

ABSTRACTS IN ENGLISH

Istvan Musto: Quantophrenia? – Some remarks on the possibilities and constraints of mathematical formalization in economic and social sciences

This article deals with some aspects of the constraints to the formal mathematization of economic theories and models. It points out that complex, dynamic and open systems dispose of a memory so that past events, statements or beliefs, even if they have turned out to be wrong or untrue, exert a potentially significant influence on the present state of issues, so they cannot be completely substracted from models representing reality. Reference is also made to the fact that in such complex, evolutionary systems strong interdependences and interactions exist between the subject and the object of scientific inquiry since economic actors strongly influence each other and, consequently, aggregate reality through their mutual actions and expectations. Furthermore, it is argued that the comparability of findings is highly dependent on the identity or dissimilarity of the initial conditions of the objects of economic research. The article does not take a position either for or against mathematical modelling; it limits itself to comments on some of the conditions of meaningful formalization.

JEL classification: A1, B10, B41, C10

Keywords: methodology, modelling

József Móczár: Financial Crisis, Economic Policy and Economics

Concerning the financial crisis in 2007-2009 many politicians and economists, in addition to representatives of other disciplines have asked: why could it not have been avoided, why could it not have been forecast? The present paper provides a new answer to these questions. The main argument is that empirical economic policy reached a deadlock when economists acknowledged the equilibrium models based on efficient market theory. The static equilibrium paradigm which appeared in the middle of last century has strongly prevailed to the present day, leaving aside Kornai's (1971) or Benassy's (1982) or Goodwin's (1991) warnings. Since the economy is never in equilibrium the simultaneous equations describing it may not provide any guide for politicians; what they should do and how they should do it in a time of economic crisis. The present author's newest book (Móczár, 2008), besides the dynamic equilibrium, also sketches a new paradigm, i.e., non equilibrium modelling, instead of the orthodox equilibrium paradigm, which allows us to treat bubbles, to regulate money markets etc. Its necessity is outlined here.

JEL classification: E00, E5, E6, G28

Keywords: financial crisis, efficient money market, macroeconomics, monetary and fiscal policy, mathematical economics, financial mathematics.

László Muraközy: Freedom of the Markets versus Good Governance. Experiences in Central Europe

The market and the state - the operation and characteristics of two institutions of key importance in modern mixed economies - are investigated in the former socialist countries in this study. After two decades it can be seen more clearly what system has been established in the region, how it operates, and what its characteristics are. In the first part of the article, with the help of international comparisons we examine how free the market is, how good the rules are, and how much they help, or hinder, the fulfilment of its function. From another perspective we compare the scope of good governance and the size, freedom and efficiency of the state. According to the evidence of the international studies examined, the former socialist countries established the forms of the market institutional system relatively quickly, but the operation and quality of these lagged significantly behind those of the developed countries. Another important conclusion of the study is that by the first decade of the millennium the characteristics of the former socialist countries are increasingly diverging from one another. Both the characteristics of the earlier socialist system, and the more distant historical past which was often caught up within it, had, and have, an effect on the economic and social systems now established in Eastern and Central Europe.

JEL classification: H1, P17, P27, P35

Keywords: Performance of Government, public economics, international comparison

Imre Fertő: Integration of the CEE agri-food sector into the EU: What does trade theory and empirical evidence tell us?

The article provides an overview on the main results of empirical research into the Integration of the CEE agri-food sector into the EU. Contrary to early expectations, countries in the region have not become major agri-food exporters. We can observe great diversity in trade specialisations, the patterns of intra-industry trade and price and quality competitiveness among countries and major product groups. These outcomes derive mainly from the differences in relative factor endowments and the different initial conditions of the countries concerned. The recent theoretical and empirical developments in international trade may help us to better understand the agri-food trade integration of new member states.

JEL classification: Q12

Keywords: theories of international trade, EU integration, international agricultural trade

Csuka Gyöngyi – Szívós Mihály: University Ranking Lists and Mirror Images - as Prospective Students Make Their Choice

The paper is based on a survey carried out by the authors, which aimed, on the one hand, at specifying the extent to which would-be students know the rankings of universities and take them into consideration when choosing university faculties, and, on the other hand, at revealing the role played by other factors in their decisions. The majority of would-be students know the rankings of universities but these have not become an important factor in the decision processes. To have good lecturers and professors, to acquire useful knowledge, and to obtain a job with their degree are considered by would-be students as crucial factors. They try to get information from several sources and the Internet has become the most important one, which they use routinely and with skill. On the other hand, it can be proved that they would like to rely on more customized information sources as well.

JEL classification: Z13

Keywords: rankings of universities, information of university admission, choice of universities, decision process of would-be students, information sources on the internet, factors influencing the choice of universities, decisions saving resources.

Mártonné Karoliny - Ferenc Farkas - József Poór: Human Resources Management in the Changes in Hungary In the Light of Two Consecutive Cranet Researches

Management, including Human Resources Management, has undergone major changes in Hungary since the economic and political changes of 1989. This area is even regarded as a field of continuous transformation. This study makes an effort to compare differences and similarities of specific features of Human Resources Management in Hungary in the light of two consecutive surveys, Cranet 2005 and 2008 (Cranet is an established group of top business schools and academic institutions, all collaborating to provide unique and rigorous data on human resource management practices across the world). According to these analyses, the study compares typical characteristics and practices of Human Resources Management in Hungary with major trends and tendencies of this field in 32 countries, including 6 countries from the Central and Eastern European region as well.

JEL classification: J24, M1, M54

Keywords: Human Resource Management, Hungary and Human Capital

Enikő Kovács: The role of sovereign wealth funds in the international financial system

While sovereign wealth funds (SWFs) were formerly considered to be passive financial investors, today we can see their active presence in international capital markets. As their assets are continuously growing under their management, they are likely to have important impacts both on the financial services sector and international capital movements as well. The aim of this study is to give an overall view of the role of sovereign wealth funds assumed during the credit crisis, as well as of their possible impacts on the economic and financial

system. The problem of transparency will also be discussed, namely the lack of it, which derives from the fact that most sovereign wealth funds do not disclose any information about their activities, operations, and investments. Moreover, this study provides an insight into policy responses made on the international level concerning SWFs.

JEL classification: E58, F21, F30, G15

Keywords: Sovereign Wealth Funds (SWFs), state-owned investment funds, international capital movement, international financial system, credit crisis

Emese Törő: The characteristics of the Hungarian cafeteria system examined in the context of changes in tax laws.

The article deals with the system and function of optional fringe benefits in the Hungarian labour law as well as with the taxation rules in connection with fringe benefits. In this context, we deal firstly with the conditions of the use of the cafeteria system and present the advantages connected to them. Then, the individual regulation of different allowances which are grouped according to different criteria is analysed, with special emphasise on the changes in tax law.

JEL classification: J32, K34

Keywords: fringe benefits, cafeteria regulation, taxation in kind

Máté Pecze: A comparison of efforts to set up cluster initiatives in two Hungarian regions – submitted cluster proposals in North Hungary and the Northern Great Plain

Abstract: The Hungarian government has taken the initiative to finance the formation of new entrepreneurial co-operations using the cluster theory. It is not certain whether or not the Hungarian economy is ready for an initiative such as this. In North Hungary and the Northern Great Plain (two Hungarian NUTS 2 regions) project teams set up fresh clusters to obtain the subsidy – as in other regions. Their level of cooperation, the number of submitted projects and the ratio of successful projects tell us if theory and the western practice fit with the local needs - if Hungarian companies want to work and can be successful in clusters or not. In this article I examine the willingness of regional business actors to cooperate and start new business networks in the framework of the 2008 regional cluster calls. The two regions have similar but not identical results.

JEL classification: R58, L2

Keywords: clusters, financing, regional calls for proposals, entrepreneurial activity, submitted projects

