

Maria Csutora

Dirty tricks and gross mistakes

Mismanagement of environmental conflicts and environmental crisis

(the case of Hungary)

Annals of the American Academy of Political and Social Science

Vol. 552, Strengthening Transitional Democracies Through Conflict Resolution

(Jul., 1997), pp. 52-64

Budapest, 97.02.05

First of all I would like to express my high respect and thank to professor Schonholz who made it possible that I publish this article and in every way contributed to the development of the topic in Hungary. I thank professor Sandor Kerekes, my head of department, for the lot of help and support I got from him and Sara Rollet to correct the numerous error she found in my English.

During the communist regime companies' conflicts with the public were hidden or peaceful because. development plans and sites of planned facilities were determined centrally. The authorities decided whether a factory was desirable or not, taking account its products, pollution and other factors. Whatever the decision nobody had a chance to oppose. This approach had some advantages. On the one hand NIMBY was not a problem during that time. Local communities could not counter developments. On the other hand, the authorities' decisions were very often far from optimal for society. There was no mechanism in existence that could take into account the interests of the stakeholders.

Recent Hungarian law is very similar to that of western societies. Rights of individual persons are at the center of this law. Companies are not allowed to

proceed with their plans against the will of local citizens anymore. NIMBY has become a well known syndrome in Hungary. However, attitudes change slowly. In this article, I will show the typical methods of mismanagement of environmental conflicts on behalf of companies. These methods are partly characteristic of Hungarian society. However; several of them are also quite common in the USA and in Europe. The article also addresses some problems especially inherent in environmental conflicts. In this respect, it goes beyond a discussion of the specific circumstances in Eastern Europe. The first part of this paper emphasizes mistakes in communication with local communities, while the second concentrates on strategic issues. I believe that revelation of these tactics could hinder their application and contributes to a more equal communication with the public.

Company representatives and environmental authorities often communicate with the public in a way that results in frustration and destroys any opportunity for a win-win result. Terms and arguments used, as well as metacommunication, may undermine any willingness to reach agreement that might have existed before the negotiations took place, and may even accelerate the conflict. Most of the typical arguments are listed below, with some explanation of why they should be avoided. The examples are taken from the minutes of a public hearing about a radio-isotope disposal in Hungary. They are, however, very common to other situations both in Hungary and other countries.

. Let's get to the point and discuss the kinds of strategies different companies have developed in order to avoid doing what they are supposed to do.

Dirty tricks to deceive the public

Give homework that cannot not have a solution

Companies often argue that they do not need to take environmental measures because there is not enough evidence or evidence is not scientifically based.

They do not want to take steps to reduce environmental damage or risk until the evidence is convincing.

It is characteristic of most environmental risks that a 100 percent cause-effect relationship cannot be established. For example, the connection between CFC emissions and depletion of the ozone layer has been studied for 20 years, but so far, the link is not 100% scientifically proven. A lot of companies use scientific uncertainty to delay necessary actions. The situation is even more difficult when evidence is based not on laboratory tests, but on statistical correlation.

Statisticians warn us not to use statistical correlation as clear proof of cause-effect relationships. A common example is that a very high correlation exists between the number of babies born and the number of in a given area. This does not mean, however, that storks bring babies.

Delaying actions until scientific evidence is clear can sometimes be a disaster. It might simply be too late. Even if we stop producing CFCs, the CFCs in the atmosphere already would continue to deplete the ozone layer for another 60 years. What is it too late and we still wait for more evidence?

The uncertainty inherent in complex environmental problems is a real challenge for traditional law. Classical law has a strong presumption of innocence. If authorities make decisions on a new standard or regulation based on traditional law, they should wait for convincing scientific evidence, because they do not want to impose excess costs on companies for no reason. However, in case of irreversible or delayed environmental risks, this approach is a very risky one.

During a crisis, arguing about insufficiency of evidence often confronts authorities with a stalemate that may lead to disaster.

Suspicion that something is wrong should be enough for companies to act. They should not wait until the very last minute. They risk a lot if they insist on doing nothing and wait for scientific proof. In response to this attitude, some countries (e.g. Japan) decided to shift the burden of proof. The suspected company or

product is treated as if it were the cause of the environmental problem. Companies must prove that this is not the case, which is even more complicated than finding enough scientific evidence. But high risk of some environmental accidents or disasters can make this approach necessary.

In conclusion, we can state that using the „unsolvable homework tactic” is very risky in the long run, because it might evoke a shift in burden of proof. Companies must act with few delays.

Keep your opponent busy

This tactic works in the following way. A company showers large amount of technical material and information upon environmentalists or environmental authorities. Data and analysis need not be well structured or even closely related to the topic. Time is gained until the opponent somehow works through the hopelessly large amount of information.

Authority offices, provided they are enthusiastic and diligent, will begin to study the material at length. After they involve themselves in the material and become very busy, they often forget about the original topic and let it lie. The more politely the information is given to authorities, the more efficient the tactic.

In the seventies the gas tank of the Ford Motor Company's Pinto fell under suspicion by authorities. They tank tended to explode in accident, causing an estimated 500-900 fatalities. Despite this record, Ford delayed a standard that would have forced the company to change its model. Pinto stayed alive for another eight years - quite a long life for any car model - partly because of the strategy described above.

Use of timed arguments

A company that is subject to attacks at a public meeting works out a good argument to counter the attack. The arguments may be based numbers or analysis that is not completely correct. It is essential, however, that the opponent

puts in a lot of work to find the mistakes in the analyses. At the next meeting, environmentalists are able to show why the analysis is wrong. By that time, however, the company offers completely new numbers and analysis that are a surprise to environmentalists. The latter starts to work on the new information, but at the next public hearing the company has come up with something else. In this way, the company's arguments are never countered convincingly.

This tactic was successfully used during the Gabčíkovo-Nagymaros dam dispute, one of the last large governmental investments of the former regime. A dam and hydro-power plant was planned on the largest Hungarian river, the Danube. It would have been a large engineering task and so was supported by the water construction engineers association, the VÁSÁRHELYI PÁL TÁRSASÁG. However, the dam was sited in one of the most beautiful regions of Hungary, with beautiful views and historical importance. Environmentalists were opposed to the project. Hungarian people were frustrated: it was the first time anybody, namely environmentalists, had seriously opposed something that came from the government. A lot of people did not know whom to believe. A number of public meetings were organized in which the association of water construction engineers and the Danube circle, (whose leader later gained the alternative Nobel prize), argued with each other. The VÁSÁRHELYI PÁL TÁRSASÁG always gave new numbers and firmly stated that the dam had exclusive advantages. Environmentalists could always refute the arguments of their opponents, but only well after the meetings. So they were terribly afraid of these disputes, and most of the time they left feeling like the losers. This tactic worked well in the short run, but the dam was never built and now the former regime is gone. Deception does not work in the long run.

Assert your innocence

A lot of companies continue to assert their ignorance even when nobody believes them any more. They shift the blame onto somebody else, and in its most

sophisticated form, they shift the blame onto the victims themselves. Perhaps the companies admit to some negligence, but they argue that the accident or unwanted event is not connected to the negligence in any way.

In December of 1984, toxic gas escaped through the stacks of the Union Carbide Factory in India. The gas was used to produce pesticides and was so toxic that it was used as a lethal gas during the Second World War. Different reports estimate the deaths at 2000-4000 people during a single night and several tens of thousands suffered permanent health impairment or injury. After the accident, the CEO of Union Carbide insisted that the accident was due to the negligence of Indian workers. Journalists revealed in a surprisingly short time that the deficiencies in equipment and control came from negligence on the part of the managers.

Admitting responsibility may help companies move through the situation quickly, but asserting false innocence keeps tensions high for a longer time and could backfire the company.

In certain countries, it is very risky to admit a mistake and bear responsibility for some accidents; lawyers often advise their clients not to admit fault because the statement could be used against the company in a suit. Hungary and other Central-Eastern European countries are, however, in a different position. Those kinds of malpractice suits have not occurred so far. The victims must bear the costs and burden of their injuries, except the costs of medical treatment, which used to be free for everyone. (The basic treatment is still free and medicines are sold at their real costs.) The first medical malpractice suit involving death of patient, just started in Hungary, and the amount of compensation being considered is about 10,000 USD per patient- almost unbelievably low compared to what usually offered in the US. Admitting responsibility in a crisis situation is less risky in Hungary than in the US if the likelihood and the consequences of a possible suit are taken into account.

Manipulate data to support your position

When an environmental disaster occurs, environmentalists and the media tend to portray the event as even more tragic than it might be, while the company hopes to make the disaster appear as insignificant as possible. Company representatives try to convince the public that the problem was much smaller than it appeared and journalists should not make a song and dance about it. Companies can easily lose credibility if they play this game, so environmentalists do not necessarily need to plan a counter tactic.

The same facts may have quite a different emphasis depending on how we manipulate data. The statement that a polluting facility increases the mortality rate by 0.001 does not seem to be very frightening. The effect is quite different when translated this way: due to the activity of the facility, 100 innocent persons are expected to die. If we take as an example a small town with 100,000 inhabitants, the two statements are equivalent. Statistical ratios decrease the subjective significance of the same fact while absolute numbers tend to increase it.

This approach was used after the Chernobyl accident in the former Soviet Union (now the Ukraine). After the accident, mortality due to cancer was expected to increase. However, because this mortality rate is quite high anyway, the rate of Chernobyl-caused mortality when compared to the total cancer mortality rate was insignificant. Therefore, physicians after Chernobyl did not experience any increase in the numbers of cancer cases. However, when mortality is expressed in numbers rather than a ratio, the picture changes. It is expected that some 10,000-100,000 people will die of cancer due to Chernobyl. In addition, emotions can be intensified by showing pictures of the victims, (e.g. sick children with their desperate mothers, dead animals, etc.).

Take the babe into the woods

In public disputes company representatives often try to engage their opponents in fields in where their opponents are inexperienced, so that they are unable to effectively argue with company representatives. For example, representatives could discuss the technology of the company.

This tactic is often used during disputes between engineers of nuclear power plants and environmentalists. Engineers know the technology of the power plant much better than environmentalists do. In Hungary, engineers always manage to argue about technological issues with environmentalists, although the discussion is too detailed for the latter. Environmentalists have their own tactics, eg. pictures and data about accidents, costs of radio-isotope disposals, unjust distribution of risks and benefits of power plants, the lack of efficient social control of power plants, and so on. Instead of speaking about these issues, environmentalists have started to educate themselves about technological issues and try to battle engineers in this field.

Pursue an ostrich policy

After some incident or scandal, the CEOs of companies often disappear from the eyes of the public. The CEOs do not make a statement, but instead they go into the country and declare themselves ill.

This tactic is however a very dangerous one. Because of information, the public and the media give free range to their fancy and the picture becomes blacker than it is in reality. By the time the company is willing to present its side, these rumors have gotten too much currency and the company does not have enough credibility to refute them. Usually, it is much better to act before this scenario occurs.

Nobody likes presenting bad news, but the facts are less damaging when they are disclosed by the company itself rather than by the newspapers.

Assert the glory of the past

The company has been operating for the benefit of the community for a long time without any problems, so the public should forget this little infraction now.

If a company is viewed as environmentally responsible and a good citizen, it can use this advantage to ask the public to disregard a "small" incident. Yet this image should not be used to justify delay in action or as a reason not to take the necessary steps.

Sometimes companies even deceive themselves concerning their relationship with a community. Once I asked a director of one of the Hungarian chemical works about the company's relationship with the community. He answered that there was no problem. Then I asked about NGOs. He laughed at me. "Everything is all right. We founded the environmental NGO."

Prevent scares and raise panic

The consequences of an accident might become much more serious when a crowd panics. Prevention of a panic situation is often used as a justification for keeping certain important pieces of information secret. But this is especially damaging when cooperation of the people is needed to reduce future damages.

We know that days went by after the accident at Chernobyl and nothing happened. People were relocated only with much delay. Lack of basic information caused injury to a lot of people in Kiev who continued to live their usual life near Chernobyl just after the accident. Authorities could not avoid relocating people but the tactics used by to prevent panic and fear caused a lot of tragedy.

Fortunately in Hungary no such large accident has happened so far. Similar phenomena have appeared, however, at a smaller scale. In a town in Hungary (Nagykanizsa) some pollution accidentally got into the pipe-line system. The pollution affected a small district of the town. The authorities did not want to declare the bad news because they did not admit possible fault or cause people to

panic. Bad news, however, always finds a way to become public. Rumors spread and the perceived situation was much worse than the reality. People in the whole town, not just in the affected district, started to use the old wells instead of the pipelines. The old wells had been abandoned a long time ago, and people used a number of them to dispose of waste waters. Although this was forbidden, in districts without sewage system it was a cheap method of handling waste waters. Pollution from these wells moved into the ground water and from there into the other wells. Several people got sick from the water in the wells and were taken to the hospital, even though the pipeline was safe in their district.

Retaining of information was quite common during the former regime, as authorities did not want to bear responsibility for unpleasant situations. Although they gave as a reason the prevention of panic, it was also an excuse. Not to raise panic was partly a goal and partly used as an excuse. Such outbreaks of fear are rare but examples in western countries show that they have not disappeared.

Prevention of a panic situation still remains an important issue during a crisis. It is also important to remember, however, if the cooperation and participation of the affected population is needed they must be given some basic information about the situation first. Keeping information secret is very damaging in such cases.

Common mistakes in communication with the public

The following citations are all drawn from the minutes of a public meeting between a Hungarian power plant and local communities. They demonstrate the false attitudes and communication mistakes that could lead to an impasse, even if other conditions for possible agreement are met. The mistakes listed are very common in all kinds of situations in Hungary.

1. Use of too much jargon

Companies should avoid using jargon. Using terms not understood by the public has the appearance of negotiating from a superior position. The public might think that company representatives do not really want to speak clearly; instead they want to emphasize their in-depth deeper knowledge of the topic. If the representatives wanted to be clear, they would use language appropriate to the background of the audience.

In most cases, with the most technical knowledge of the problem are sent to public meetings. This is often a mistake, however. One hand, they use too much jargon, and on the other hand, they are often not prepared to handle the emotions that characterize these kinds of meetings. The engineers try to argue logically, but when the interests of the people express themselves emotionally, logical arguments do not have much use. Working with people is more important than knowing the argument in detail.

2. "You can make fun of us, but take into the account the fact that Paks fulfills some 40 percent of the electricity demand in this country. If the power plant were shut down, you would have to reduce electricity consumption. We are planning to build a radio-isotope disposal site in Ófalu. It is absolutely needed."

The essence of the argument is the following is that the site is needed for society (it is more important than individual or community needs).

The argument worked quite well in the „good old times”, but now it is a major mistake.

All of us know the not-in-my-backyard syndrome, that is, we all want to benefit from certain developments such as a waste disposal, but no one wants to have it in his neighborhood. This argument is a response to a similar situation; however, it still should be never used.

First, this argument sounds false, as everyone knows that the company represents its own interest, not the interests of society. Second, the company must ask for something, and the local community can say yes or no. The public has the right to allow the presence of the facility or to refuse it. The municipality practices this right by giving out land use permits. Therefore, the company should not behave as if it had the right to decide. People do not want to be in a situation that is worse than they were in previously, so they must believe the development has clear advantages or else they will say no. Some kinds of compensation might be necessary and certain dispute settlements were based on this kind of compensation. For example, an incinerator was finally accepted by the municipality in Dorog, after the company agreed to pay a large amount of annual compensation to the municipality. The company also agreed to open the incinerator to visitors, so that the public could check on the current procedures. (Recently, the owner of the Dorog incinerator changed these terms. Disputes have started again.)

2. "It is out of the question that the facility would be dangerous. It is done the same way everywhere in the world."

A hazardous waste disposal site might be regarded a good one if it meets all environmental standards or is built according to high professional standards. But it will always create more risks for an area than were there before. Even a facility meeting all the appropriate standards is likely to cause some environmental risk, although it will be quite low. Without advantages from employment or infrastructure development the site could create a situation that is worse for the community. People know this and so these kinds of statements lack credibility. Sometimes they are even ridiculous, and show that the company does not take the wants of local people seriously.

It is much better to clarify the risks, especially any measures taken to reduce risks, than to deny the existence of them.

4. "Don't be fear of the environment. It is not us, but the average man who destroys it."

The above statement is usually formed this way: if you smoke, leave the lights on or do not dispose of waste paper, then do not assume you can speak about environmental protection.

In this way, companies try to play off of a guilty conscience. People become very angry hearing these statements because they feel the two kinds of risks (smoking and pollution) fall into different categories. The public evaluates the same risk in different ways depending on the situation. People accept voluntary risks more than involuntary ones, accept everyday known risks while refusing those they do not know, and accept risks when they enjoy benefits from them but refuse risks without benefits at all. The terms of objective and subjective risks are well known from the decision theory. Reaction of public creates a kind of exogenous risk for the company at the same time (See Kerekes-Kindler, 1996) When I am angry, I will perhaps break my china; yet I would never let anyone else break my china. Smoking is a voluntary type of risk, but pollution is involuntary. This is why people who smoke are against pollution, even though many times the former is really a larger danger than the latter. We should not measure different categories of risks on the same scale.

5. "This is all about technological questions. From the public reactions, however, I feel emotions are starting to gain ground."

Most times, very complicated technological aspects have to be taken into account when decisions about investments, technological alternatives, or sites are made. Even experts dispute these issues. How then could a member of the public know whether the waste disposal site was a good choice or not? At least two question can be raised concerning this statement. The first is about the role of emotions and whether the public should be convinced using logical arguments and rationality. The second concerns whether experts can properly decide in regard of

site or technological alternatives. If an alternative is technically appropriate is it necessarily good for the local community?

When disputes occur with the public, their views often are expressed in a very emotional way. Most times, people think they have been left out of the decision-making process, and this fact makes them upset. They believe the company has not been fair. Consequently, in the public's view the company's arguments are not objective; they simply exist to support what was decided beforehand. When people express these emotions, rationality and logic does not help anymore. The company can come up with newer and newer arguments while the public responds with newer and newer counter arguments. Experts cannot solve this dilemma. The only solution is a change in the process so that the public can be involved in real decisions. The average citizen is allowed to make decisions concerning politics, although he does not always understand the background of the political game. He is allowed to choose his physician, although a bad decision could be dangerous to his life. Why, then should he then be left out of environmental decision-making?

A good technological alternative is not necessarily good for the community. Experts declare a development plan good in environmentally sound when it meets all the standards and does not have a significant impact on the environment. For the community, however, even an insignificant impact is more than nothing, not to mention the possibility of hidden environmental risks. A community may have more stringent requirements than those of the law, and their requirements will not be known until asked. This is why the following citation, drawn from the same minutes, is misleading:

"Thirty volumes of reports were prepared in this field. Experts must have studied all the aspects of the issue, didn't they?"

The present situation is very new to companies who are used to a centrally planned economy, in which all the decisions are made by experts and those 'above'. These companies are now accommodating themselves to the fact idea of

even less educated stakeholders are demanding a role in decision-making that affects their lives. The new Environmental Act of Hungary, issued in 1996, declares that it is everybody's right to ask for environmental information about his area. The decree on Environmental Impact Assessments, issued in 1993, revised by the Act, makes it obligatory to hold public hearings on new developments with a significant impact on the environment. The new laws do not necessarily assure involvement of stakeholders in the decisions, but they do assure the rights of stakeholders to access information and oppose development when their interests have been disregarded.

6. "The site was chosen by the same people who decided on the location of the power plant. Why do you not trust us? The power plant has been operating without problems for six years now. Believe us, we are trying hard to guarantee maximum safety."

It is not clever to ask for trust when the problem is the public's lack of trust. Engineers think people should trust them because they know so much about technical issues. At the same time, people do not believe what company representatives say about technical issues, *because* they do not trust the company.

7. "We did not come here so that you would accept the decision with resignation. We would like to convince you."

This syndrome could be called the "we have come to convince you" syndrome. Company representatives are very satisfied with themselves; they do not only declare that the decision was made, but also want to convince people that the correct decision was made. The company's goal is not to listen to concerns raised by the public and build them into the decision, but just to convince the public. Communication flows only one way in this scenario. Company people are then surprised when the public shows little interest in the company's colorful graphs and pictures and disregard the technical data presented. Instead, the citizens start to speak about their demands, fears and objections to the proposal and ask for a solution. Company people usually are not prepared for this. They insist on their

graphs and do not understand why their arguments are not accepted. Their defense, when given, is based on even more data and graphs. The representatives try to convince people at all costs instead of listening to them. If everything has been decided there is no room for changes. Usually, the dispute ends in an impasse, as actually happened in this case.

8. "I beg your pardon! Waste disposal is not akin to an atom bomb. You should not overemphasize the number of kilometers. There could be a thermal bath or any kind of fool's paradise here anyway."

Ironic notes like this might impress company people; however, they seem arrogant in the eyes of local people. They show lack of respect and disregard the physiological needs of people. At the same time, these remarks stimulate negative emotions and bring the possibility of an impasse closer.

The potential role of conflict theory in Hungary

Conflict theory and conflict resolution techniques may help Hungarian companies to deal with the above mentioned problems and to reach a win-win solution. Although not unknown, facilitation is not considered a separate job and is not regulated in Hungary. It means that there is a potential and business opportunity in its development.

First, conflict theory concludes that one hand bargaining is not necessarily a battle of enemies where somebody must be the winner while the other has to be the loser. On the other hand it is not necessarily a compromise where both parties should give up something in order to come to an agreement. This is true only in case of positional bargaining. In case of the above mentioned conflicts, however, the conditions for an interest-based bargaining are fulfilled. Companies and local communities want to work together in the long run. It means that any gain that results in unfair loss for one party will result in suspicion and destruction of trust in the long run and makes future relationship difficult. That is parties have a good

reason to find a win-win solution that builds rather than destroys future relationship.

Moreover, the game is not a fixed sum one. Although people often argue that building a waste disposal is against their interest, this statement shows their position, rather than their interests. Most cases their interests include safety, health and welfare. They oppose to the development because they cannot imagine that these interests can be fulfilled if the development takes place. They express their position rather than their interests. However, if companies can them what they want to get a win-win solution can be reached. In the Dorog example the company helped people to fulfill their interests for more welfare by contributing to the municipality budget which resulted in more infrastructural development in the town. When people are worrying about potential air pollution of a new plant the company can help people in different ways to have their gain from the new development. The most obvious solution could be an offer for solving another environmental problem the municipality did not have financial resources to handle. e.g. the lack of safe water usually imposes more severe health risks on people than industrial pollution. If the company can afford to solve he first problem by developing the pipeline system it might be forgiven for the second one, provided that it reduces air pollution to a minimum level. Other package proposals are also a possibility.

Companies should show the advantages coming with the development for the local community rather than refuting their arguments. They have to be flexible enough to accept the proposals coming from the public and make alterations to the initial development plan. The company may gain the approval of the local community this way and can also gain time because it does not have to go through a time consuming procedure of finding another site or spending its staff's time with public disputes. It also spares itself the bad image that is a risk if media starts to deal with the case. Bad image may cost a lot in losing consumers and in the necessity for expensive public relation campaign to support the company's

position. Good image can however bring new customers, can make permit procedures easier and faster and gives credibility that has a high value when problems occur. A good relationship with the municipality and local authorities may spare money in the long run. If companies learn how to handle their conflicts they have a chance to get into a better position than they were before the conflict started. However, they have to learn from the conflict theory, as well as from practice that they have to concentrate on interests, rather than on positions and they have to be flexible in wording options and willing to accept to concerns raised by the public.

Conflict theory teaches us that we have to deal with at least three different types of interests: substantive interests, procedural interests and psychological interests. The first one is widely acknowledged as it seems rational. However, the latter two are also as important as substantive interests. In democracies companies also have to deal with procedural and psychological interests of the public, otherwise their proposals are rejected. This is an important difference compared to the formal regime. In dictatorships it is enough to concentrate on substantive interests, or rather on substantive interests as perceived by the decision maker, in democracies, however involvement of stake-holders as important as interests itself. In the formal regime companies had to negotiate only with authorities. Decisions were transmitted from top down afterwards. There was no need for conflict resolution techniques as conflicts could not arise at all. They always remained hidden. In democracies the distance between stakeholders, authorities and companies is not big. The latter have to handle public a partner. Information cannot be held in secret any more, as the public has the right to get environmental information.

Fulfilling procedural and psychological interests includes the following:

- Hungarian companies have to deal with the public at the very beginning of the planning process. That time they have enough flexibility in siting a plant or

considering different technological alternatives. Their position is not closed due to much work already put in a certain technological or site option.

- They have to involve the public in the decision making process and they have handle them partners rather than trying to convincing them on what they had already decided.
- They have to show that environmentalists are taken seriously and their concerns are respected. During a negotiation they have to give enough time and attention to the latter. They have to plan the procedure in a way that assures the other partner about the fairness of the game.
- They have to apply a facilitator or at least educate their negotiating employees in communication skills., such as active listening.

Changing attitudes is a difficult and time consuming process. Hungarian companies have started to experience that there is a need for such kind of change. They need much help from conflict resolution theory and they require the help of facilitators to go through the first difficulties.

Conclusions

After the former regime collapsed Hungarian companies found themselves in a into new situation regarding the decision process for planning or siting a new development. Suddenly it was not enough to maintain a good relationship with authorities or party members; instead developers were forced to take into account the interests and demands of all stakeholders. Attitudes are difficult to change, and examples in the west show that dealing with the public can cause a lot of difficulty for companies in democracies. Still new Hungarian laws are now based on the rights of individuals, and they support the demands raised by stakeholders.

There are signs that Hungarian companies have already started to learn this new lesson, and perhaps they are not bad students at all.

References

- Carpenter, Susan L. - Kennedy, W.J.D.: Managing Public Disputes, Jossey-Bass Publishers, San Francisco, Oxford, 1991.
- Fink, Steven: Crisis Management, American Management Association, USA, 1986.
- Fisher, Roger - Ury, William: Getting to Yes, Penguin Books, New York, 1983.
- Havasi János: Izotópfalu, Kossuth, Budapest, 1989, p. 26.
- Hoffmann, Michael W.: The Ford Pinto, in: case studies in Business Ethics, Prentice-Hall, Inc., Englewood Cliffs, New Jersey, 1984.
- Kerekes, Sándor - Kindler, József: Vállalati Kockázat- és Üzleti Menedzsment, Budapest, 1996.
- Kovács, Eszter: Környezeti Konfliktusok Kezelése, Budapest, 1994.
- Lewicki, Roy J. - Litterer, Joseph. A.: Negotiation: Readings, Exercises, and Cases, Irwin, Homewood, 1985.
- Moore, Christopher W.: The Mediation Process, Jossey-Bass Publishers, San Francisco, Oxford, 1991.