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TYPOLOGY OF WELFARE STATE, QUALITY OF INSTITUTIONS AND ENVIRONMENTAL GOODS IN POST-SOCIALIST COUNTRIES

Abstract

The change in the views on the welfare state, which ceases to be associated only with the scale of social transfers, redistribution, or extension of the perimeters of market process regulation, has been researched, and is increasingly perceived in new coordinates: «quality of institutions and effective governance – inclusiveness – environmental factors of well-being. The theoretical explication of correspondence between the «state scale» and the efficiency of the government (taking into account the problem of ensuring a high-quality ecology) is proposed, on the basis of which it is concluded that welfare becomes a derivative of the institutional choice. For example, in a number of post-socialist countries using sta-

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tistical data that characterizes the ecological state, governance efficiency and public finances, there is a direct correlation between the first two indicators. At the same time, the high probability of mutual influence of the efficiency of public administration and the share of public finances on the country ecological state is not denied. Such results clarify the understanding of the supply of public goods as such, the demand for which has only rich countries.

Key words:

Welfare state, environmental goods, environmental factor of well-being, inclusiveness, post-socialist countries, governance efficiency, quality of institutions.

JEL: F29, H41, I31.

Research relevance

As the demand for quality environmental goods grows and awareness of the devastating impact of the growing technogenic load on the environment, the ecological imperative is now perceived as the basis for the development of welfare states. The undeniable fact is the process of transforming «quality ecology» and «inclusiveness» into important dimensions of effective governance, both globally and in the case of post-socialist countries. At the same time, the latter is increasingly determined by the quality of institutions. Under such realities, there is a rethinking of traditional views on the welfare state, which ceases to be associated solely with the scale of social transfers, redistribution or extension of perimeters in the regulation of market processes. The focus of its perception shifts towards a new paradigm: «quality institutions and effective governance – inclusiveness – environmental factors of well-being». It should be noted that ecological compatibility, as a manifestation of inclusiveness, is one of the important dimensions of collective action that determines the implementation of an effective environmental policy, which, at the same time, is determined by institutional characteristics. Therefore, it is quite obvious that the revision of the traditional typology of welfare states needs to take into account not only its environmental dimension, but also the quality of the institutions that generating the effectiveness of governance.

Analysis of research and publications

It is well known fact thatin the beginning of the XX century the transition of the West countries to the model of a social state has led to the emergence of the phenomenon of «welfare state» (welfare state), which was based on the policy of income redistribution and the application of various types of social assistance. The need for such choice was due to the period of the Great Depression and the emergence in the 1930s of a «new course» by F. Roosevelt.

Science operates different approaches to the interpretation of the economic nature of the «welfare state». On the one hand, it is associated with the activities of the government responsible for ensuring the basic social needs of citizens, and on the other, reflects the «profile» of a society capable of reaching relatively high standards of living. The welfare state is perceived, as a rule, as a construct of social efficiency of a market economy, which is achieved through mediation of the state policy of income, employment, prices, the use of direct and indirect regulators of social processes through the implementation of social development programs (science, culture, education, health). According to Swedish economist A. Elmer (Elmer, 1988) the welfare state should not be identified with the existing social group of high-income individuals, because in it all society should be responsible for the welfare of its citizens. The English scientist R. Titmus (Titmus, 1976) emphasizes that the welfare state operates with the sole purpose of meeting the needs of people, improving their well-being and living conditions. A. Briggs (Briggs, 1961) states that the indispensable attribute of the welfare state is the institution of political power, capable, through a system of administrative methods, «modifying the free play of market forces», in particular by guaranteeing individuals and their families receiving a minimum income, compensating for income in the event of a threat to socio-economic risks (unemployment, illness, old age), guaranteeing all citizens, regardless of their status, proper living conditions. According to D. Winch (Winch, 1971), the welfare state is a study of the material well-being of all members of society to the extent that it is influenced by decisions and actions of state institutions and individuals, conditioned by changes in the economic situation. That is, the welfare state, in view of «market failures» and the need for state intervention, must ensure public welfare. D. Hyman (Hyman, 1990) argues that the welfare state reflects the normative cut of the analysis of economic interactions in order to determine the conditions for effective use of financial resources in the state (through taxes and subsidies). Swedish economists K. Wicksell (Wicksell, 1967), E. Lindall (Lindall, 1967) also theorized some of the financial components of the welfare state (fair taxation, volume, and structure of public expenditures) in terms of efficient allocation of resources between the public and private sectors. The research of the aforementioned scientists proves that the welfare state is directly related to public finances, which, on the one hand, serve as an instrument for allocating resources,

distributing and redistributing income, and, on the other, constitute a source of financing for public goods and social transfers. Summing up the various approaches to the interpretation of the essence of the welfare state, it is quite logical to conclude that the latter reflects the social system, in which the government is called to be responsible for the economic and social well-being of citizens, implementing a policy to provide certain social guarantees. At the same time, in the sphere of economic activity, in order to stimulate private initiative, the bureaucratic influence of official institutions should be limited, while from the point of view of ensuring rights, freedoms, social guarantees, national security, legal protection of property, there is no alternative to the state. In this context, we are talking about the model of a «universal state» (Fukuyama, 2004), which is unilaterally oriented neither to market forces nor to government power.

Nowadays welfare state research attach great importance to the quality of institutions, the attention of which, as a factor of economic growth, and, consequently, an increase in the welfare in the state, has attracted within the framework of neo-institutional theory of D. North (New Institutional Economics). According to D. North and R. Thomas (North, Thomas, 1973) institutions are not «a by-product of the endogenous product of the economic growth process», but rather «innovation, the effect of scale, education, investments, etc., are actually growth». Within this approach, an alternative direction of scientific research has developed, according to which the differences between countries lie in differences in quality of institutions. Due to the fact that investments in the quality of institutions cannot be provided solely on a market basis, it is inappropriate to reduce the understanding of welfare solely to the extent of redistribution. The hypothesis of low stability of countries with weak institutions is confirmed by studies D. Ademoglu, S. Johnson, J. Robinson, and J. Teicheren (Acemoglu, Johnson, Robinson, Thaicharoen, 2003).

Problem formulation

The purpose of this article is to ascertain how the quality of institutions generating the governance efficiency affects the environmental dimension of welfare states, taking into account the specificities of post-socialist countries.

Presentation of research results

It is appropriate to identify the quality of the institutions with the universal benefits (such as social ones) that can generate significant positive externalities. Given the fact that the quality of institutions is determined by the business cli-

mate (attractiveness for inflow of foreign capital, attraction of investments, etc.), the volume and range of public services, the involvement of citizens in governance, the development of social capital, today the "profile" of the welfare state should not be associated solely with scales of redistribution. Moreover, the factors of social capital and the construction of mechanisms for the correction of social behavior can influence the formation of quality of institutions without regard to the level of redistribution, and ineffective governance can create inadequate redistributive initiatives that are far from social welfare and, rather, is a form of exploitation. This prompts the identification of welfare state forms in new coordinates: the extent of redistribution and the quality of institutions. The wording of this approach is also winning for reasons of expanding the analysis of the welfare state in the context of the ecologization of its activity and, in fact, the expansion of the very concept of well-being due to the environmental factor.

To identify the risks of distorting the links between the redistribution of GDP through the government budget and efficiency, it is necessary to conduct a theoretical analysis of options that combine the high and low values of the relevant indicators on which to base empirical data interpretation. Table 1 demonstrates a theoretical explication of correspondence between the «state scale» and the governance efficiency. It is natural to assume that the table 1 maxims do not take into account the wide range of intermediate variants, so that even countries with similar «state load» and quality of institutions can show sufficient differences both in terms of economic growth and adaptation to global competitive pressure. For example, in the context of post-socialist countries, this is an extremely important in the analysis of transformational processes. It should be theoretically assumed that even with increasing the variability of countries, in particular, of Central and Eastern Europe in terms of their fiscal strategies, it should not be ruled out that their paths of institutional development should be convergent, since EU membership requires appropriate reforms and compliance with standards, although not eliminates sufficient institutional differences. In other words, in view of the fact that the EU itself is sufficiently varied in terms of quality of institutions and, consequently, the governance efficiency, the abovementioned countries may for a long time be in the zone of soft institutional convergence, in which the result will vary more than the content a set of political and economic steps within the framework of institutional convergence. It is no coincidence that this can clearly be explained by the fact that the new EU members do not make the latter more homogeneous in an institutional way, as shown in empirical studies **(**Rozmahel, 2013). The same applies to the environmental factor of the welfare state and the quality of institutions.

Table 1

Options for «state scale» and governance efficiency: theoretical analysis

General Government Expenditures to GDP		Governance efficiency	
		Low	High
	Low	A typical example of a «poor country», in which the ability to collect taxes is low, and access to borrowing markets is limited. Significant institutional weakness holds back the possibility of increasing welfare in the aspect of functioning of public finances, as well as increasing the efficiency of government. The potential of economic growth is low and will rely on traditional exports.	A typical example of a liberal economy with strong institutions. The combination of low taxation, moderate «state load2 with government efficiency creates the preconditions for building up the potential of economic growth and welfare.
		Environmental aspect	
		The supply of environmental good will be at a low level, both in the absence of sources of payment, and in the absence of the motivation to choose the good. The case of a poor country is inert to environmental problems.	The situation when the provision of environmental goods is realized through the structure of requirements and regulatory norms that have no direct consequences for the level of GDP redistribution through the budget, but correspond with the public choice regarding the good «clean ecology».
	High	Typologically reflects the clan-redistributive state. A significant tax burden is translated into social strata that cannot be minimized, and is intended to finance significant expenditures that are a source of rent seeking satisfaction. Institutional weakness is combined with the «privatization of institutions», in which the latter acquires a repressive character. The potential for growth can be high (as the country has a significant tax capacity), but depressed and shifted towards traditional exports.	A typical example of a welfare state, in which the high level of «state load» is offset by the quality of institutions. Governance efficiency is a direct source of citizens' well-being and their satisfaction with life in the light of large-scale redistribution of GDP through the budget. The potential for economic growth is moderate in high-income countries.
		Environmental aspect	
		Due to the distortion between the socially optimal choice and the scale of environmental good redistribution fall out of the priorities of actual economic policy. The probability that pressure on the environmental quality will be formed in society will also be low due to inability to ensure the quality of governance and overall low incomes. The magnifying character of the institutes constricts public demands for ecology while simultaneously obtaining additional benefits by those who carry out «seizure state».	A classic case of a welfare state when a wealthy society generates high demands for standards of living, in particular its environmental dimension, while there is no gap between social preferences and the ability and willingness to pay for it. The contribution to the provision of environmental goods is realized both through regulatory norms, and through direct transfers and correctional taxes.

Source: compiled based on (Koziuk, V., 2016)

Thus, the modern welfare state differs not only in the scale of redistribution, but, above all, in the quality of institutions that provide effective market placement with the least transaction costs. The quality of institutions determines the public choice and direction of public policy that is being conducted by policy makers. Since the achievement of a high level development of institutions is impossible without significant investment in human capital, social capital, public administration, the search for the optimal forms of interaction between the various mechanisms of coordination of economic agents, the provision of guarantees of property rights, investor protection, fair justice, it can be concluded that welfare is becoming derived from the institutional choice, within which the level of public spending becomes a private occurrence of the expression of consumer preferences.

The criterion of the ecological state should be considered as an informative complement of the classical indicators of the welfare state. With this, we have compared and classified the Central European countries, including the Visegrad Four, and the CIS countries according to a priori indicators of the welfare state criteria, and special emphasis has been placed on the assessment of the classification role of the criterion of the country ecological state. An important task was also to find out, for the samples of Central and Eastern Europe and the CIS countries, the form, direction and tightness of the relationship between the three factors that can be used to some extent to assess the country compliance with the criteria of the welfare state, namely: 1) the quality (efficiency) of governance; 2) the share of expenditures of state institutions in GDP and 3) the country ecological state.

To form the initial analytical matrix, we used:

- Country Ranking Data for Environmental Performance Index (EPI) developed by the Center for Environmental Law and Policy of the Yale University (USA) and the Center for International Scientific Information Networks of Columbia University (USA) (0-100 points) (Environmental Performance Index, 2014)[1] .
- Government Effectiveness Index (GEI), which is an integral part of the Worldwide Governance Indicator (World Development Indicators) (0-100% scale) (World Development Indicators)[2];
- Indicator 4.12 of the «Central Government Finances» (in% of GDP) of the «Economy» indicator, which is part of the World Bank «World Development Indicators» (The Worldwide Governance Indicators (WGI))[3].

The matrices used during the analysis are based on the synchronized data for 2014 for the CEE countries (including the Visegrad Group) and (with a comparative purpose) for other CIS countries (Table 2).

[1] Environmental Performance Index. Full Report and Analysis (2014) [WWW. resource]. – Available at: http://epi.yale.edu/sites/default/files/2014_epi_report.pdf
[2] World Development Indicators: Central government finances [WWW. resource]. – Available at: http://wdi.worldbank.org/table/4.12
[3] World Development Indicators: Central government finances [WWW. resource]. – Available at: http://wdi.worldbank.org/table/4.12

Table 2

Characteristics of ecological state, governance efficiency and share of government expenditures in CEE and CIS countries

Country	EPI	GEI	ExpGov
Czech Republic	81,47	80,8	33,8
Slovenia	76,43	79,8	44,0
Estonia	74,66	80,3	2,2
Slovakia	74,45	75,0	39,8
Hungary	70,28	72,1	44,9
Poland	69,53	74,5	34,81
Serbia	69,13	58,2	39,2
Belarus	67,69	57,7	27,4
Latvia	64,05	78,4	43,8
Bulgary	64,01	57,71	30,11
Croatia	62,23	73,1	39,0
Armenia	61,67	45,7	24,0
Lithuania	61,26	78,8	9,6
Montenegro	55,52	63,5	н.д.
Azerbaijan	55,47	41,8	22,1
Albania	54,73	50,0	24,41
Russia	53,45	48,6	26,4
Moldova	53,36	38,9	34,6
Kazakhstan	51,07	53,4	15,3
Romania	50,52	54,8	31,9
Resp. Masedonia	50,41	59,6	29,4
Ukraine	49,01	39,9	43,5
Georgia	47,23	71,6	25,7
Bosnia and Herzegovina	45,79	36,5	40,0
Turkmenistan	45,07	18,8	н.д.
Uzbekistan	43,23	27,4	н.д.
Kyrgyzstan	40,63	17,8	21,0
Tajikistan	31,34	22,1	н.д.

Source: compiled for Environmental Performance Index. Full Report and Analysis (2014) [WWW. resource]. – Available at: http://epi.yale.edu/sites/default/files/2014_epi_ report.pdf; World Development Indicators: Central government finances [WWW. resource]. – Available at: http://wdi.worldbank.org/table/4.12; World Development Indicators: Central government finances [WWW. resource]. – Available at: http://wdi.worldbank.org/table/4.12

As you can see, the Visegrad countries take top positions in the rating lists by the index of the ecological state and the quality of public administration. The highest rates for EPI and GEI has Czech Republic (respectively 81,47 and 80,8). Slovakia, Hungary and Poland are characterized by somewhat lower rates of these indices. It should be noted that in the world ratings for EPI, the Visegrad Four in 2014 were among the first thirty (Czech Republic – 5, Slovakia – 21, Hungary – 28, Poland – 30 position). The governance efficiency in the above-mentioned countries is rather high, as evidenced by their localization in the top part of the global rating list for the GEI indicator: Czech Republic – 33, Slovakia – 40, Poland – 41, Hungary – 45th place. The share of public finances in the GDP of the Visegrad countries significantly exceeds the world average rate of 26,9%.

Among the countries of Central and Eastern Europe, Slovenia, Serbia, Latvia and Croatia are close to Visegrad Four by the complex of the analyzed indicators. CIS countries are characterized by significant differentiation of indicators of ecological state, quality of public administration and level of public expenditures. A number of CIS countries (Belarus, Armenia, Azerbaijan), in spite of certain problems with democratic transformations in them, form the median group for these three indicators. The countries of Central Asia, with the exception of Kazakhstan, occupy the outsider positions among the analyzed group of countries.

Given the fact that the country ecological state is an important attribute of the welfare state, the identification of factors (predictors) that affect the environmental state at the global, national, regional and local levels remains the current scientific task. We have attempted to sample countries, one of which covers only the Visegrad countries and CEE countries, and the other is supplemented by other CIS countries, to assess the causal relationship between the indicators of governance efficiency and the share of public finances (as regressors) and country ecological state (as regressant). Correlation analysis revealed the presence in both samples, significant and similar in terms of tightness and direction, linear dependencies between indicators that characterize the ecological state and the governance efficiency in the country (Table 3). For the remaining pairs of indicators, the coefficients of correlation are insignificant and illustrate the weak tightness of the relationship between them.

As a result of the regression analysis, we obtained two-factor regression models, the main parameters of which are given in Table. 4.

As we see, in both models a significant proportion (58-66%) of the variation in the indicator of the country ecological state is due to the variation of regressors. Both models are statistically significant at $p < 0{,}001$. However, among the parameters of the models, the loose members and the regression coefficients of the governance efficiency index were significant. The regression coefficients of the predictor ExpGov are insignificant in both models. A comparison of standardized regression coefficients (b^*) indicates that the GEI predictor is significantly more important when forecasting the environmental performance index in the country (0,748 and 0,748 versus 0,103 and 0,111).

Table 3

Matrix of pair correlation coefficients between the EPI, GEI and ExpGov of the CEE, the Visegrad Four and the CIS countries

Indicators	EPI	GEI	ExpGov
EPI	1,000	0,803	-0,055
GEI	0,756	1,000	-0,193
ExpGov	0,164	0,070	1,000

Notes: 1) the upper part of the matrix over the main diagonal contains the correlation coefficients for the sample Visegrad Four + other CEE countries; 2) the lower part of the matrix above the main diagonal contains the correlation coefficients for the sample Visegrad Four + other CEE countries + other CIS countries; 3) in bold type correlation coefficients are determined, significant at the level of p <0,001.

Table 4

Results of multifactorial linear regression analysis: regressant – country ecological state, regressors – governance efficiency and the level of public expenditures in GDP

Model 1:R^2= 0,655,F(2,15)=14,219 p<0,0003						
	b*	Std.Err. – of b*	b	Std.Err. – of b	t(15)	p-value
Intercept			23,83	9,11	2,61	0,0195
GEI	0,823	0,155	0,57	0,11	5,32	0,0001
ExpGov	0,103	0,155	0,10	0,14	0,67	0,5139
Model 2:R^2= 0,583,F(2,21)=14,684 p<0,0001						
	b*	Std.Err. – of b*	b	Std.Err. – of b	t(21)	p-value
Intercept			28,68	6,76	4,25	0,0004
GEI	0,748	0,141	0,48	0,09	5,29	0,0000
ExpGov	0,111	0,141	0,11	0,14	0,79	0,4401

Notes: 1) Model 1 is based on the sample of the Visegrad Four + other CEE countries; 2) model 2 is based on the sample of the Visegrad Four + other CEE countries + other CIS countries.

The same ranking of explanatory variables according to the degree of their influence on the explanatory variable was obtained during the analysis of partial correlation coefficients (Table 5).

Table 5

Partial and semi-partialcorrelation coefficients between predictors and response in multiple linear regression models

Models	Model predictors	Partial correlation coefficients	Semi-partial correlation coefficients	t	p-level
Model 1	GEI	0,808	0,807	5,32	0,0000
	ExpGov	0,170	0,101	0,67	0,5139
Model 2	GEI	0,756	0,746	5,29	0,0000
	ExpGov	0,169	0,111	0,79	0,4401

A significantly larger partial correlation coefficient between GEI and EPI informs about the tangible impact of the first variable on the second. However, the simultaneous high semi-partial correlation between the GEI predictor and the EPI response indicates that this predictor does not have its own independent part in explaining the variability of the dependent variable. That is, one should not ignore the probable mutual influence of both predictors on the country ecological state. The latter statement is in some way confirmed by the graphic ordination of the studied countries in the coordinate system «GEI – ExpGov» (Fig. 1).

In order to classify the Visegrad Fourand other CEE countries, their cluster analysis using the k-means method was performed depending on the ecological state, the efficiency of public administration and the share of public finances. As a result of the analysis (by the criterion of minimizing intragroup dispersion and maximizing intergroup dispersion), 4 clusters of countries were identified (Table 6).

The first cluster combines the Visegrad Fourcountries, as well as Slovenia, Latvia and Croatia. This group of countries is characterized by a rather good environmental state, a relatively high level of governance efficiency and a significant share of public expenditure in the structure of GDP. It should be emphasized that this group of countries, in our opinion, has made the most progress in recent years towards the formation of the main features of the welfare state. The second cluster is the smallest representation, including only two Baltic countries. Estonia and Lithuania are similar to the first cluster countries for the first two indicators. The specific features of the second cluster countries should include a small share of public finances in GDP. The third cluster covers six countries with a satisfactory environmental state, an average level of governance, and an average share of public spending on GDP. The last fourth cluster includes countries with a very unfavorable environment, a significant share in the structure of public finances and the low efficiency of the functioning of state institutions.

Figure 1

Distribution diagram of the Visegrad Four, other CEE and the CIS countries depending on the quality of governance and the share of public expenditures in GDP (bubble diameter illustrates the country ecological state on a scale «bigger diameter – better condition») (made by authors)

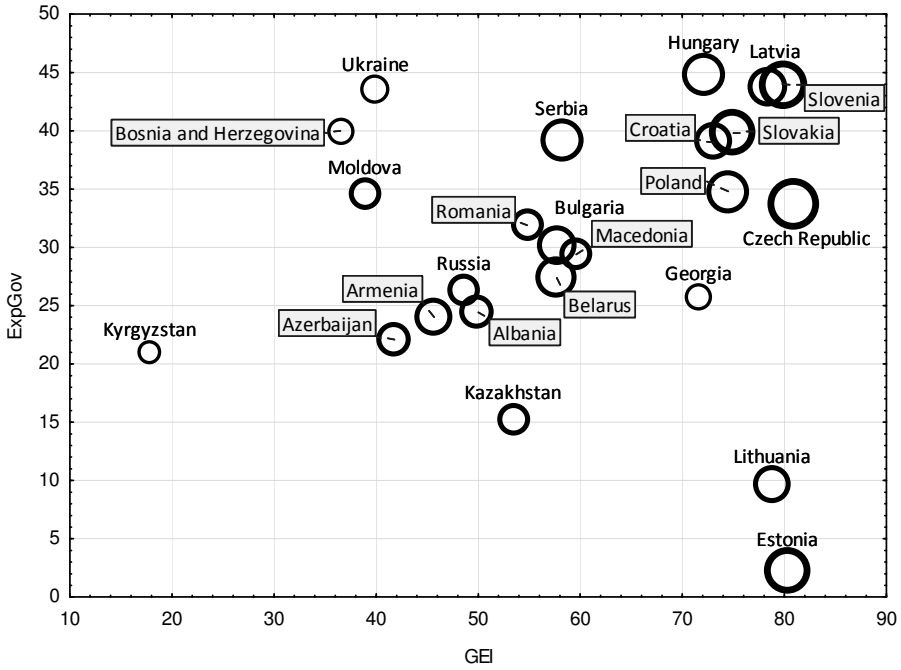


Table 6

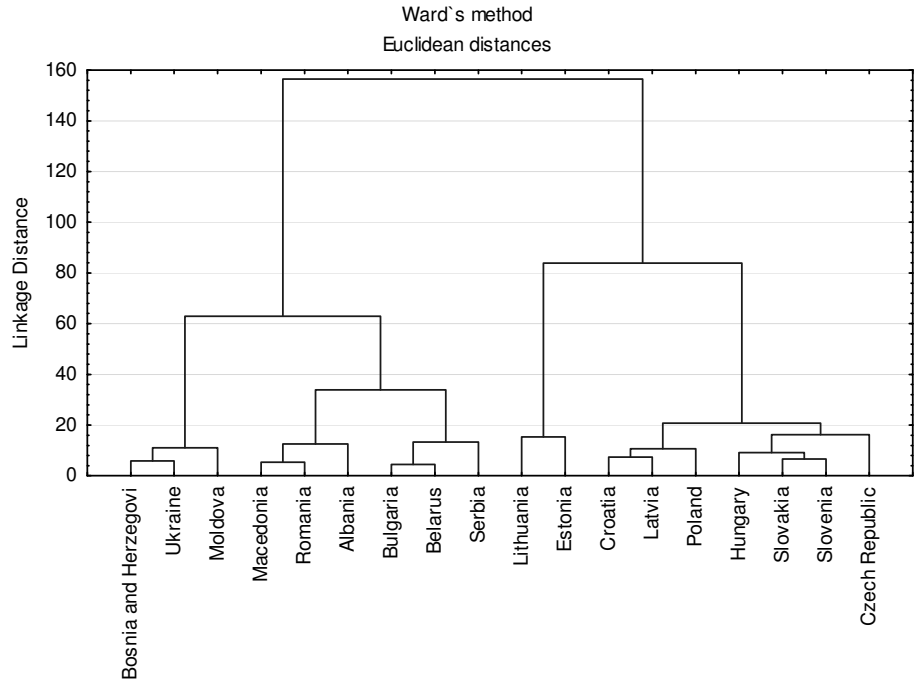
Composition and average values of clusters in CEE countries on the ecological state, governance efficiency and share of government spending in GDP

Cluster	Country	Quantity of countries	Indicators		
			EPI	GEI	ExpGov
1	Poland, Czech Republic, Hungary, Slovakia, Slovenia, Latvia, Croatia	7	71,21	76,24	40,06
2	Estonia, Lithuania	2	67,96	79,55	5,90
3	Serbia, Belarus, Bulgaria, Albania, Romania, Republic of Macedonia	6	59,41	56,34	30,40
4	Moldova, Ukraine, Bosnia and Herzegovina	3	49,39	38,43	39,37

The agglomerate tree-like hierarchical clustering confirmed the classification of the CEE countries by the previous method. This is clearly seen from the dendrogram on which these four clusters are identified at the threshold level of the Euclidean distance 32 (Fig. 2).

Figure 2

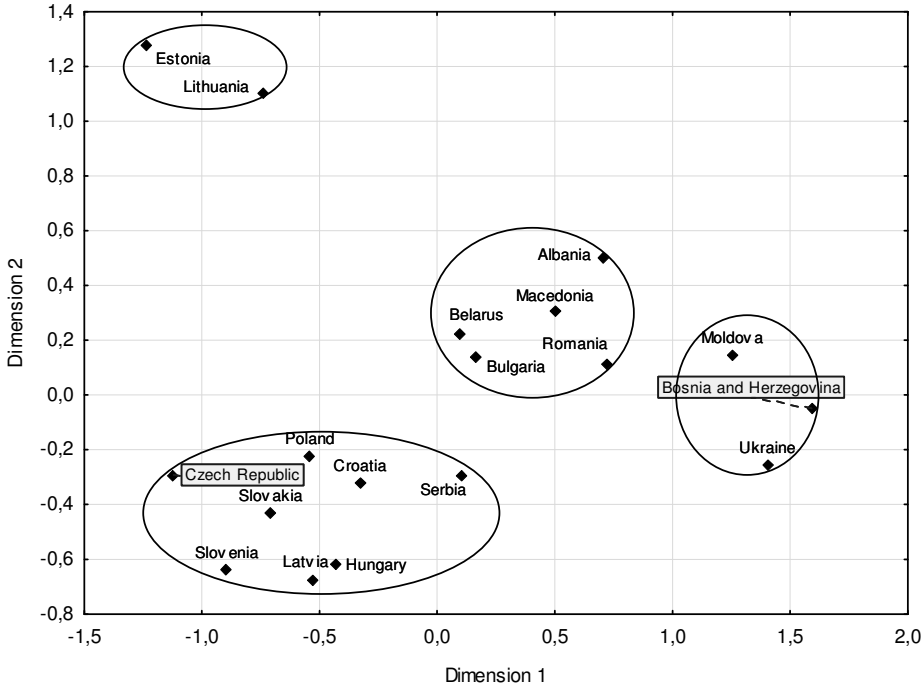
Dendrogram of cluster analysis of CEE countries by EPI, GEI and ExpGov indicators (made by authors)



Ordination of CEE countries within established clusters is shown in Fig. 3, where they are located in the two-dimensional coordinate system «latent variable 1 – latent variable 2». The boundaries of clusters are conventionally indicated by a solid red line. This placement of countries allowed identifying Dimension 1 as a latent variable, reflecting the variation in the state of public management guiding of institutions and institutions responsible for the environmental state in the country. Interpretation of Dimension 2 is simpler, since this variable is most likely to illustrate the fluctuations in the share of public finances in the structure of GDP.

Figure 3

Ordination of CEE countries in 2-D space by the method of multidimensional scaling (in bold type exuded the Visegrad Four countries)
(made by authors)



The inclusion in the analysis by the method of multidimensional scaling of other CIS countries practically did not change the configuration of pre-established clusters, except for the expansion of the boundaries and representation of the third cluster and the formation of the fifth cluster by Kyrgyzstan (Fig. 4).

Thus, Azerbaijan, Russia, Armenia, Georgia and Kazakhstan additionally entered the third cluster. Kyrgyzstan forms a separate cluster, characterized by the lowest estimations of the environmental state and the quality of public administration.

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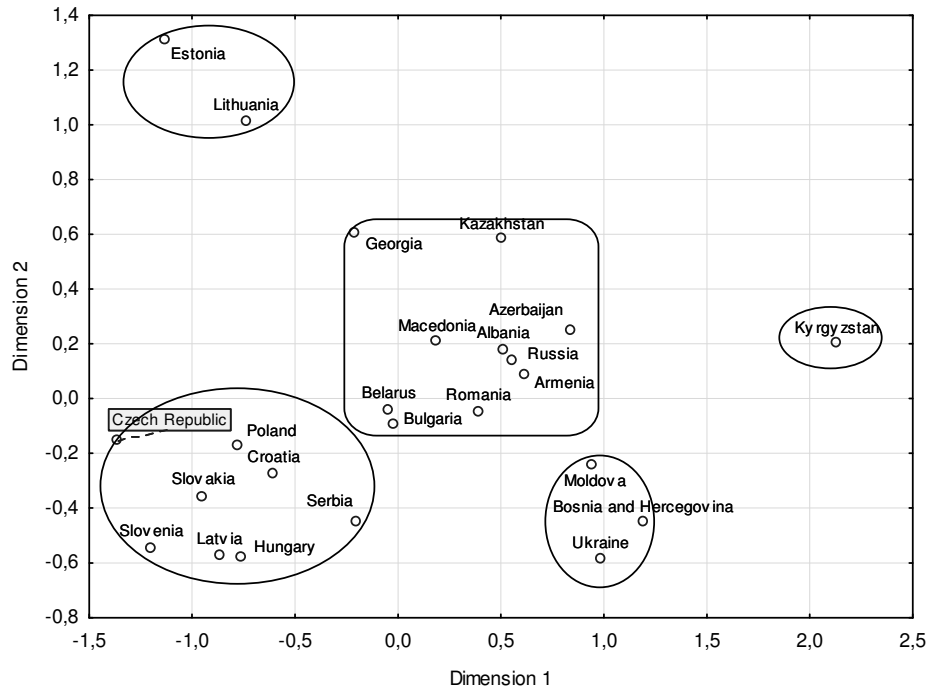
Figure 4

Ordination of the CEE and CIS countries in the 2-D space by the method of multidimensional scaling (made by authors)



Conclusions

Thus, a comprehensive analysis of empirical data that characterizes the ecological state, governance efficiency and public finances (as an example of post-socialist countries) has shown that there is a direct correlation between the first two indicators. However, it is not necessary to ignore the likely mutual influence of the effectiveness of public administration and the share of public finances on the country ecological state.

The classification results of the studied countries obtained by alternative methods (k-means clustering methods, hierarchical agglomeration cluster analysis, multidimensional scaling) showed the possibility of using the EPI, GEI and ExpGov indices, but taking into account their different statistical significance as complementary features to the classical criteria of the welfare state.

Taken together, empirical evidence suggests that eco-friendliness in the studied countries is largely determined by the governance efficiency, and not by such a formal attribute of the welfare state as the scale of GDP redistribution through the budget. This situation can be characterized as the absence of a fatal character in the direct relationship between the level of income and the quality of environmental goods. In a broader sense, this confirms our hypothesis that environmental goods, as an attribute of the modern understanding of the welfare state, may be proposed not so much by the quantitative parameters of such a state, but rather by qualitative ones. Confirmation of this, for example, of the CEE countries, which are in the stage of real convergence, is fundamentally important. Detected dependencies confirm that ecological compatibility, as a manifestation of a modern, effective state focused on inclusiveness, is not the property of exceptionally wealthy countries. In other words, the more the society will generate pressure on the quality of institutions, the more likely it will be to improve governance, which will improve the environmental state, and to a greater extent it will be coherently with a modern understanding of what social and individual well-being are. In the case of a number of post-socialist countries, one should not reject the idea that institutional convergence with the EU (convergence in the quality of institutions) has a significant impact on the public choice regarding better ecology, the individual perception of ecology as good and collective actions generating relevant policies. It is precisely that the quality of governance is critically important for environmental goods beyond the quantitative scale of redistribution.

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