

Abstracts of the Articles

Economic Analyses in Spring 2016

The global and the Hungarian economy has been facing a modest growth in 2016. According to the research institutions, the Hungarian GDP would grow at about 2,3-2,8, the latter, more optimistic forecast comes from the Hungarian National Bank. The growth rate has been slowed down by the fall of the European cohesion funds and subsidies, the increase of the home demand will only partly counterbalance it. The consumer prices remain stable; the surplus of the foreign trade and the current account will grow further. The deficit of the governmental sector would evolve at about 2 percent of GDP, the state debt continues falling. Although the forecasts look similar, there are huge differences in the interpretations of the economic processes between the institutions.

The role and significance of EU's fiscal compact in crisis management

ISTVÁN BENCZES

A rules-based economic policy, coupled with intensive intergovernmentalism, have been the constitutive building blocks of European integration in the past 25 years. It is not surprising, therefore, that the method of crisis management was defined mostly by the presidents and prime ministers of member states and focused almost exclusively on the further limitation of national fiscal spaces. The article aims to demonstrate that the fiscal compact that was adopted in 2012 due to German pressure as an intergovernmental treaty intends to remedy the failures of the existing governance structure by imposing even stricter conditions. Political solidarity, in a general sense, was replaced by a sort of means- and effectiveness-centered view, which seems to place the whole burden of adjustment onto the member states without leaving much room for manouverening.

Mega-Regional Free Trade negotiations

GYÖRGY CSÁKI

World trade has vigorously expanded since WWII, and it is also true that international trade has never been so free than nowadays. However, the twenty-year history of the World Trade Organisation (WTO) has not been a success story at all. Since 1995, no major trade agreement has been achieved. The Doha Round, launched in late 2001, was officially suspended in 2006, and since then it has not been concluded – not even formally. Therefore, it is not surprising that so-called mega-regional free trade negotiations (that is, negotiations between large regions) have been launched in the very early 2010s. Taking into account the Trans-Pacific Partnership (TPP, that has been already signed but has not entered into force), as well as the Regional Comprehensive Economic Partnership (RCEP) and Trans-Atlantic Trade and Investment Partnership (TTIP), which are under negotiation, the question is: what kind of a role will be left for WTO (except for dispute settlement)? Is there any future for multilateral, that is global trade negotiations?