

### THREE SIMPLE MODELS OF THE MANDATORY PRIVATE PENSION PILLAR

András Simonovits

The study covers three simple models for the Hungarian mandatory private pension pillar. 1) How can the average annual real yield of that pillar be estimated? 2) Which types can have gained by voluntarily entering the second pillar? 3) Why is it not worth retiring from that pillar now?

### FISCAL COUNCILS IN THE EU: LAPDOGS, WATCHDOGS OR BLOODHOUNDS?

László Jankovics

The entire world has experienced a rise in the number of fiscal councils – independent fiscal institutions – in the last decade. The pace of establishment has been particularly rapid in EU member-states, where legislative requirements are the chief driving factors. Independent bodies are increasingly seen by both academics and practitioners as a useful complement to numerical constraints in the set-up of rules-based fiscal frameworks. This study first presents a brief review of the literature on the rationale of fiscal councils, showing the heterogeneous institutional patterns in the EU. Secondly, it tackles the most typical tasks of independent EU institutions, with emphasis on their functions where almost all are active. Lastly, the paper takes stock of first EU experiences with the mass operation of independent fiscal institutions and draws horizontal lessons based on their key activities, including the author's own calculations. It concludes that the significance of involving fiscal councils in the budgetary processes has been progressively acknowledged by the public and by policy-makers, and that their role could be enhanced still further by the currently observable rise in the risks to economic development.

### MONETARY-POLICY EFFECTS ON INCOME INEQUALITIES

Vivien Czezele

The issue of inequalities has gained importance in recent decades. Effects and inequalities of distribution are associated primarily with globalization and fiscal policy developments, but the issue is also affected by many side effects of the exceptionally loose monetary policy of the last decade. Having identifying the mechanisms and channels between monetary policy and inequality, the author focuses on empirical

analyses. The research seeks to reveal the direction and extent of the impact of certain monetary-policy variables on inequality as measured by the Gini indicator. Empirically, the paper is based on a panel GMM model. Based on its results, despite the subdued effects, it has been confirmed that low, stable inflation-targeted monetary policy and a growth of GDP per capita reduces inequality, which is deepened by an increase in the unemployment rate.

#### AMARTYA SEN AND THE NOTION OF EQUALITY

György Molnár

The magnet factor that draws together the five life-long problems which have largely occupied Amartya Sen's vast work is equality, or rather the battle against inequality. The paper states what ethical issues and inner logic couple together the theory of social choice, the economics of welfare, male–female inequality, the economics of development, and several other research areas, and how the economic and philosophical approaches combine. A good opportunity to think these through is provided by the appearance in Hungarian translation of his volume from ten years ago.

#### SPLINTERS FROM THE GLASS CEILING

Zsuzsanna Kispál-Vitai and Julianna Németh

Gender research is almost a cliché in social sciences today. Researchers have made exhaustive investigations into the gender wage-gap, career and developmental prospects. The available data on women's workplace progress (or lack of it) is overwhelming but mostly descriptive, and while showing a comprehensive picture, has not examined the reasons for the discrimination so much as its symptoms. The article aims to create a new framework, utilizing existing data. It suggests a new model with explanatory value for presenting the reasons why women are so treated. The first, theoretical model presented points at decision-making. The authors' conclude, based on prototype heuristics and bounded rationality, that decision-making about women is influenced by four groups of factors: cognitive development of the individual, societal expectations, power demands, and accessible data in the environment. Exploring these can contribute to improving the workplace progression of women, while revealing reasons for the discrimination.