

“RECKONING UP” THE PRIVATE PENSION SYSTEM

László Csaba

The study looks at the conditions in which the Hungarian compulsory private pension system was terminated, in terms of rules of statistical accounting methodology, and shows a correspondence less considered at the time. In recent decades, enforcement of fiscal rules has become a major tool for sustaining long-term stability of fiscal policy. Introducing the fiscal rules implied with some kind of sanction system, making it of strong importance to measure the aimed indicator. This created a risk of actual indicators of the fiscal rules even causing distorted incentives in budgetary policy. A clear example were the inconsistencies among EU institutions concerned in their treatment of fiscal settlement in private pension systems. So far such settlement regulations have almost precluded introducing any private pension system in EU member-states without allowing for possible serious analysis. This also contributed strongly to terminating Hungary’s mandatory private pension system. The study examines the main correspondences in the process.

WHY SHOULD VALORISATION AND INDEXING PENSIONS BE REPLACED BY A POINTS SYSTEM?

András Simonovits

The explosion in real wages that began in 2016 and the forced reduction in the pension contribution rate a year previously shed new light on the valorisation of new pensions and the indexation of current ones. It is desirable if two closely similar careers yield only minor differences in pensions and wildly oscillating net average real earnings close pension paths. These criteria are satisfied only by full wage indexation, which may require a downward adjustment in accrual rate and increase the perverse redistribution from short-lived low earners to long-lived high earners. So the government needs to augment the points system with progressive measures (or progressive personal income taxes) that allow for the restrained labour supply and contributions.

## CRISIS MANAGEMENT IN THE EURO ZONE FROM THE PERSPECTIVE OF LIBERAL INTER-GOVERNMENTALISM

István Benczes

Sovereign bailouts and comprehensive reform of the banking system, including a banking union, have become focal in crisis management in response to the financial, economic and debt crisis present in the EU. A common interest in the stability of the Euro Zone can easily be detected in both cases, but both suffer from a distribution conflict: it needs to be clarified who bears the burden of economic adjustment. Such situations can be stated and explained in terms of liberal inter-governmentalism, one of the best-known schools of integration theory. The article outlines how it can help in understanding the main motives of agents and the outcome of inter-state bargaining, even if it does not provide as a theory a fully fledged account of crisis management.

## SELF-DRIVING VEHICLES AND RESPONSIBLE INNOVATION

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Digitalization, as a recent mega-trend, seeks to ease life with notable new solutions, one being autonomous, self-driving technology for vehicles. The radical innovation involved in a global spread and acceptance of self-driving vehicles will drastically change people's lives and also the structure of cities and aspects of urban mobility. The first phase in developing such vehicles has been reached: technology is being fine-tuned in the live street environment of 76 cities. However, the prospect divides world society, mainly through serious, unanswered social, ethical, environmental and economic issues it raises. The study explores the controversial challenges in what promises to transform significantly the daily life of our civilization. The issue of self-driving is integrated into the framework of responsible innovation, so offering possible ways in which innovation management can address the identified challenges.