PERIODICA POLYTECHNICA SER. HUM. and SOC. SCI. VOL. 3, NO. 2, PP. 115–129 (1995)

QUALITY: EU'S TOP PRIORITY. CAN HUNGARY PROFIT FROM TRADE LIBERALIZATION?

Ildikó PETRUSKA

Department of Economics
Technical University of Budapest
H–1521 Budapest, Hungary
Phone: (36 1) 463–1590

Received: June 10, 1994

Abstract

The road to Hungary's EU membership leads through a period of intense preparatory work, which means that Hungary's economic performance is to be enhanced in order to benefit from the advantages of integration and also to minimize drawbacks. This is a particularly important component of successful performance in the field of foreign trade as export is considered a major driving force in increasing Hungary's economic output. Therefore, the success of our modernization scheme is of primary importance in terms of Hungary's ability to grasp the opportunity of easier access to foreign markets. Marketability is dependent on competitiveness, which is in turn dependent on quality, another key factor. If Hungarian companies fall short of fulfilling the quality requirements of the European markets which have standardized norms, these companies will then be unable to profit from the chances of future access to European markets and will lose ground even on the domestic market as a consequence of higher-quality imported products. During the period of preparation of Hungarian economic integration, special emphasis should be laid on quality-related issues. In order to achieve this an active participation by the state (i.e. acceptance of European standards and technical regulations, creation of accreditation and certification system in accordance with EU norms) and company compliance with the international economic environment are absolutely necessary.

Keywords: integration, competitiveness, standardization, accreditation, certification.

Introduction

In the past few years the need to fill the economic gap following the collapse of COMECON, the former East Block's economic and trade system, with our traditional Western economic ties has been accepted within the Hungarian society as the only plausible option to follow. To mark Hungary's willingness, she was the first of the 'Visegrád countries' to submit her application for EU membership.

The speed and success of Hungary's prospective EU membership depend primarily on the country itself. At the same time it is imperative that we bear in mind that failure or success, along with the compromise we are prepared to make and perform competently or poorly, is also dependent on the economic and political situation in the region. Protracted recession, slower than expected economic growth of the OECD countries in Europe, unforeseen difficulties in creating a harmonized market and financial system are all bad signs which indicate that protectionism is to be reckoned with in the not too remote future. This is against 'a situation where protectionism is already paramount with regard to the most competitive industries in Central Europe' according to a study analyzing European contracts. (ROLLO, 1992).

We cannot disregard the effect of certain political changes in Eastern and Central Europe on our integration-related efforts. The West seems to be less determined in its economic policies in East Europe, and the original aspects of Western motivation seem to have become less discernible with the inclusion of some new aspects. If we see back to the year 1989, we have to bear in mind both the European Community's politically motivated decision (aimed primarily at promoting changes in Central Europe during the interim period of a political transition to democracy and motivated mostly through political considerations resulting in the abolition of quantity-related discriminative export limits of Hungarian products) and the 'special treatment' by EU countries of what is known as the 'Countries of the Visegrád summit', along with Association Deals finalized within one year. Now these positional advantages seem to have vanished against the background of a number of unresolved issues on Europe's political and economic agenda. Attention has since been shifted from the Visegrad Four to areas which are related to the future economic and political stability of the whole Central and Eastern Europe.

The change in politico-economic priorities has this message: we should adapt to today's economic realities as fast as we can. This is a pre-requisite for the success of future deals and the profitability of integration-related activities.

High on our agenda is foreign trade as export is a top priority in our efforts to boost the economy.[1]

1. Liberalization: More Options for Access — Decline in Exports

The Provisional Agreement which includes the trade regulations of the association agreement is a leap forward since the GSP was extended to Hungary's products on January 1, 1990. A commitment to reduce the amount of duty on a contractual basis has replaced the old system, which was unilaterally implemented and whose provisions were with drawable at any time, thus creating uncertainty. The system, apart from having considerable advantages for Hungary, has also contributed to EU's becoming an important factor in Hungary's foreign trade relations, a trend whose importance has spectacularly grown since the late 1980s.[2]

The driving force of these advantages seems to wear off: Hungary's export figures in 1993 show a decrease of 16% compared to the previous year, while Hungary's EC exports have slumped by 22.3%. The change in products line restructuring, started in 1992, has since come to a halt, which was followed by a change for the worse: a new decline of the proportion of fine processing, consumer goods, in particular, in Hungary's EC export products (CSERMELY – LÁNYI, 1993).

A decline in EC demand, due to the current recession, might be one explanation, or the failure of reduced duty rates to counter the effects of inflation in Hungary another, used widely by domestic company managements. There is a long list of explanations, including a stringent financial stand taken with regard to the forint, the Hungarian currency, the petering out of reserves of Hungary's productivity factors, the slowness of privatisation procedures in Hungary making the country less attractive for investors than expected, etc. (Kihívások, 1992).

[1] Given the fact that the Hungarian system of agricultural trading is still embryonic and that this particular area is rather controversial, it is, therefore, outside the scope of interest of this paper.

[2] By the late 1980s our share in EU-related exports and imports was as high as 25%. In 1991, export figures were as high as 44%, while import figures reached 39%. The increase in 1990 (based on US currency) of the value of exports increased by 35% and in 1991 by 41%. (The European Community and Hungary in the mid 1990s; in Hungarian: 'Az Európai Közösség és Magyarország az 1990-es évek közepén", *Aula*, 1993, p. 80).

The problem, though, viewed from a different angle, is this: The range of competitive products seems to be narrower than before. Unless we change the current trend, we will not be able to make use of the possibilities created by easier access to foreign markets. The companies face the difficulty of having to cope with a situation where the old, 'traditional' obstacles to their foreign trading activity have by now been replaced by new ones. The feeling of getting cornered is a new and a different one best known as quality or properness, to be more precise. Old confines have been replaced by new ones known as the parameters of quality competitiveness.[3]

2. Quality Issue in Hungary

2.1 Viewing Quality Differently

To respond to the challenges by improving quality became a must for Hungary's economy in the mid 1970s, a time when competition became keener worldwide, and Hungary found herself face to face with the EU's system of technical regulation requirements. Hungary was well behind the times in this respect. The lack of high-level and up-to-dateness of Hungarian products and services,[4] along with the incompleteness of companies' quality systems and the failure of the state to take a more active part in the quality issue, all seem to illustrate deficiencies.

However, quality may be the quickest way to catch up with EU's requirements, we do not need Brussels' stamp of approval (as quality enthusiasts in Hungary often say). What we do need, though, is a complete break with our former assumptions on quality requirements.

[3]These index numbers serve as forecast figures to translate the chances of countries in Central and Eastern Europe for catching up with the West and expected share in the EU market into figures. These figures indicate that catching up with less developed as well as developed countries is also of primary importance. Based on 1987 index numbers for average industrial quality levels, Hungary is behind Portugal, Spain, Turkey. The only country Hungary precedes here is Greece. (Ábel, I., Hont, A., Landesmann, M., Székely, P. I.: Hungary Lagging behind Europe and Her Chances of Catching Up; in Hungarian: 'A magyar ipar elmaradása Európától és a felzárkózás esélyei', Külgazdaság, 1993, No. 1. p. 46).

[4]In 1991, HUF 9 billion were spent in vain because products, following quality problems, were not marketable and damages had to be paid for the same reason. (Kádár Béla: Quality and Hungary's Foreign Trade; in Hungarian: 'A minőség szerepe Magyarország külgazdasági kapcsolataiban', *Quality Week International Conference,* Budapest, 'Quality Week' Conference Bureau 1992, p. 22).

- Those who fight in the economic arena have to bear in mind the fact that quality is a *strategic view* rather than an item on a list to be ticked off during some political campaign. One has to live with the fact that quality has become a requirement which is paramount in any market economy.
- Quality is a *separate category to be found under the heading 'market'*. Quality is the offspring of competition for markets and quality norms are a matter of market requirements rather than authority regulations.
- The change of priorities in the economic environment is to be interpreted as a shift in market requirement parameters: in the developed countries, the market economy will always be dominated by quality considerations. Moreover, prices will, to a considerable extent, always be negotiable on the basis of product quality.

2.2 Steps to be Taken by the Government with Respect to the Quality Issue

2.2.1 Information, Incentives, Support

The Government should work out the *national quality policy.* This is most necessary as Hungary is rather interested in improving its image and becoming known for its quality-consciousness and also in order to provide incentives for individual companies to improve the quality of their products.

Corporate misinformation is still paramount in terms of EU quality requirements. The government should therefore lay special emphasis on all *quality-related information, counselling and training.*

Companies already in the process of improving product quality are often seen chickening out as a result of costs incurred by the creation of a quality assurance system. State support in *financing* such companies via different state funds and schemes should also become a top priority (Marton, 1992).

Financial institutions should equally have their share of support as the competitiveness of their clientele, which is dependent on the quality of their products, might be a long-term guarantee in offering loan to customers.

In order to boost efforts aimed at quality improvement measures should be taken for *increasing the social prestige of product quality.* Quality awards such as 'man of the year' might be offered, quality labels such as hallmarks used for products, etc.

2.2.2 Low Harmonization

Article 68 in the Association Agreement highlights areas where law harmonization is a must.

Technical regulations and standards should fall in line with the EU technical regulatory system, i.e. areas dominated by legislation on the one hand and market on the other hand should be dealt with separately.

- Life and health protection regulations as well as labour safety measures are all to be considered obligatory and applied accordingly. During the design phase of these regulations and measures, *EU technical directives* must be borne in mind, with the simultaneous updating of Hungary's lengthy legislation-related materials.
  However, proper care should be taken while introducing EU directives in Hungary. Too high quality norms might eventually prove to be self-inflicted and backfire against a background of high quality imports.
- The differences in Hungary's and the EU's current standardisation should be reduced in compliance with article 73 of the Association Agreement.

To reach this end, an important prerequisite is to use these regulations on the basis of optional application (PÓNYAI, 1992). This goes against the grain in the assumptions made and practices applied formerly in Hungary, where norms used to be regarded as a means of legislation. This paternalistic attitude was extended over quality considerations, too, using operation regulations, government control and sanctions to keep things on a narrow path. In order to break with this practice, the government has already managed to get the National Standard Bill through Parliament, which means that now there is no obstacle to the Hungarian Standard Board being set up.

The *acceptance of international and European norms* is under way. This is important from the point of view of both statutory and market-related considerations.

The elements of the European statutory and standards systems are logically arranged (according to New Approach (Green Paper, 1993) provisions, technical regulations function only as a loose framework of requirements), therefore, besides the introduction of directives, the statutory area should include other regulations related to the European regulatory system.

In the market-regulated sphere, the acceptance and subsequent application of European standards in Hungary would have major advantages for the Hungarian companies for the following reasons: first, because compliance with these standards would eventually boost Hungary's exports. Second, because it would clear the picture in terms of current and future partners. The picture now is blurred due to the extremely high number (14–16 thousand) of current standards.

The fact that we are joint members of the European Standards Organizations (CEN, CENELEC, ETSI) might give impetus to the process of accepting standards used elsewhere in Europe.

The introduction of product liability came at a time when the need in Hungary for an institutionalized control was already paramount for economic, legal, social reasons (LEHOCZKY, 1993). This is why the Product Liability Act came into force as early as January 1, 1994, although the Association Agreement had provided for a five year period, during which legislation of this sort would have had to be created. This Act is based almost exclusively on principles accepted by the EC in July 1985. Legal regulation of product quality was equally used to make legislation related to product liability uniform in the EC.

An up-to-date *customer protection law* is still to be made, a task we should perform as soon as possible.

2.2.3 Institutions Responsible for Quality

Modernization the institutions responsible for quality, market and EU applicability is of primary importance.

- In devising our *quality certification system*, this should be taken into consideration, selecting two currently overlapping systems, one being regulated by law, the other being regulated by market forces. State intervention should be confined to the authorization of quality certification in the system regulated by law, where quality certificates are compulsory. Moreover, selection between firms offering quality certificatory services is to be made via the market or volunteering companies.
- the further improvement of *the Hungarian accreditation system* is dependent on two requirements: accreditation should be extended to

certifying as well as supervising organizations as today accreditation only involves testing laboratories; compliance of accreditation with European norms (RING, 1993). The government has already stated working on a bill on certification, and another institute, the National Certification Institute will be set up accordingly. The creation of a system in Hungary in accordance with European norms is the first step towards bilateral agreements on certification acceptance.

2.3 Company Compliance with Quality as a Challenge

2.3.1 The Companies' Response to the Confines of the Market

Quality awareness is becoming an intrinsically market oriented attitude for an increasing number of companies. Quality, one might say, has recently become a kind of household name.

Practical results are much less encouraging as quality only seems to attract attention out of curiosity rather than applicability.

The explanation for diverse company responses to the challenge of quality lies in the diversity of market constraints. The efficiency of company performance depends on the intensity of market constraints. Viewed from this angle, the dividing line lies between:

a) companies exporting to Western markets and
b) the suppliers of domestic or former COMECON markets.

The conditions under which category '*a*' companies can operate successfully are less favourable, given the high level of the European market's technical system operating under uniform regulatory rules. Therefore, the future marketability of the products of these companies depends on whether they are able to improve quality. Category '*b*' companies have the advantage of lower technical levels characteristic of the domestic and former COMECON markets as consumers there have not decided for more up-to-date imported goods with reliable quality but usually higher prices. Company surveys have shown that several companies have opted for what is known as 'escape backwards', towards the markets of poor quality goods (KORMÁNY, 1993).

2.3.2 Competition and quality requirements

Company surveys for business in the industry sector have shown that the effects of competition on suppliers, Hungarian partners in joint ventures and Hungarian companies doing business on their own are completely different (TÖRÖK, 1994). This difference has quality ramifications.

Suppliers and joint venture partners have to fulfil very high quality requirements. If, however, such requirements have already been met, there is no real market competition for them. Suppliers are technological components of a company when performing export-related activities, while joint ventures relieve Hungarian partners of a real competition for markets, through the hallmark and existing trade links of the foreign partner in question.

- Competition is extremely keen *on the suppliers' market.* Multinational companies have a tendency of reducing the number of their suppliers for cost-efficiency reasons, which means the increase in the expected standards of quality requirements on their part. To simply meet requirements of this sort, compliance with ISO 9000 standard package based on the quality assurance systems in question, is not enough as other special requirements also have to be met. Any delay in reacting to the challenge of these requirements might lead to Hungarian companies being permanently forced out of the markets as competition of Western companies with a 'record of long-time quality production' is also to be reckoned with. Success, by contrast, is not to be conceived of as an individual act of high performance, any success might have its repercussions. The nature of trade is that suppliers retain sub-suppliers and quality requirements are multilateral. Given the fact that no sub-supplier can afford to supply products whose quality is lower than that of the supplier whom they supply products, quality requirements become ubiquitous.
- Suppliers are often *joint-venture partners operating as per Western interests,* which affects their performance in terms of compliance with quality requirements. To keep pace with international quality requirements is much easier in a joint venture context. Easier access to modern technology is only one aspect; what equally makes things easier is the adaptation of foreign company's attitude to quality. The other side of the coin, of course, involves heavier constraints. For most Western partners, compliance with quality requirements is a prerequisite for the transfer of company technology as the high level

of technology in all of a foreign partner's companies is of primary importance. For a Hungarian company or business, partnership in a join tventure, therefore, means transfer to a system where quality requirements are always high. Another factor should equally be borne in mind: equity participation and privatization go hand in hand in Hungary, thus it is in the interest of any Hungarian company to perform well in quality-enhancement projects from the point of view of their future market value.

Suppliers and manufacturers operating in business with a non-Hungarian hallmark have to go through a process, prior to any market challenge they have to face, where their partnership position will be decided. Successful performance and reliability in living up to expectations of their potential partners might put them in a position where real competition will be eliminated.

- *Companies who run their business individually or whose objective is to penetrate the market* have the advantage of being in a more relaxed startup position. Competition, though, is more realistic as failures in producing quality goods will force them out of business. These companies have to be aware of European quality requirements and also to be ready to comply with them. They cannot rely on external support, which means that there is no foreign customer to define clear expectations or a foreign partner to create a technical background and eliminate quality differences. State support is therefore very important for these companies. Small companies in most cases cannot afford to cover the costs of quality improvement schemes.

2.3.3 Quality as a Means of Selection

While on the European market, goods and services that fail to come up to quality expectations either will not survive or will be marketable at a considerably lower price than expected, domestic and former COMECON markets are still 'tolerant' to some extent in accepting out-of-date, poor quality products. Therefore, manufacturers who concentrate on these markets are more reluctant in improving quality. Most companies have, however, realized that their own quality assurance system has to be set up and certified.

- domestic companies should be prepared to face a situation where higher quality standards as a result of imports will, in the next few years, have an effect of elimination for products that fail to reach the expected quality standards. Hungarian economy, due to the fact that it has already moved away from its 'low point', will gradually have consumers looking for higher quality products. 1995 is the year when regulations of exemption from tax for an even wider range of products are to be expected, which will result in the dramatic increase in the competition for imports. If quality is to be raised to protect domestic producers, it must be done carefully to avoid double standards, one for domestic suppliers, one for import goods. Quality breeds quality: consumers have to be protected against low-quality domestic products, too.

- Quality is expected to become a means of market protection on all former COMECON markets. This trend is all too apparent now in the case of some countries, i.e. Russia, Slovakia (Világgazdaság, 1994): As per imports regulations imports are only possible following stringent quality certification procedures. Companies, on the other hand, should refrain from seeing this only as a means of creating obstacles, as such measures equally serve the interest of these companies given the fact that an independent expert's opinion makes price negotiations easier and also rids the market of products whose quality is, so to speak, dubious.

2.3.4 Company Attitude to Quality

Quality improvement is in the interest of all companies whose aim is to be successful on the foreign markets, which means that exemption for any company from quality considerations is virtually impossible.

- Quality has to form part of a company's strategy. Characteristically, in the present situation in Hungary the companies turn their attention toward privatization and focus on the creation of short-term financial stability, having no energy left for quality considerations (KORMÁNY, 1993).
- Companies are often alarmed by the high costs of quality assurance systems and certification procedures as well as the time-consuming nature of the whole process. What should, however, be taken into consideration is the fact that investment in quality improvement projects has a high rate of profitability accompanied by considerable business results. Foreign experience analysis is therefore very important.

- Companies have difficulty in looking at quality through the eyes of customers rather than regarding it as something which is mainly associated with technical parameters. Customer-orientation in its complexity might be the guarantee of long-term stability.
- Quality-related objectives might only be a success if the owners and management are both committed to fulfil high quality requirements and the company rank-and-file is equally involved in this process. Highly qualified staff is also required with enough expertise to supervise company operation from the point of view of quality, to communicate problems of this sort to all those concerned. This shows the importance of quality management education in Hungary.

In Hungary a total of 100–150 companies have so far embarked on a scheme of quality assurance (KORMÁNY, 1993). These companies are in the process of laying the foundations of quality improvement, which means the setting up of quality assurance systems for ISO 9000 standard package, in which expectations, as of 1993, of EU devised quality standards are much more stringent than before. There are, however, companies that have already fulfilled these quality-related requirements and are moving in the direction of TQM, which has transformed the process of quality improvement into a practice.[5]

Summary

Increasing the competitiveness of our products is not only in the interest of the companies, it is also a prerequisite for the realization of our macro-economic objectives. As export serves the interest of our long-term economic policy-related objectives, competitiveness in the field of export should be achieved through options that have a long-term effect. Short-term advantages should not be considered long-term success. This is true of the conditions of market access, treated asymmetrically in the Association Agreement. The following should be borne in mind:

- some advantages related to customs exemption and easier access to markets provide an option for nonrecurrent export extension with no consequences for any future export-related activity (Kihívások, 1992).

[5] A good example is CHINOIN, whose quality protection manager was awarded the title 'Man of the year'. 'Construction completed in two years'; in Hungarian: 'Két év alatt felépítették', *Figyelő*, Nov. 25, 1993, special report 'Minőség'.

These advantages alone fall short of giving impetus to exports in the long run.

- To benefit from the possibility of export extension on a nonrecurrent basis is a challenge for compliance with conditions generated by keen competition, which necessitates the existence of products suitable for that purpose.
- The future free trade between Hungary and the EU might be characterized by some inverse symmetry as opposed to that of the 'starting position' (BALÁZS, 1993). Our lack of competitiveness, together with some other reasons, might result in such shifts of direction, which means that the advantages mentioned earlier might be eliminated by our handicap resulting from our lack of competitiveness. We can only counter this unfavourable shift of direction, by creating conditions for the long run improvement of our competitiveness. This is all the more important as all other components of the trend of reverse asymmetry can hardly be affected.

The history of developed market economies has proved that quality is of primary importance in turning out competitive products:

- the dynamism in certain areas of developed markets is affected by a high-level of product up-to-dateness plus product and services quality rather than mass product output.
- Companies have a chance of survival (even on markets specialized in products of simple manufacturing technologies) through reliable products quality falling in line with quality requirements of the European market.

The situation described above has a double message for the Hungarian economy. We have to 'return to our former selves', so to speak, in 'making technological, structural and modernization ends meet', as it were, thus putting an end to an era of economic policy in which product quality devaluation had the final word. The present much liked slogan can be associated with quality: we have to return to Europe rather than be part of it for the first time.[6]

Conditions now provide the viability of this objective through the existing Hungarian spiritual potential and also through advanced technologies as a result of foreign equity participation. We should not turn a blind eye to the fact that customer confidence in Hungarian consumer goods should equally be preserved for products of simple manufacturing technologies and

[6] As good examples serve Ganz Villamossági Rt, TUNGSRAM, Láng Gépgyár, etc. which, on the basis of domestic norms, have marketed high quality products worldwide.

the quality of products-related services along with compliance with supply deadlines, product layout, etc. In keeping with these rules, we can be successful in the less up-to-date line of products.

Current difficulties do not explain the worsening of our performance in terms of exports. Both the companies and the government should draw the necessary conclusions from the signs that show a decline in exports.

- Hungarian companies can become equal (not only in legal terms) to their Western partners by increasing the level of their product quality. In today's free market environment failure to do so might result in these companies being forced out of their current markets instead of penetrating new ones. In EU's practice, state intervention in cushioning the effects of poor company performance will be largely restricted in the future. Survival on both EU and domestic markets will necessitate company determination of penetrating those markets. Integration can no longer be regarded as a task with two different objectives. In other words, economies that lack stamina in complying with EU quality standards are expected to face hardships in the future due to the liberalization of imports. Surveys have shown that company management still shows reluctance in seeing the full implication of new market requirements. They are worried by the disadvantages of export liberalization instead of enjoying the advantages of easier access to EU markets due to export liberalization (TÖRÖK, 1994). Most companies seem to look at the EU market and the domestic market as two distinct forms of business activity and hope to be 'salvaged' by a last-minute state intervention. One might forecast that this belief will prove an illusion, something that these companies should accept as a fact of life supported by possible bad experience.
- The Hungarian state should come up with an export-boosting package or one that will function as a product marketability scheme. To help efficiently operating companies profit from these systems, measures to boost exports and quality requirements should be applied in a package form to have a multiple effect, which could enhance their efficiency. The 'export issue' and 'quality issue' should not be dealt with separately.

We hope that Hungary's integration in the European market, which is 200 times bigger in size than Hungary's domestic market, will be complete by the year 2000. The challenge of this objective is self-explanatory. We are aware of the future implications of Hungary's integration. It is up to us to go on the liberalised lane as fast as we can to this market.

References

BALÁZS, P. (1993): A Few More Things about the Conditions of the Economic Transition in Central and Eastern Europe (in Hungarian: 'Adalékok a Közép- és Kelet-Európai gazdasági átalakulás nemzetközi feltételeihez", *Közgazdasági Szemle,* No. 12, p. 1038)

CSERMELY Á. – LÁNYI, K. (1993): The Decline of Hungary's Export (in Hungarian: 'A magyar export hanyatlása', *Figyelő,* 12 August).

RING, R. (1993): An Extract of Lectures by Quality Protection Managers on a Forum Focusing on Quality, entitled 'Product Certification in Europe and in Hungary', Budapest; (in Hungarian: 'Az akkreditálási rendszer Európában és hazánkban, I. Minőségbiztosítási vezetők fóruma előadásainak kivonata', Hungarian Quality Society 1993, p. 81).

Green Paper (1993): Commission Green Paper on the Development of European Standardization: Action for Faster Technological Integration in Europe (in Hungarian: 'Zöld könyv az európai műszaki integrációról és a szabványosítás fejlesztéséről', Szabványkiadó, p. 14.

Kihívások (1992): The Competitiveness of Hungarian Export products (in Hungarian: 'A magyar export nemzetközi versenyképessége', issue 12, pp. 10–11, MTA World Economy Research Institute).

KORMANY, T. (1993): We are on Course, but there is a Long way to Go (in Hungarian: 'Sínen vagyunk, csak hosszú az út', *Figyelő,* October 14, enclosure entitled Minőség, p. VI).

LEHOCZKY, K. (1993): The Product Quality Supervision Act in Hungary (in Hungarian: 'Magyar Termékfelelősségi Törvény', *Külgazdaság,* No. 6. 1993, p. 90.

MARTON, J. (1992): The Improvement of Quality Protection through PHARE support (in Hungarian: 'A minőségbiztosítás fejlesztése a PHARE-program támogatásával.' A publication of lectures delivered during a seminar called *'Quality and Technological Development'*, p. 53, Hungarian Quality Society.

PONYAI, GY. (1992): 'Conceptual System Design in Compliance with the European Technical Regulations' (In Hungarian: 'Európai műszaki szabályozás szerinti nemzeti tanusítási rendszer-koncepció ismertetése.') A publication containing lectures delivered during a seminar organised by the Center for Private Business Improvement, Budapest; Hungarian Quality Society, p. 123.

ROLLO, G. H. C. (1992): Association Agreements in Central and Eastern Europe (in Hungarian: 'Kelet-Közép-Európa országainak társulási szerződései', Európa Fórum, November, p. 79.)

TÖRÖK, Á. (1994): Association in the Economy — a Vision (In Hungarian: 'Társulásos jövőkép', *Figyelő,* March 10. 1994, p. 25).

Világgazdaság (1994): Slovakia's Strongman Policy on Quality Supervision (in Hungarian: 'Szlovákia szigorítja az importellenőrzést', *Világgazdaság,* February 16, p. 1).