

The implications of exhausting unemployment insurance entitlement in Hungary

John Micklewright – Gyula Nagy

The single most likely way to leave the unemployment insurance (UI) register in Hungary is not by getting a job but by running out of entitlement to benefit. This situation raises two questions. First, what are the implications of the cessation of UI for living standards? Second, does UI exhaustion have much effect on the probability of getting a job through increasing incentives to work? The authors investigate these issues with a survey of persons exhausting entitlement to UI in Summer 1995, paying special attention to the household circumstances of the unemployed and to the probabilities of claiming and being awarded means-tested assistance benefit.

The political economy of agrarian policy. Part III. Mixed motives in agrarian policy: productive and predatory policies

Imre Fertő

When analysing the agrarian policy generally the assertion of public interests or private interests is emphasized. But the existing agrarian policy programmes are characterized by the simultaneous presence of both interests. Therefore, when examining the agrarian policies those of productive nature, serving the increase of efficiency, have to be distinguished from predatory policies, whose target is the acquisition of income transfers for the producers. The governments usually apply both policies simultaneously, thus the possible interactions and their consequences have to be taken into consideration. If the consequences following from the simultaneous determination and interaction of the two policies are neglected, we may easily arrive at mistaken conclusions regarding the efficiency of the individual policies. This, however, may lead to the formulation of wrong agrarian policy recommendations.

Regional subsidies and the limits to cohesion in the European Union

Ákos Kengyel

The structural funds and the subsidies granted in the framework of the Cohesion Fund attain ever greater proportions in the common budget, while the EU still spends only 0.43% of the aggregated GDP of the member countries on promoting structural changes of the less developed regions struggling with structural troubles, on increasing their competitiveness and thus on their closing up. By virtue of the Maastricht Treaty the strengthening of cohesion between the member countries has become a primary task, but many factors are working against it.

Analysis of the expected impacts of EU-subsidies and an examination of the factors hindering the evolution of advantageous processes may offer several lessons also for the less developed countries waiting for accession.

The welfare system in France

András Nagy

The study discusses the big areas of the French welfare system: the pension system and health supply, with particular attention to the reform proposals and the debates around them. Prior to that, however, it is necessary to present the debate, going on in France for years, about the development of the welfare state, its tasks and future. Finally, the author draws some conclusions from the French experiences for the Hungarian reforms.

Results of the Romanian massive privatisation programme (first, experimental, analysis)

John S. Earle – Álmos Telegdy

The article analyses the place of the so-called massive privatisation programme in the process of Romanian privatisation and its impact on the Romanian enterprises. Only little information has been published on the results of the programme. According to estimations merely 5.5% of state property passed into private hands and a highly dispersed ownership structure emerged. The authors present the history of privatisation in Romania since 1990, compare the massive privatization with other such programmes and analyse its impact on the structure of enterprise management and on reorganisations.

Trade in foodstuffs in Hungary – the possibilities of cooperative trade

Kálmán Mohácsi

In the nineties fundamental changes took place in the Hungarian trade in foodstuffs. (Privatisation and other changes in ownership, the appearance of new ventures, deconcentration – and later: concentration – of the organisational system of enterprises, changes in purchasing customs.) A spectacular gaining ground could be registered in selling by the shopping centres, chains and malls – mostly with foreigners holding interest in them. Even in face of that the combined sales by cooperatives (general consumer cooperatives) in Hungarian ownership are the greatest. The cooperative trade is the only one possessing a retail network in foodstuffs extending to the area of the whole country. These cooperatives have been struggling with management concerns for years and make efforts to adjust to the changed structure and nature of the Hungarian trading system and the consumer market.