

## **Financialization and right-wing nationalist politics in Hungary - a case through housing**

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Rather than a particular set of recent transformations in enterprises, households or the state, we understand financialization as a cyclically returning shift in the global regime of capitalist accumulation, where interdependencies within the global economy are increasingly articulated through the financial channel, specifically through the relation of debt. In our paper we look at the Hungarian state as an institutional actor embedded in and transformed by this shift in world-economic integration, which steps up as a manager of newly financializing relations of internal and external integration, to the benefit of a new state-based national capitalist class. The high presence of foreign banking groups has been highlighted as a characteristic of CEE financialization, thus the drastic decrease in foreign bank ownership in Hungary, achieved in the last few years by the current conservative nationalist government, could be considered as a sign of decreasing financialization and decreasing dependency. We will, however, argue that this is not the case, and the current restructuring in the banking, real estate, or other infrastructure-related sectors is mainly a reorganization of channels of capital flows, in an attempt to orient them towards a new national capitalist class. This is not a step towards a more just financial regime internally, as the government argues: the main financial source of the new nationalized banking sector comes from regressive redistributive policies which generated a significant volume of savings in the upper middle class. The development of new patterns and institutions of financialization of housing are embedded in this new constellation of financialized, state-driven national capital development. It strongly builds on and unfolds from previous forms of dependent housing financialization – both spatially and socially, through the pulsation of subsequent waves of financial overinclusion and exclusion. We analyze banking and housing policies together with the geographies of uneven development they extend

### **The role of financial services in spatial processes**

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Three elements of financial services were examined in the territorial processes. These were the commercial banks' accounts and the ATM network, retail products and services, services to businesses, savings habits and investments in the population. The substitutability between different types of investment. forms of accumulation of assets are entrepreneurial capital or real estate investments.

One of the reasons for the slow development of rural areas is that relatives withdraw their income from businesses immediately. Thus, there is no capital accumulation in enterprises. Because of this, they are unable to grow, modernize and recruit new staff. Due to low capital supply, they will not be creditworthy in the long run, they will not be competitive.

In my opinion, the key to long-term development lies not in large-scale financial support, but in the development of financial awareness, entrepreneurship, and the exploitation of local resources in the effective competition regulation of local and regional markets.

Questionnaire survey was conducted in 5 target groups on financial awareness, knowledge and use of financial products. The following were the target groups:

1. Budapest students - economists and engineers
2. Small businesses in Budapest
3. Active people in Budapest
4. Businesses in a Békés county
5. Agrarian companies working in a Békés county
6. Workers of active age working in a Békés county

The most significant differences between Budapest and the countryside are not only capital adequacy, but behavior, mentality, financial knowledge and willingness to take risks.

### **Entry Timing and Uncertainty in Transition Economies: The Moderating Role of Host Country and Firm Characteristics**

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Starting in the early 1990s, countries throughout Central and Eastern European (CEE) initiated fundamental reforms aimed at replacing an economic system based on central planning with an economic system guided by free market forces. Since a sound financial system is pivotal to the functioning of a market-based economy, many CEE countries liberalized their financial markets by reducing regulatory entry barriers and privatizing state-owned banks in an attempt to attract financial sector foreign direct investment (FDI). Financial sector liberalization in transition economies offered many new investment opportunities for foreign