

ABSTRACTS IN ENGLISH

Péter Halmai: Erosion of the European Growth Potential – Decline, Crisis, Perspectives

The potential growth rate in the EU Member States has been declining and lagging behind their competitors since the 1990's. Due to severe productivity problems in the EU (first of all the significant decrease in the total factor productivity dynamics) and the insufficient adaptation to the processes of globalisation, further remarkable and permanent decline in the potential growth rate is expected. Paradoxically the potential growth rate might decrease in the long run to a greater extent in the new Member States.

As a result of the present global economic crisis new risks might appear. The risks of the recurrence of shocks are significant. These factors project further erosion of the European growth potential. Integrated structural reforms and a comprehensive review of the European model are needed in order to overcome the unfavourable trends and put Europe on a more favourable growth path than the one indicated in this study.

Journal of Economic Literature (JEL) classification: F15, F43

Keywords: potential growth, crisis, European model

Zoltán L. Bakucs: Price Transmission on the Hungarian Pork Meat Market in the Presence of Structural Breaks

The study of marketing margins and price transmission on various commodity markets has been a popular research topic of the past decades (see MEYER, VON CRAMON-TAUBADEL, 2004, for a recent survey). However with a few exceptions these studies focused on developed economies. This paper examines the above phenomena on the Hungarian pork market. The Johansen (maximum likelihood, 1988) or Engle and Granger (two step, 1987) cointegration tests do not reject the no-cointegration null hypothesis between the Hungarian pork producer and retail price series. Therefore, we applied the Gregory and Hansen (1996) procedure with recursively estimated breakpoints and ADF statistics, and found that the prices are cointegrated with a structural break occurring in April 1996. Exogeneity tests reveal the causality running from producer to retail prices both in the long and short run. Homogeneity tests are rejected, suggesting a mark-up pricing strategy. Price transmission modelling suggests that price transmission on the Hungarian pork meat market is symmetric in the long, but asymmetric in the short-run, i.e. processors, wholesalers or retailers might take temporary advantage, should price changes occur.

Journal of Economic Literature (JEL) code: Q13, D12, D4

Keywords: price transmission, marketing margin, pricing, structural breaks, Hungarian pork market

Attila Harmati: Data Mining through a Business Window (Part I.)

Organizations in the 21st century – whether they are profit-oriented or not, in private ownership or state-owned – can increase their efficiency with an outstanding tool. This tool is data mining. This article first of all defines and presents data mining, and locates it in the process of “Knowledge Discovery in Databases”. Following this we review the fields of employment of data mining and the basic methods employed. In particular we discuss the method of classification and the theoretical background of the main techniques, such as decision trees, neural networks and logistic regression models. The second part of this paper presents the real world applications of this technology by way of an analysis of a real database.

Journal of Economic Literature (JEL) classification: C25, C44, C45, C49

Keywords: data mining, classification, decision tree, neural network, logistic regression

Kármén Kovács: The Analysis of the Effect of Advertising Investments on Competition and their Relationships with Economic Growth

The amount of advertising investments is increasing dynamically worldwide, but returns are decreasing significantly. This is largely the consequence of growing market competition. In connection with this I analyze the role of advertising and the effect of advertising on demand and competition, then I study the relation between advertising and economic growth in this paper. I have conducted a survey among European countries to scrutinize the relation between advertising expenditures and GDP. The results of my research proved my hypothesis that there is a negative correlation between GDP per capita and the growth rate of advertising expenditures. My other assumption had to be rejected as a positive relation does not exist between GDP per capita and the advertising investment rate.

Journal of Economic Literature (JEL) classification: D21, E01, M21, M37

Keywords: advertising expenditures, advertising investment, competition, GDP, economic growth

Ágnes Orosz: The German Transfer System as the Reason for Economic Decline

According to the theory of optimal currency areas the most important advantage of monetary integration is its positive effect on economic growth. However, examining Germany we can notice that since German reunification economic growth and the convergence between East and West Germany has slowed down. These facts show that the operation of the German currency union is not optimal and its performance has not improved over the last twenty years. The criteria of the optimal currency area theory are endogenous due to the recent development of the theory. This means that a country is more likely to satisfy the criteria for entry into a currency union ex post than ex ante. In the case of Germany, examining the trends of economic growth we can conclude that the German currency union has not become optimal in the last two decades. These facts raise the puzzling question of what are the specific circumstances hindering the improvement of Germany's monetary union despite the endogeneity of the optimal currency area criteria. To answer this question the

study examines the interactions between monetary and political integration with special attention to the issues of fiscal policy. According to the study the German transfer system and the dependency on transfers explain the discrepancy between theory and empirics.

Journal of Economic Literature (JEL) classification: E42, E62, E63, F01, F31, F36

Keywords: theory of optimal currency areas, monetary integration, political integration, German regional disparities, endogeneity of the optimal currency area criteria, German transfer system, dependency on transfers, new German transfer problem

Ildikó Andó: Individual Values for Organizational Success

Douglas McGregor published Theory Y in 1960. The main element of his theory is the integration of individual and organizational objectives. Today, nearly 50 years later, the integration of individual and organizational goals remains only a theory in several business organizations.

The author of this study conducted an online survey in 2008 in order to examine company cultures, values and leadership attitudes in Hungarian organizations. One of the cultural elements studied by the survey was harmonization between organizational-level and individual-level sets of values. Two multinational companies with 324 respondents have so far taken part in the research. This publication shows the findings of the survey and illustrates the importance of harmonization between organizational-level and individual-level values. Finally it presents some ideas as to what leaders can do in order to harmonize the value hierarchies efficiently in their organizations.

JEL classification index: D21, L21, L25

Keywords: company culture, organizational-level values, individual-level values, harmonization of sets of values, empowerment

Helyreigazító közlemény

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