

# Urban Transport Policy Transfer in Central and Eastern Europe

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**Abstract:** European Territorial Cooperation is one important context in which partners from across the whole of Europe meet and learn from each other. Naturally, the involvement of partners from Central and Eastern European (CEE) countries in this process is increasing as a consequence of the expansion of Europe, particularly the accession of ten new EU member states in 2004, and two more in 2007. Various examples can be found where CEE countries are seeking to catch up politically and economically by drawing lessons from policies in more developed countries. The uncertainties of policy-making in some of these countries have made policy transfer a particularly attractive option, as politicians see it as the quickest solution to many problems without having to reinvent the wheel. This paper focuses on international policy-transfer and lesson-drawing, looking specifically at how urban transport concepts and ideas have been transferred from Western Europe to two CEE countries. In these cases, the social and economic situations in the “borrowing” and “lending” countries are very different. So too, are the institutional frameworks. As a consequence, successful policy transfer is much more complex than mere copying or emulation. The paper argues that large-scale institutional transformations are neither feasible nor desirable to produce results that benefit cities in CEE countries. Small initiatives with straightforward, comparatively short-term outcomes and moderate budgets often work better and keep momentum going for further steps towards more sustainable urban transport policies and programs.

## 1. Introduction

*To what extent are transport policy instruments, which have proved to be successful in one urban area, transferable to another, given that the latter has a different historical, cultural or political background, or is in another phase of economic development? Are there “best practices” which are convertible like currencies? If not, how and to what extent must one take account of specific circumstances?* (Güller 1996: 25)

The transplantation of policy models, concepts, ideas, goals and instruments from one city to another has grown markedly in Europe over recent years. This has, for instance, been reported in the fields of housing (van Bueren et al. 2002), transport (Stead, de Jong 2006) and urban development and renewal (de Jong, Edelenbos 2007). Many European programs and projects where participants from various countries are involved, either implicitly or explicitly, include this aspect of trans-European policy learning. A new situation arises, however, if the technological, economic, political and/or social advancement that cities have been able to make in recent decades is very different. This is the case when it comes to cities in CEE countries<sup>1</sup> adopting policy ideas from Western European cities. Little is known about how such policy transfers evolve at the local level. We do know, however, that in similar processes at the national level, the agenda is often set by the “donor”: adopting actors have neither the means nor the knowledge to express what type of policy solutions they need and which options are “on the market” (Randma-Liiv 2005).

This paper explores what makes for successful west-east policy transplants at the local level in the field of sustainable urban transport. Here, the technological, economic, political and social situations in the “lending” and “borrowing” countries are very different. So too are the institutional frameworks. Policy preferences held by citizens reflect a context in which economic growth takes precedence over protection of the environment, especially if large investments are needed to safeguard ecological interests. Since most CEE countries have had long experience with extensive but low-to-medium quality public transport, the esteem that this mode enjoys is substantially lower than in Western European countries. In such circumstances, the process of cross-city policy-transfer and lesson-drawing on sustainable urban transport may take a very different shape.

In section 2 of this paper, the policy context for CEE countries is presented. Section 3 offers the main theoretical insights on what makes for useful and effective policy transfers and lesson-drawing, focusing particularly on what is known

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about transplantation between “unequal partners” in terms of the presence of financial, material and knowledge resources. In Section 4, two case studies of west-east policy transfers are presented: Wrocław and Riga. Both cities have recently been involved in projects funded by the German Federal Environment Agency (*Umweltbundesamt* or UBA) primarily aimed at establishing a German-style public transport executive (*Verkehrsverbund*) or similar cooperative structures. In Section 5, the findings are compared with insights from the literature.

The authors were personally involved in some of the meetings where ideas and information were exchanged between the two case study cities. In addition, interviews were held with key players, and documentation relating to the transfer process was studied. Considering the methods used in this research, which are more or less inherent to the subject, hard conclusions for other examples cannot be drawn. Nevertheless, this paper helps to sharpen understanding of how cross-city policy transfer between unequal partners can be dealt with. Although the two examples in this paper did not take place in the context of European Territorial Cooperation, it is likely that the insights from these cases will also be relevant for other trans-European initiatives where learning is a central element.

## 2. CEE Policy Context

### 2.1 Institutional and infrastructural changes

Since the late 1980s, CEE countries have moved towards decentralization of decision-making, albeit with large variations in the scope and depth of the transfer of power and resources from the state to the regional and local level (World Bank 2002). In fast reforming countries such as Poland, city governments were given the jurisdiction over the provision of most local infrastructure and services, the ownership of the local utility enterprises, and the ownership of housing and some road infrastructure. In terms of city finance, turnover taxes on local enterprises were replaced by a combination of block grants from the state and revenues generated from local taxes and user fees, with a gradual shift from the former towards the latter. This development meant that local matters were put into the hands of local leaders, the drawback being the mismatch between the local governments’ new responsibilities and the funds immediately available. Cities were given the unenviable task of increasing the previously very low user fees for

various municipal services and infrastructure (at a time when real incomes had fallen), and/or increasing local taxation on the damaged and fragile local economy. The alternative was to cut services at the same time that the new electoral democracy made local politicians dependent on voter satisfaction. Most cities failed to solve this dilemma. This resulted in a gap between costs and revenues for companies providing various municipal services. Over time, under-spending led to poorer services, lower efficiency of production and a decline in equipment and infrastructure. The sudden gap between revenue and expenditure was very difficult to fill, even in the richest cities of this region such as Budapest, Prague and Warsaw, and services faltered as a consequence (*ibid.*).

Up to the end of the 1980s, public transport in CEE countries was generally extensive, frequent and cheap (Pucher, Buehler 2005). Low incomes meant that public transport use was high and car ownership low. Regulated prices and supply of cars and fuel in most CEE countries ensured that private car ownership and use were extremely expensive and difficult. Consequently, most people simply could not afford cars, and certainly could not use them on a regular basis. Even as car ownership rose during the 1970s and 1980s, most cars were only used on weekends or public holidays for trips to the countryside or allotments on the outskirts of the city – not for daily commuting (*ibid.*). Urban transport service providers up to the end of the 1980s were typically state-owned or city-owned enterprises, organized by vehicle type (e.g., bus, tram, metro) or united into a single company with a monopoly on intra-urban travel. Almost all suffered from a range of structural problems, as was the case in most state-controlled sectors: unwieldy management and organizational structures, overstaffing (especially in the administrative departments), incompetence, lack of a motivated workforce, excessive bureaucracy and extreme inefficiency (Pucher, Buehler 2005; World Bank 2002).

In the 1990s, the public transport system was in deep decline as a consequence of a wave of macro-economic reforms and economic recession. Much of the rolling stock was worn out and out of date, and levels of fuel consumption and pollution emission from most vehicles were very high (Güller 1996; Judge 2002; Suchorzewski 2001; World Bank 2002; Zachariadis, Kouvaritakis 2003). The revenue base of public transport companies collapsed because of inadequate local government budgets and a drop in income of the fare-paying public. The

funding squeeze first affected the companies' expansion and replacement plans. Maintenance and repairs were the next to suffer. Soon afterwards, the mainly outdated infrastructure and rolling stock started to break down (Suchorzewski 2001; World Bank 2002).

With sharp reductions in subsidies, public transport systems were forced to raise fares drastically, both in absolute terms as well as relative to inflation, wages and the cost of car ownership and use. In Warsaw, for example, the price of a one-way tram ticket in Warsaw rose 400-fold between 1988 and 1994 in absolute terms and more than 6-fold in real terms (compared to average hourly wages) (Pucher, Buehler 2005). In 1988, a liter of petrol cost eight times as much as a tram ticket, but only twice as much in 1994 (*ibid.*). Not only were public transport fares increased, services were curtailed, especially in smaller cities. Since funds were not available for modernizing or even maintaining the existing infrastructure and vehicles, services became less frequent, less comfortable, and less dependable. Thus, both the quality and quantity of public transport services fell in most countries (*ibid.*). Although budgets were strained at every level, many central and local governments still devoted considerable expenditure to improving and expanding road networks, focusing particularly on high-speed arterial roads, ring-roads around cities, bottlenecks at key intersections and connections to the main intercity and international routes. Thus, the supply of roadway infrastructure was increased, although much more slowly than the rapid increases in car use (*ibid.*).

The increasing reliance on private transport, which had already started during the latter years of the socialist era, was greatly accelerated in the 1990s. Virtually all restrictions on car ownership were removed, opening up the market in CEE countries to foreign car manufacturers, which greatly increased the quantity and quality of cars that residents of formerly socialist countries could buy. As an economic development strategy, some central governments (e.g., Poland and the Czech Republic) promoted their own car industries through loans and subsidies for expanding and modernizing production facilities (Pucher 1999; World Bank 2002). Car ownership skyrocketed in CEE countries during the 1990s, especially in smaller cities and more rural areas, where public transport services deteriorated particularly sharply and fares rose very substantially. Increases in car ownership were often much greater than the increases in the growth rates of the national economies in

these countries (Lijewski 1996). Many people bought cars not just because they were more widely available, but also as a symbol of success and independence, often far beyond their economic means or actual transport needs (Komornicki 2003; Lijewski 1996; Pucher, Buehler 2005; Šūmane 2006). In general, local and national government policies in CEE countries became much less favorable for public transport and much more accommodating to private car ownership and use, leading to a vicious cycle of public transport decline (Judge 2002; Pucher, Buehler 2005). Non-segregated public transport services, which included most bus and trolleybus lines, were hardest hit by traffic congestion generated by rapid increase in car ownership and use. This then further reduced the attractiveness of public transport services, further increased their operating costs and further fuelled the demand for private transport (World Bank 2002).

## *2.2 Contemporary urban transport policies in CEE*

By the end of the 1990s, the economic, social and environmental problems associated with the sudden increases in private transport and the equally dramatic decline in public transport use were becoming widely recognized. City authorities realized that their urban transport policies were in need of adjustment. Parking, for example, became very problematic in large cities, a "parking chaos" according to some officials, prompting various authorities to establish zonal parking systems enforced by private parking management firms (Pucher, Buehler 2005). The total supply of parking spaces was nevertheless greatly increased, much to the detriment of historic central cities. New environmental standards were also introduced in various cities in CEE countries and more attention was given to the enforcement of traffic regulations (*ibid.*). For the most part, however, political support tended to favor policies that accommodated wider car ownership and use. Thus, policies that inconvenienced motorists or significantly increased the price of driving are still not widespread across cities in CEE countries. Buses and trams often still do not have priority on seriously congested streets in many cities. While most Western European cities instituted bus lanes and priority traffic signals long ago as a way of ensuring smoother flows of buses and trams, only a few Central European cities have even begun to adopt such measures (*ibid.*). Nevertheless, local governments have at least given more attention

to public transport as an essential part of the urban transport system. After the initial shock of the sudden transition to capitalism around 1990, public transport systems have been gradually recovering in recent years. In partnership with Western European experts and counterpart systems, many urban public transport operations in CEE countries have tried to improve the quality of their service, modernize their vehicles and infrastructure, and increase the efficiency of their operations. Wrocław and Riga are two examples.

Although many municipal governments have undertaken vigorous measures to improve public transport, their efforts have been largely frustrated by car-friendly central governments, which have provided little funding, technical support, coordination, planning or other guidance. Indeed, the ambitious road-building policies of transport ministries have encouraged more urban sprawl and car use, thus further worsening the chances of rebuilding public transport's customer base. In spite of the increasingly adverse environment for public transport, however, significant improvements have been achieved. Many cities have transformed their systems into publicly owned corporations, with considerable managerial independence (*ibid.*). While city governments still own the public transport systems and set overall fare and service policies, the corporate management team has more leeway to improve efficiency. This has increased customer orientation and led to more focus on service quality. Some cities have also been selectively privatizing parts of their operations.

Even without adequate support from central governments, many local governments have undertaken measures to improve public transport. Several cities have built new light rail lines (fast trams) or extended metro systems. Many cities have reconstructed tram tracks, modernized metro stations and gradually replaced their aging bus, tram, and metro fleets with modern Western-style vehicles. Some cities have also rationalized fare structures, improved fare collection, and introduced real-time information for passengers at tram and metro stops. Funds for public transport are very limited in most cities, however, so only small improvements can be implemented at any one time. This makes it difficult to keep up with the ever-increasing competition from the extremely popular private car, especially in the face of current land-use trends that run counter to effective public transport operation (see Altrock et al. 2006; Bertrand, Renaud 1994; Pucher, Buehler 2005; Transit

Cooperative Research Programme 2003; World Bank 2002).

### 3. Theories of Policy Transfer and Lesson-Drawing

*Isolation is impossible in the contemporary world, and policy transfer has become a fact of everyday life in various countries... post-communist countries have been especially willing to emulate the West (Randma-Liiv 2005: 472).*

The subject of transferring policy ideas, institutions, models and programs between national, regional and local authorities has received a significant amount of attention in politics and policy sciences over recent years, albeit under various names: policy transfer, policy convergence, legal transplantation, institutional transplantation, institutional transfer, institutional change, imitation and emulation, policy learning and lesson-drawing (see Bennett 1991; de Jong et al. 2002; Dolowitz 1999; Dolowitz, Marsh 1996; Evans 2004; Evans, Davies 1999; Greener 2002; Héritier et al. 2001; Holm-Hansen 2005; Jacoby 2000; James, Lodge 2003; Knill 2001; Ladi 2005; Radaelli 2004; Rogers 1995; Rose 1991, 1993, 2005; Stone 1999, 2004; Wolman 1992).

Various definitions of policy transfer and related concepts exist. Dolowitz and Marsh (1996), for example, define policy transfer as "a process in which knowledge about policies, administrative arrangements, institutions, etc. in one time and/or place is used in the development of policies, administrative arrangements and institutions in another time and/or place" (p. 344). According to Dolowitz (1997), policy transfer can involve a number of processes and can focus around a number of possible objects including policies, institutions, ideologies or justifications, attitudes and ideas, and negative lessons. Transfer can take place across time, within countries and across countries. There are different degrees of transfer: ranging from pure copying of policy, legislation or techniques through to emulation, synthesis and hybridization or, in its most simple form, inspiration and ideas (Dolowitz, Marsh 1996). Policy transfer can be either voluntary (endogenously driven) or coerced (exogenously driven) (Dolowitz, Marsh 2000). Holm-Hansen (2005) suggests that most real examples of policy transfer lie in a continuum somewhere between these two extremes. Related to this, policy transfer can also be demand-led or supply-led. According to Randma-Liiv (2005), demand-based policy is based on the initiative and acknowledged need of a

recipient administration, while supply-led policy transfer is based on the initiative of the donor and the donor's perception of the needs of the recipient (e.g., foreign aid initiatives).

Most previous studies of policy transfer have focused on highly developed countries (e.g., Bennett 1991, 1997; Dolowitz, Marsh 1996, 2000; Majone 1991; Robertson 1991; Rose 1993, 2005; Stone 1999; Wolman 1992; Wolman, Page 2002). Of the theoretical works on the topic, only Rose (1993) makes explicit reference to the new democracies of Central and Eastern Europe, citing these as examples of nations seeking to catch up politically and economically by drawing lessons from highly developed countries (Randma-Liiv 2005). According to Randma-Liiv (2005), supply-based policy transfer was more predominant in the early 1990s at the start of the transition in many CEE countries, whereas by the late 1990s, institutions became more proactive in policy transfer and lesson-drawing. At the beginning of the 1990s, politicians and senior civil servants in most CEE countries lacked not only the know-how about how to build up governmental structures but also an understanding of the functions of an independent democratic state (*ibid.*). The role of foreign expertise in this regard was two-fold: it helped decision-makers acquire a grasp of the basics of governmental structures, their functions and the fields of state intervention, and it contributed to the analysis of specific fields or policies (*ibid.*). In a situation mainly characterized by a lack of policy-making skills combined with poor competence levels on the part of public servants, it was easier to copy or emulate a foreign program than to start from scratch (*ibid.*). In this way, policy transfer provided a means of avoiding newcomer costs: using the experience of other countries was cheaper because they had already borne the costs of policy planning and analysis, whereas creating original policies required substantial financial resources.

Not long into the 1990s, some authors were already voicing some skepticism about whether CEE countries were able to adopt Western-style policies (Campbell, Pedersen 1995; Elster et al. 1998; Offe 1998; Rose 1993). Their main argument was the path-dependency of institutional developments in countries and the various constituencies within them. Historical experiences and the developments they have been through have a decisive impact on their capabilities, preferences, physical structures and legal and cultural contexts, as well as the way the above characteristics have shaped specific

institutional patterns. Significant differences between donor and recipient countries raise the question of whether policy transfer and lesson-drawing between them is possible at all and, if so, under what conditions.

A final body of literature relevant to the issue of policy transfer between unequal partners describes the experiences around development cooperation often promoted by international organizations (IMF, World Bank, UN) and international NGOs. This literature does not revolve around the transition states in particular, although these also appear in them, but all countries or areas in the world benefiting from financial and knowledge help from donors and donor countries (Schouten, Moriarty 2003; de Jong, Kroesen 2007). Here, the main relevant finding for cross-national and cross-city policy transfer who is setting the policy agenda is a crucial question. If donors decide on the policy-making approach, the odds are that relatively advanced technologies, elaborate analytical data collection techniques and demanding participatory legal procedures are adopted in line with what Western policy-makers consider normal and state-of-the-art. However, the requirements of local expertise and resources usually cannot be met, at least not for longer periods of time. Nor can these methods be proven to answer the most pressing local needs. Moreover, it appears that when recipients are allowed to set the agenda, there is more intrinsic motivation on their part to learn from Western examples in a way that they feel furthers their interests. Such recipients are also much more likely to endogenize what they have learned and incorporate it into their institutional systems in a way they see as suitable, although the results might sometimes surprise the donors.

#### 4. Case Studies

Two case studies of west-east cross-city policy transfer are Wrocław (Poland) and Riga (Latvia). Both cities have recently been involved in similar projects funded by the German Federal Environment Agency (*Umweltbundesamt* – UBA) under its advisory assistance program for environmental protection in Central and Eastern Europe, the Caucasus and Central Asia. Both projects primarily aimed to establish a German-style public transport executives (*Verkehrsverbund*) or similar structures as a way of promoting public transport and reducing the overall environmental burden in the two cities and the wider regions around them. The intended out-

comes were more coordinated public transport services and timetables, common information, communication and marketing for transport services, and integrated ticketing across different transport operators. While the public transport situation was (and still is) quite different in the two cities, there was nevertheless the belief that changes in the administrative and organizational structures were of central importance to both cities (Seifert 2004). However, as the two case studies show, the experiences and outcomes of the projects in the two cities were quite different.

Information was obtained from reports and documents as well as interviews with key players involved. In addition, two of the authors attended workshops in Berlin and Riga where detailed information on the Wrocław and Riga projects (and other similar projects) was presented. The analyses of both case studies are set out following a broadly similar structure. First, the basic elements of the policy transfer are described, followed by the rationale. Next, the sources of inspiration are identified and information about the evolution of the transplant during the adoption process is outlined. The case study description then identifies the main actors involved in the transfer, both on the donor and recipient side, and their main influences on the process. Finally, in both case studies, the results of the policy transfer are assessed and compared to the results of similar objects in donor countries and the effect of political, legal, institutional and cultural differences on policy transfer and policy effectiveness are discussed.

#### 4.1 Wrocław

Wrocław is Poland's fourth largest city and the capital of Lower Silesia in southwestern Poland. The population is currently around 630,000 while the population of the city region is approximately 1.1 million. Car ownership in the city of Wrocław is significantly higher than the Polish national average – 378 cars per 1000 inhabitants in Wrocław (in 2005) compared to 323 cars per 1000 in Poland as a whole (Polish Central Statistical Office 2007). The city has an extensive public transport system, consisting of 61 bus routes (546 km) and 25 tram routes (84 km) (ibid.).

Starting in 2000, the German Federal Environment Agency provided support to improve the cooperation and coordination between different regional public transport operators. The initial idea was to establish an integrated public transport system based on the German model of

a regional public transport authority (*Verkehrsverbund*). During the early course of the project, however, it became apparent that the German model was not feasible, although there was the belief that improved cooperation and coordination in public transport could still be achieved by different means. There were several reasons why the German model was not considered feasible. First, integrated public transport authorities in Germany and other Western European countries have recourse to funding that is not available in Poland. As a consequence, Wrocław had to find a solution that involved fewer costs but nevertheless strengthened cooperation between regional transport contractors. Secondly, after analyzing the legal situation in Poland, the conclusion was that a regional public transport authority in the planned form was not feasible. Too many competing administrative levels would have to be involved, the consequence being that there would be long periods of consultation and coordination, as well as very uncertain project outcomes. Promoting and developing bilateral arrangements between two municipalities were considered to be more appropriate and realistic options. The project was therefore reoriented and a locally adapted solution to the German model was developed (UBA 2006).

Wrocław is atypical in the sense that, contrary to many other Polish cities, early on awareness grew that public transport is an important part of the urban transport system. One of the reasons why policy-makers and civil servants were eager to adopt these ideas was a desire to reduce the growth in car traffic and turn around the decline in public transport use in their city. They believed that this could be achieved by the step-by-step improvement of the tram system in the city and better coordination with surrounding municipalities and all transport operators. What also made the case of Wrocław different from many other cities, was the presence of forward-looking leadership among these officials, combined with relative political and administrative stability, which ensured that initiatives were not interrupted by other political parties taking office.

Since the project's main source of inspiration was the German *Verkehrsverbund*, several study trips were made to German regional public transport authorities (e.g., Darmstadt-Dieburg and Hanover). Dutch cities were also visited (e.g., The Hague and Rotterdam). In addition, there was a study trip to Prague, which gave additional inspiration to officials from Wrocław and its surrounding municipalities. Prague helped to convince the Polish officials that, in

spite of having only limited resources and little experience collected over the years, cities in Eastern Europe were still able to improve the quality of the transport system. Prague's public transport system was perhaps not the most advanced in comparison to many cities in Western Europe, but it was inspiring enough to convince officials from Wrocław that reforms and investments were possible and that they could make a difference. The presence of representatives from other municipalities made later discussions and the resolution of agreements about common solutions easier.

Clearly, the Wrocław city government and administration were not able to push through change without outside support. There were a number of important actors in the transplantation process. The main supporting institution was the German *Umweltbundesamt*, which provided financial support. More active advisory activities were taken up by the German NGO *Euronatur* (European Nature Heritage Fund). Regular visits took place between *Euronatur* and the policy-makers in Wrocław to exchange information. According to our interviews, *Euronatur's* approach played a vital role in opening doors within Poland. In turn, a Polish organization, the Lower Silesian branch of the Polish Ecological Club (PKE), was crucial in opening doors for *Euronatur*. PKE had less know-how on the subject, but helped *Euronatur* to get in touch with many other players in and around Wrocław. Since Polish administration relies on personal networks to a much stronger extent than in Germany or much of Western Europe, PKE's involvement was crucial. Other key players in the process were the adjacent local authorities through which the regional services had to be arranged, and the city tram and bus operators who were responsible for providing the delivery of public transport service. In most cases, these players were also supportive. In addition, somewhat against the expectations of most other players, the Polish National Railways (PKP) were cooperative in adapting their timetables to fit the other public transport services in spite of their centralized and bureaucratized reputation. They also accepted the idea of a single ticket for the Wrocław agglomeration. This fortunate situation can best be explained by the desire on the part of PKP to boost economic performance.

The transfer took a number of years. In the beginning, funding came from the German *Umweltbundesamt*. Thereafter, funding came from a German-Polish strategic collaboration agreement (personally signed by Gerhard Schröder

and Jerzy Buzek). Part of this money consisted of donations and part was a low-interest loan to Wrocław. After this, *Euronatur* and Wrocław submitted a proposal for European funding to conduct a feasibility study for the refurbishment of tramline 7, for which a subsidy of €15 million was granted, subject to co-funding from the City of Wrocław. During the project, actors found that Polish legislation as well as the financial possibilities made the simple adoption of the German institutional model for regional public transport authorities quite impossible. It was not legally possible and the institutional reform necessary would take far too much time, effort, political maneuvering and money. In addition, the official adoption of local and regional transport plans was considered a far too difficult procedure. A sort of plan was drafted (Integrated Plan for Public transport Development in the City and Agglomeration the years 2004–2008), but this was a much more pragmatic document than is produced in Germany and did not have nearly the same official status as a German transport plan. In the latter stages of the project, Wrocław preferred to focus on practical, physical improvements. Instead of focusing on institutional issues, the focus was on short-term visible achievements, such as refurbishing tramlines, improving transfer points and acquiring new rolling stock.

The flooding of a power generation installation, which seriously affected the operation of the tramways, provided an unexpected window of opportunity for refurbishing the tramlines. As for bus services, the city-owned bus operators had been privatized, but their shares were still in public hands. Since these contractors still depended on licenses from the local government for their services, their deregulation had a positive effect on their willingness to be integrated into the regional system. The way in which regional cooperation between operators was arranged was by means of bilateral agreements with neighboring municipalities. Instead of a regional authority, a limited cash-transfer between the local municipalities enabled a balanced financial arrangement for regional public transport. Together with a neighboring municipality (Świeta Katarzyna), the city of Wrocław also successfully managed to set up a tender procedure to select a regional bus operator to provide integrated bus services between the two authorities. The experience has led to plans for similar arrangements with other municipalities.

Overall, the results of this policy transfer have been moderately positive, even though the initial idea of the project had to be re-oriented. With

relatively limited resources, a brake has been put on the decline in the use of public transport in Wrocław. Considering the path-dependent circumstances (see section 2), this can be considered a success. Another important point is that no significant budget cuts have taken place in Wrocław in the past few years, which is very unlike other Polish cities. Apparently, political and public support for collective passenger transport has increased and the policy transfer has perhaps made a difference. It is more than probable that the pragmatic approach of the partners was a major factor leading to this outcome. There are currently plans to further improve the new regional ticket system using electronic chip cards. In addition, there are proposals for a new type of rail system in the city region that will be fully integrated with the other public transport modes. Whether this comes to fruition is dependent to a large extent on cooperation with the Polish National Railways.

#### 4.2 Riga

Riga, the capital of Latvia, is the largest city in the Baltic nations. The city's population is currently just over 720,000 while the population of the urban region is approximately 1.1 million, which is almost half of Latvia's population. Car ownership in Riga is currently close to 290 cars per 1000 inhabitants, somewhat lower than car ownership in the country as a whole, which is around 315 cars per 1000 inhabitants (Central Statistical Bureau of Latvia 2007). Riga's public transport network is extensive (62 bus routes, 21 trolleybus routes and 11 tram lines) and run by a publicly owned body (*Rīgas Satiksme*). A fleet of privately operated minibuses also form part of Riga's transport system. During the last 15 years, the development of the transport sector (as in all other sectors of industry in Latvia) has been considerably influenced by the triple transformation of politics, economics and administration caused by the collapse of the Soviet Union. Latvia's present administrative model for public transport was strongly influenced by western experience, market pressures and EU requirements. As in the case of most CEE countries, local municipalities in Latvia now have the responsibility for public transport services (ECMT 2001). The current spatial plan for Riga identifies a number of shortcomings of the city's present transport system: a large proportion of the city's public transport rolling stock is outdated and lacks modern standards of comfort; there are gaps in the coverage of the public transport network; there is as yet no parking

policy and the demand for parking spaces in the city center exceeds supply; and the potential of the railway is underused for passenger transport (Riga City Council 2005a).

In Riga, as in the case of Wrocław, the initial aim of the project supported by the *Umweltbundesamt* was to promote regional cooperation in public transport along the lines of the German regional passenger transport authorities (UBA 2006). The project began in 2000 and the key players were Riga City Council's Traffic department, two private consulting companies from Riga (one responsible for project management; the other for technical advice), a German transport consultancy (Institute for Transport Ecology) and the city of Bremen as partner city.<sup>2</sup> However, discussions with representatives of Riga City Council, Riga's transport companies and the Latvian Ministry of Transport soon established that, while the idea of integrated transport was both important and appropriate, public transport in and outside the city were two separate and very different things. For example, in rural areas just a few kilometers outside Riga, public transport hardly exists. Against this background, an integrated transport system based on the German model was not considered appropriate for the activities funded by the *Umweltbundesamt* in Riga. There was, however, great interest in an integrated system at the local level. As a result, the original idea of a regional passenger transport authority was abandoned in favor of a more appropriate local solution, mainly focused around giving greater priority to public transport in the city. The main elements of the project were new park-and-ride sites, new priority lanes and signals for public transport, and new or alternative public transport routes.

None of these elements were particularly new to Riga. The issue of park-and-ride had, for example, been at the center of public debate for some time. In the mid-1990s, the prospect of Western European transport problems such as traffic congestion, air quality problems and the shortage of parking space (especially in the city center) was already identified in Riga's Transport Policy for 1999–2003. In 2001, the City Council agreed to a park-and-ride pilot project in the suburb of Jugla, but the project was never implemented. It was not until 2006 that Riga City Council finally passed a motion to introduce park-and-ride (Decision 1760) and to acquire land for the development of the sites. The decision also gave the responsibility for the implementation of the park-and-ride system to the City's Transport Department, the Development



Department and the Property Department. On the positive side, a formal decision had finally been passed (after years of discussion). On the negative side, three departments have been given shared responsibility for the system, which may be problematic and will most probably lead to difficulties in implementation.

The policy transfer in Riga started some time after the project in Wrocław, but there is little evidence of impact and few visible outcomes on the ground so far. There are no new park-and-ride sites and no new public transport priority lanes or signals. Most of the recent changes in urban transport have been either of an administrative or a regulative nature. Instead of infrastructure improvements, Riga City Council has mainly concentrated its activities on administrative fines for parking in restricted areas and raising parking prices which has caused public protests since the money collected has not resulted in traffic improvements. In the meantime, the city's inhabitants are inventing their own solutions by, for example, parking their cars at shopping centers outside the city center and taking public transport from there. As a result, some car parks at these out-of-town shopping centers are often full for some parts of the day, thus undermining the economic viability of these developments.

Residents of Riga have recently faced sharp increases in the price of public transport: the cost of a single trip increased from 20 to 30 *santims* in February 2007, and from 30 to 40 *santims* in January 2008<sup>3</sup>. *Rīgas Satiksme*, the enterprise operating public transport, argued that the increase was necessary to cover increasing production costs. Many passengers argued that prices have been increasing without visible improvements in the quality of public transport. Increasing traffic congestion had, in fact, led to slower and less reliable services. At the same time, little action to address congestion was evident. The situation is typical of the downward spiral of public transport to have affected many CEE countries: out-of-date infrastructure, public pressure for modernization, decreasing ridership, increasing operating costs and the politicians' fear of taking responsibility and initiative to resolve problems.

Regarding the latter, Abolina and Zilans (2002) contend that Latvian local politics is often tainted by political patronage and vested interests. At the local level, planners frequently have their "hands tied" when it comes to promoting and implementing best urban practices. Either it is not practical to go against "political winds" or political decisions are simply made

contrary to adopted planning policies and measures (ibid.). In this case, local politicians in Riga (as in many other cities) have preferred cheaper (or even money-raising) short-term measures instead of expensive, long-term projects, such as major infrastructure improvements. In summary, the overall effect of the *Umweltbundesamt*-funded project in Riga has been limited: there are few visible outcomes on the ground and little evidence of policy transfer.

While Riga has many of the necessary preconditions for successful policy transfer, inaction prevailed for a variety of reasons. First of all, donor-funded projects in Latvia were (and still are) perceived as separate activities and not part of the general policy framework. Second, development programs and plans do not necessarily result in implementation. The lack of political and administrative continuity, which is inherent to Latvian public administration, has contributed to the lack of success. Thirdly, substantial resources and administrative effort has been channeled into larger transport projects (e.g., the southern road bridge over the river Daugava, currently the largest construction project in Latvia) to the detriment of other schemes, such as the ones that formed part of the project supported by the *Umweltbundesamt*.

## 5. Conclusions

Countries in Central and Eastern Europe have experienced dramatic and rapid economic, social and political changes in the last decade and a half. Since the general direction of these changes has been inspired by Western Europe, it might be logical to assume that CEE countries should be looking for lessons, both good and bad, from Western Europe, since this can help decision-makers prevent problems before they arise and avoid newcomer costs. What is evident, however, is that the situation is more complex. There is more to policy transfer and lesson-drawing than simple copying or emulation, particularly in the case of west-east policy transfers. What works in one situation does not necessarily work in another: context is crucial. Policy transfer and lesson-drawing require the right combination of individuals, ideas, incentives and interests, and the time has to be right<sup>4</sup>. It also seems apparent that taking preventive action to problems before they arise (e.g., parking shortages, congestion) rarely occurs: most administrations seem to have to experience the problems first-hand, and experience them to a critical degree, before taking action. In addition,

achieving policy change in the transport sector in CEE countries also has a psychological dimension. More than in Western Europe, the car is seen in CEE countries as a symbol of social status, wealth and self-confidence – not just as a means of transport. Policies and actions that affect car ownership and use are therefore as unpopular (perhaps more so) in CEE countries than in Western Europe. Policies to improve public transport are likely to be considered unimportant.

One of the cases can be considered more or less a success, whereas the other cannot (at the moment at least). Both cases help confirm the importance of improving strategies for policy transfer, lesson-drawing and institutional transplantation. Donor organizations, for instance, should avoid imposing their views or setting the agenda, even if they find it hard to suppress this urge, given the fact that they make major financial contributions. The existence of a small, tight network of participating actors is also extremely important: some of these act as talented and motivated champions (in the form of change agents or policy entrepreneurs), while others contribute their personal networks. Strong awareness that each country and each city is institutionally different, has different practical circumstances, and different preference structures is vital from the outset. Flexibility and adaptation in the policy transfer process is beneficial.

Three lessons are apparent for transplantation processes from European cities of the west to the east. First, large-scale institutional reform is not a very promising way to improve policy system performance, especially when policy actors have to make do with limited resources. Neither is large-scale institutional reform likely to make public support strong or appease actors that may stand to lose from institutional change. It is much more fruitful to focus on achievable practical goals and visible achievement that can boost enthusiasm among involved parties and the wider public. Second, site visits help create both ideas and inspiration about what alternatives can look like and how they might work in practice. Site visits to other cities in CEE countries can help develop confidence and reassurance that certain policies or actions can also work outside Western Europe. Third, cultural differences are important in the interactions among partners from various countries involved. These are not always predictable, but a high tolerance for uncertainty and ambiguity helps. In the Wrocław case, the German partners had to come to understand that structured procedures and solid planning are not features

that can be relied on in Poland and that communication within an organization is often more top-down. By taking these differences into account, more realistic estimates can be made about what goals are achievable and how these might be achieved.

Since many European programs now have increasing numbers of participants from various parts of Europe with very different historical, political, economic and cultural backgrounds, the conclusions drawn above are likely to have wider applicability in other European projects with a cross-national learning component. This very much coincides with some of the ideas in the paper by Hachmann (in this issue), who, for example, points to the increasing diversity of actors involved in INTERREG, each with quite different professional, institutional and cultural backgrounds, which make learning processes more interesting, but also more complex. Elsewhere, Hassink and Lagendijk (2001) also point to the institutional diversity across Europe, which not only poses important challenges for learning but also for the wider transfer of knowledge, experience and practice.

#### Notes

- 1 The term Central and Eastern Europe refers to the following 16 countries: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Serbia and Montenegro, Slovakia, Slovenia and the former Yugoslav Republic of Macedonia (UNECE 2003).
- 2 While Bremen provided the main source of inspiration for the project, examples from other German cities were also important. Recent documents from Riga City Council's Transport Department also mention the German city of Karlsruhe as an interesting example of intermodal transfer (see Riga City Council 2005b).
- 3 30 *santims* is approximately €0.43.
- 4 Here we adapt Dudley and Richardson's analysis of key variables influencing policy change: ideas, interests, institutions, individuals and time (Dudley, Richardson 2000).

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