

THE SPREAD OF NATIONAL FISCAL RULES AND THEIR EFFECT IN EUROPE

Csaba G. Tóth

The spread of national fiscal rules in the past quarter-century was due to multiple factors. Apart from fiscal consolidation enforced by budgetary problems, there were EU expectations of disciplined fiscal policy to enhance the process. The global economic crisis of 2007-08 and European debt crisis served as a standard test for the operation of fiscal rules. Countries with stable management during the crisis typically had stronger fiscal rules than those whose fiscal policies proved unsustainable. This shows that such an edge may enhance fiscal discipline and contribute to fiscal sustainability. The author's dataset estimate likewise confirms that national-level fiscal rules can tighten fiscal discipline in times of prosperity: it was found that the stronger the Fiscal Rules Index (FRI), the more favourable the primary balance-to-GDP ratio will be. Further increase in the efficiency of fiscal rules came from a strong legal background, fixed goals, adequate alert mechanisms and independent monitoring bodies, along with public debate on compliance.

INFORMATION AND KNOWLEDGE: SOME EFFECTS OF BIG DATA ON ECONOMICS

Janos Vincze

The Information Revolution and related Big Data phenomenon have transformed science and its practice. This article identifies some developments relevant to economics. It can be expected that new empirical methodologies will evolve in parallel to the use of unstructured and finely grained data. This advance will also have effects on the connections between theoretical and applied work.

THE CORE-PERIPHERY STRUCTURE OF FINANCIAL NETWORKS: INVESTIGATING HUNGARY'S INTERBANK DEPOSIT MARKET, 2003-2012

Edina Berlinger, Gergely Daróczi, Barbara Dömötör and Tamás Vadász

The study applies a continuous, asymmetric core-periphery model to the Hungarian interbank lending market on a monthly basis between 2003 and 2012. The authors determine the coreness measures over time and examine the relations between these measures and the bank's net lending position, net interest spread and loan conditions (loan amount, interest rate, maturity). A strong positive correlation is found between

in-coreness measures and implicit partner limits. Thus the core consists not necessarily of the big banks, but rather of those seen as least risky by the others. This is good news for regulators, as major banks are supposed to be safest at the same time.

DO FEES DETERMINE THE PERFORMANCE OF STOCK MUTUAL FUNDS SOLD IN HUNGARY?

Adam Zawadowski

The paper analyses whether the performance of stock mutual funds sold in Hungary can be explained by the fees they charge. In the baseline specification it is found that if a fund charges a fee one percentage point higher, it will perform more than one percentage point worse than the appropriate reference index (Jensen's alpha). The author shows that several funds, though active in name, in practice just track the index passively. Furthermore, the use of the CETOP index as a benchmark is inappropriate, since it does not include dividends and show how to remedy this issue.

EXPORT COMPETITIVENESS IN AGRICULTURE: THE CASE OF THE INTERNATIONAL SPICE TRADE

Attila Jámbor, Andrea Tímea Tóth and Domonkos Kőröshegyi

Export competitiveness is an important indicator in analysing international trade flow, but often neglected in empirical studies on agriculture. The article examines export competitiveness in trade in global spices by analysing comparative advantages and their stability between 1991 and 2015. Results suggest that the global spice trade is highly concentrated, with Guatemala, Sri Lanka and India obtaining the highest comparative advantages in the period analysed. However, duration and stability tests show that trade advantages have weakened for most of the countries concerned. The model runs show that factor endowments, agricultural value added and regional trade agreements are negatively related to comparative advantages in global spices trade, while land and labour productivity are positively related.