

## ENGLISH ABSTRACTS

### **Szilvia FLANEK – Bálint Artur KIS: M-Pesa: The Key to Kenyan Success**

Our paper presents the slightly known, but even more interesting M-PESA, by focusing on the analysis of its Kenyan aspects from a politico-economic point of view. We aimed to describe the functioning of the innovative mobile money transferring system in detail, so as to define the conditions of the Kenyan success. In our work we mentioned high culture being the guiding tool of the economic policy. Moreover, we analysed the important aspect of trust. Our purpose was to define (by relying on our own research) the key factors, which require and make the reception of the Kenyan system inevitable.

### **Péter GALBÁCS: Understanding New Classical Macroeconomics. Some Considerations on Economic Realism**

New classical macroeconomics has divided our scientific community since its birth. Some professionals regard it as a pioneering effort of economic thinking, while for others new classical theory is a degenerative way of enquiry. According to the latter standpoint, professionals should break with this school in order for our discipline to avoid ultimate failure. Quoting these extreme viewpoints we can put light on the facts, first, that new classical macroeconomics is still not assessed clearly and, second, that the issue at hand is extraordinarily complex and problematic. This paper is aimed at placing this discourse on a methodological track.

### **József GOLOVICS: Croatia and the Euro: Dreamlike Reality or Reality-Based Dreams?**

By joining the European Union, the 28th member state, Croatia, made a commitment to adopt the common currency in the future. As a precondition, it has to fulfill the Maastricht convergence criteria. This paper examines the fulfillment of these criteria and compares it to the Croatian attitudes towards the Euro.

### **Xénia SZANYI-GYENES: Criteria for successful international growth of a small domestic company through the example of cryo**

A small domestic company has made a real success story. In response to its research achievements, it has attracted significant capital investments. Further growth at the international level created a good basis for the attention of other professional players. Being a small country, Hungary considers international market access to be a great step. Cryo appears as a good example for the opportunities of international market success if sectoral investors' attention is properly awoken. Through the example of a specific company, this study intends to find answers to the necessary preconditions for smart market launch, and to identify criteria for successful growth.

**Elisabeth KARDOS KAPONYI: Current issues of protection of fundamental rights and the rule of law in the European Union**

The protection of Human Rights and the rule of law are the founding principles stemming from the common constitutional traditions of all the Member States of the EU and, as such, the main values upon which the Union is based. The question is how can the respect of these principles be maintained? This short paper tries to argue that European Union is not only an internal market, but a community based on common values and it is essential to enforce the principle of the rule of law in all the Member States of the EU.

**Gábor KARSAI: Competitiveness and Economic Policy**

The Hungarian Growth Plan compiled in 2011 aimed to halt the deterioration of the competitiveness of the Hungarian economy and to achieve that Hungary be among the ten most competitive countries in the EU within five years. Unfortunately, these goals have not materialized, and Hungary's competitiveness has deteriorated further. Economic policy has played an important role in this. Namely, the government has failed to spend enough money on the development of human capital, and it has not provided a predictable environment for growth. Instead, a rearrangement of resources in political power interests has been occurring, primarily an ownership rearrangement for the benefit of the state and some loyal business groups.

**Gábor KÜRTHY: Understanding economic and financial problems with “Money View”**

Understanding the technical details of bank lending and money circulation facilitates analyzing economic and financial problems more thoroughly. This claim is demonstrated by the study. The model of the international payments system brings forward the conditions supplementing the micro level budget constraints. The reduced and augmented versions of the model are suitable for analyzing practical and theoretical challenges (such as Funding for Lending Programs, FX-based credit, and the relationship between emerging economies' reserve hoarding and international liquidity). These analyses sometimes lead to disproving prevailing views.

**István MAGAS: Evolution of the Organizations of the Form and the Modern Multinational Company****Experience from the U.S. and Japan**

The paper argues that efficient allocation of the firm's resources is not just those that are typically internalized for better control, but as the established theory of the modern firm proposes, there may be other organizational structures beyond the cost minimizing hierarchical control strategy which, by definition, always aims to profit maximize. The international firm provides a strong case for such new types of organizations when factors, such as limited information or specificity of transactions, make contracts complex and costly to draw up, execute and control. M-form multinational structures offer advantages for the international organization of the globally investing firm.

**András Olivér, NÉMETH: A Brief History of Growth Theory, Part I: From the Beginnings to the Solow Model**

Growth theory is one of the most important and most interesting branches of economics. In this article we provide a brief overview of the development of this field. We start with the ideas of Malthus and Smith, then survey some formalized growth theories from the Harrod–Domar model to multisector models and the Solow growth model. Although the latter is a fundamental achievement in macroeconomics, some empirical and conceptual problems arise, which are also cited here. In Part II, we will continue with later developments, including the optimization-based neoclassical models and endogenous growth theory.

**György SZAKOLCZAI: The International Monetary Fund: Bretton Woods, Savannah and the Tragic Death of Keynes and White**

This paper is the sequel of this author's two former papers that appeared in the *Közgazdasági Szemle*. All these papers support the view that the whole life and activity of Keynes point towards his last work, the proposal to establish the International Monetary Fund and the elaboration of the ideas supporting this proposal. The paper reviews the Bretton Woods conference (accepting at least partially), and the Savannah conference, distorting his ideas, which led to his tragic death. It also describes the life of White, the proponent of the American ideas, and his tragic death caused by his underground activities.

**Gergely TÓTH: The Building Blocks of the New Paradigm: Part 3.**

In this paper we describe the modern alternative schools of economic thought, which seek reform or paradigm change (part 1), as well as the economic teachings of the major religions (part 2). These theories are portrayed through the work of their major representatives. Our goal is to lay down the theoretical basis of a new economics, which develops human well-being and society in a way not overburdening the biocapacity of our planet. This new approach is called *human economics*. The article is the summary of the relevant chapters of the recently published book *The Economy Machine*.