

## **SUMMARY OF THE ARTICLES**

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### **Some reflections on the “rule of the world of money”, and on the growing role of the financial system**

*Péter Pete*

The explosion-like development of the financial sector experienced in recent decades has raised anxiety in many experts. The standpoints voiced in passionate debates are, however, frequently fed by prejudices or misunderstandings. The article brings the growing role of the financial system into connection with the development of information technology and critically analyses the opinions about the overgrowth of the sector and its parasitical nature.

### **Who became entrepreneurs?**

**(The factors determining how to become an entrepreneur before, during and after communism.)**

*Péter Róbert*

The study presents a causal model showing how entering into the circle of entrepreneurs was influenced by the family background (occupation of the father), investments into schooling (professional training, academic training) and the market or the political setting (experiences on the labour market, communist party membership). Dividing the past more than half a century into five (in respect of party membership into four) historical periods, the analysis centers on the changes over time of the factors determining how and why one became an entrepreneur. The trends over time revealed by the research show characteristic interruptions. The effect of origin first diminished and, nearing our days, has again gained strength. The human capital investments embodied in professional training had been very useful for some time, but later their return diminished. However, the effect of investment into academic training, into cultural capital has proved to be more lasting. The theory of political capitalism is tinged by the research result that in order to become an entrepreneur the length of party membership (accumulated political and social capital) is more important than the fact of being a party member (political loyalty) and that the exchange of political capital for economic capital started not after 1989 but much earlier.

## **Technical progress, value and profit**

*György Simon*

The study interprets technical progress as the combined effect of physical and human capital, taking into account both the immediate and the delayed cumulative effects. Starting from here it approaches the basic questions of the new theory of growth, to wit, the problems of economic development and the formation of equilibrium prices (value), profits and wages. The author has worked out a system of models which incorporates the volume and value functions of technical progress, the profit rate function as well as the production function, value function and price models, further the profit and wage functions. The theoretical assumptions and models are verified by an econometric analysis of the countries playing dominant roles in the world economy ( the USA, Japan, the Federal Republic of Germany, Britain and France).

## **Closing competitive markets in the transitional economic systems**

*Zoltán Bara*

Market competition is gaining an ever growing role in the economic systems of most post-socialist countries. In the author's opinion we are witnessing not only the fact that, parallel to the development of the institutional system, the intensity and complexity of competition have intensified, the mobility of capital has grown and basic changes have occurred relative to the central planning system, but also the phenomenon that a particular market environment of an economic system relying on free enterprise has also come about in which competition turns against itself and entails destructive effects. In these particular forms of market – which I call *closing competitive market* – the growth of intensity of competition occurred too early while the actors of the market not possessing experiences could not prepare themselves for that. The destructive competition has a negative impact on allocative efficiency and also on quality. Competition, usually the engine of healthy development in a market economy, has become a factor hindering development on the closing competitive markets.

## **The economy-developing state in Ireland**

*Péter Farkas*

In the last ten years it was the GDP of Ireland that showed the greatest dynamism among the member countries of the European Union. It is a subject of debates in the international professional literature what role the government's economic policy played in this. It belongs to the antecedents that the economic development based in the seventies and eighties on the inflow of foreign capital led to the cutting back of domestically owned industry, which forced a change of economic policy steps at the end of the eighties. The direct ownership role of the state is not important and also the ratio of budgetary redistribution of the GDP has diminished. Nevertheless, through its outstanding role in infrastructure, in the financing of economic development, through its economic incentive network of institutions, its minority capital share and its indicative planning the state still has a decisive impact on the economic processes.