, and water pollution, the CEE countries outperform the LA countries in terms of stringency. Moreover, the CEE countries rather swiftly established environmental procuracies, whereas Bolivia and Uruguay still have not set up such enforcement institutions.

Indeed, numerous LA countries still lack some very basic regulations for combating environmental degradation. The absence

of environmental regulations is most visible for the Central American states, but also countries which are generally perceived as being environmentally progressive, such as Chile and Uruguay (see Porter, Schwab, and Lopez-Claros 2005: 611), often do not possess environmental protection standards. Hence, this book challenges the notion that environmental pollution in LA is exclusively an enforcement problem (see, e.g., McAllister 2008). Rather, it suggests that environmental degradation is also likely to stem from absent regulations.

This is clearly different in the CEE countries, which in most cases often had environmental regulations in place before system transformation. Concerning these countries, there exists another problem, namely, that at the beginning of the observation period some of them still set unrealistically strict environmental protection standards in accordance with the regulatory approach practised under state socialism (see, e.g., Earnhart 1997; Klarer and Francis 1997; Cole 1998; Knill and Lenschow 2000; Pavlínek and Pickles 2000; Andonova 2004; Fagan 2004; Carmin and VanDeveer 2005).

Third, and related to the previous observation, the data reveal instances in which policy change entails a relaxation of protection standards. Remarkably, this is predominantly the case with the limit values for ozone concentrations in ambient air and particularly in the CEE countries, which partly results from giving up the regulatory practice of the state-socialist period. However, downward policy change is also observable for limit values of waste-water standards in both CEE and LA, which underlines the argument made above that the maturity of policy items is important for the occurrence and direction of policy change. Further to this, this finding supports the view that policy change is a bidirectional process, including both upward and downward changes (see, e.g., Knill, Tosun, and Bauer 2009; Knill, Schulze, and Tosun 2012).

Turning to the analytical findings, it is important to stress that the explanatory power of the theoretical model varies notably across the different specifications of the dependent variables. The theoretical model explains best changes in the stringency of waste-water and soil pollution standards. It also provides valuable insights into a government's decision to set up an environmental procuracy as well as into changes in the regulation of air quality standards and the adoption of sustainable forest management. The analysis of the regulation of GM maize, however, points to some counterintuitive relationships, which makes it necessary to reanalyse this policy item by means of complementary case studies.

Overall, the empirical analysis shows that public demand and the strength of environmental groups are the most important drivers of a tightening of environmental policy arrangements. Concerning public demand, it is specifically the intensity of environmental degradation that leads to environmental policy change. This lends support to the view that an increasing responsiveness to public demand is a major consequence of political transformation (see Duquette 1999: 28). Equally important is the impact of environmental groups on the definition of environmental policies as well as the establishment of environmental prosecution units. This finding is even more remarkable as the literature tends to posit that environmental groups in CEE and LA have been declining over the course of system transformation (see, e.g., Pickvance 1999). In this context, the qualitative analysis of GM maize contributes greatly to understanding that not only environmental groups are important for inducing governments to set stricter regulations, but that also other civil society groups, such as farmers' associations or indigenous organizations, can be crucial if they feel affected by them.

In addition, economic integration represents an important determinant, but not in the way it was suggested above. Even though it is theoretically plausible to expect that competitive pressures induce governments of emerging market democracies to keep their environmental protection standards at a comparatively low level, the analyses of the regulation of air, soil, and water pollution reveal that economic integration actually helps to tighten the legal provisions. Likewise, economic integration is also the main determinant of the governments' strengthened commitment to enforcing environmental protection standards. Therefore, economic globalization can be mostly associated with positive stimuli for environmental policymaking (see also Hoberg 1991, 2001; Vogel 1995, 1997; Prakash and Potoski 2006, 2007; Holzinger, Knill, and Arts 2008; Holzinger, Knill, and Sommerer 2008, 2011; Perkins and Neumayer 2012).

Finally, integration with the European Union (EU) has important consequences for environmental policymaking in the CEE countries. In this context, an interesting observation is that the EU predominantly triggers environmental policy change through the candidate countries' need to transpose the environmental acquis (see Holzinger and Knoepfel 2000; Schimmelfennig and Sedelmeier 2004; Knill, Tosun, and Heichel 2008). On this occasion, however, the countries often do not only reform those policies that are directly affected by EU requirements, but also undertake additional reforms that aim to strengthen environmental protection arrangements. From this it follows that accession to

and membership within the EU yields both direct and indirect impacts on environmental policy change.

Altogether, this study advances the current state of research in three ways. The first contribution is to provide a detailed description of environmental policy developments and the spread of environmental procuracies throughout CEE and LA. To be fair, there have already been some efforts to uncover patterns of environmental policy change for large country samples, which also include some emerging market democracies (see, e.g., Holzinger, Knill, and Arts 2008). Yet, most studies focusing on CEE and LA rely on in-depth analyses of a limited number of cases (see, e.g., Desai 1998; Pavlínek and Pickles 2000; Andonova 2004; Fagan 2004; Carmin and VanDeveer 2005; Knill, Tosun, and Heichel 2008; Fagan and Carmin 2011). In this regard, the body of empirical research on environmental enforcement in CEE and LA is even much smaller (see, e.g., Earnhart 1997; Gallagher 2002, 2004; Andonova 2004; McAllister 2008; McAllister, Van Rooij, and Kagan 2010). This strand of research deserves credit for providing valuable insights into certain interesting cases. However, this literature is less suitable for identifying broad empirical patterns, which this study seeks to accomplish. Therefore, in light of the state of research, the provision of data for a large number of emerging market democracies regarding changes in environmental policies and enforcement institutions can be regarded as progress and may serve as a starting point for future studies.

The second contribution to the literature refers to a transparent measurement of policy and institutional change. Many studies dealing with events of change remain implicit about how they measure them. As a consequence, no scholarly debate about the advantages and disadvantages of certain approaches to the operationalization of policy and institutional change can take place, which also impedes cumulative research. There cannot be any doubt that empirically assessing policy and institutional change is a challenging task (see Capano 2009; Howlett and Cashore 2009) and perhaps the most essential finding of this book is that this claim holds true. To be sure, there are many issues to deal with when one tries to empirically assess policy and institutional change that cannot be fully resolved. Yet, this study spells out the measurement of the central analytical concepts, and although there are certainly aspects related to the approach adopted by the present study that can be criticized, it should be kept in mind that only through debate can veritable scientific progress be achieved. This book accepts this and

seeks to stimulate a more intense debate about the opportunities and pitfalls of empirically assessing policy and institutional change.

The third contribution of this book relates to the application of a multi-method design by adopting the logic of nested analysis. This proceeding allows for explaining general patterns of cross-country variation and shedding light on specific cases which initially seem to contradict the theoretical expectations. Combining the virtues of different research designs enhances the consistency of the findings, provides a better understanding of the causal mechanisms underlying the processes of change, and avoids the problem of adopting an overtly reductionist analytical perspective. There are, in principle, many ways of combining quantitative and qualitative methods. The approach adopted here refers to a complementary analysis of one particular policy item, which might be equally suitable for other research contexts.

Organization of the Book

This book primarily aims to shed light on the factors facilitating or impeding the occurrence of policy and institutional change in the field of environmental policy. As a result, theoretical considerations are central to this study and are addressed here and in the next chapter. Of these, chapter 2 is more abstract and aims to provide a general overview of the rich body of theoretical literature on policy and institutional change. Chapter 3 introduces the study's theoretical framework, which follows the approach of comparative policy analysis. The explanatory factors incorporated into the model reflect the most important consequences of political and economic transformation.

Chapter 4 prepares the empirical examination of the theoretical arguments. It outlines the study's research design and explains how changes in the stringency of environmental regulations and enforcement commitment can be accurately measured. Moreover, this chapter sheds light on the operationalization of the explanatory variables and provides an overview of the most appropriate techniques of analysis. The actual empirical analysis begins with chapter 5, which describes in detail the characteristics of the dependent variables. It first sketches the development of the five environmental policy items over time. Next, the chapter illustrates the diffusion of environmental procuracies throughout CEE and LA. Most essentially, this chapter demonstrates the variety in the occurrence and forms of policy and institutional