Financial and economial base knowledge

in BGRG, Hungary

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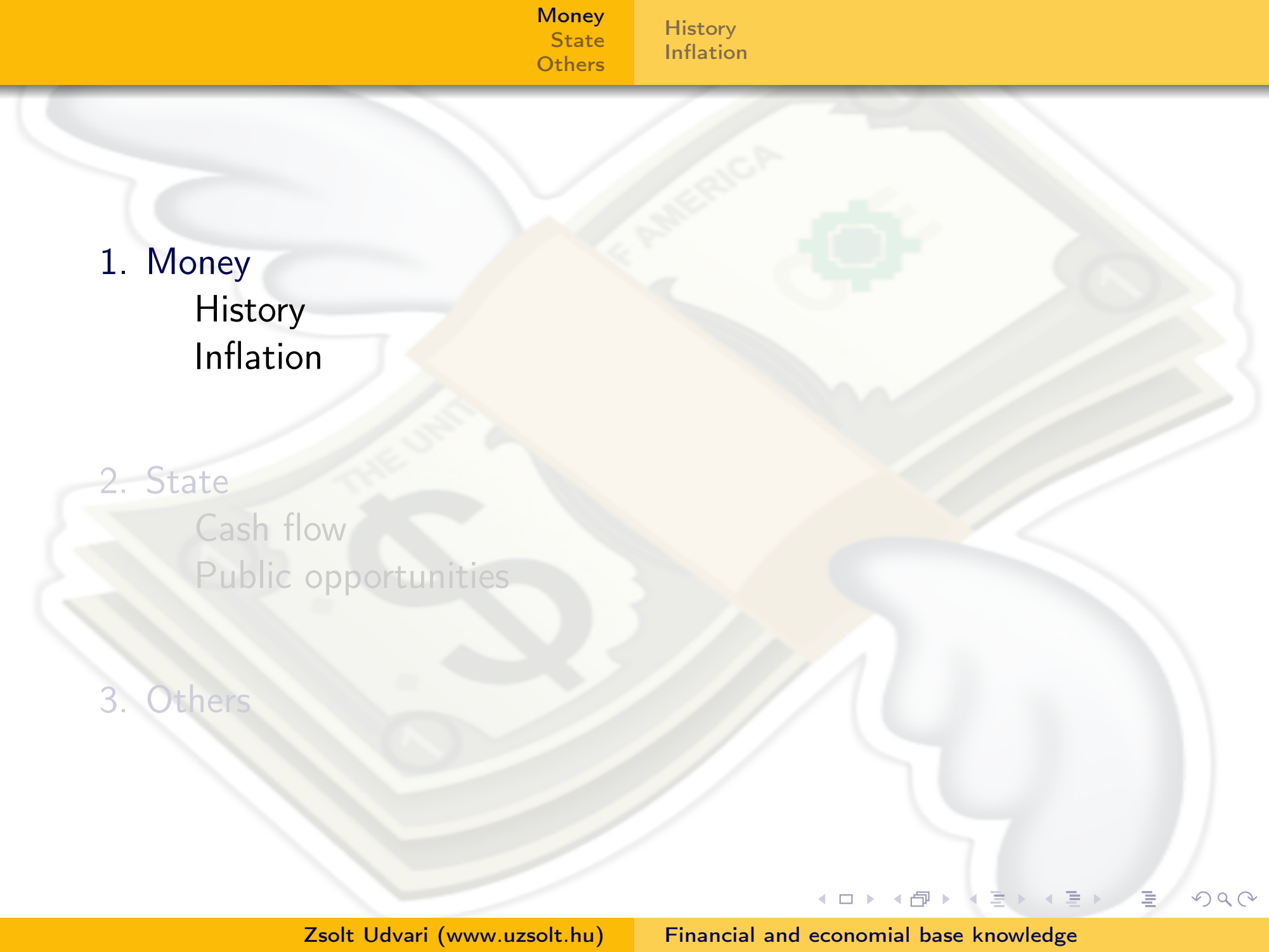

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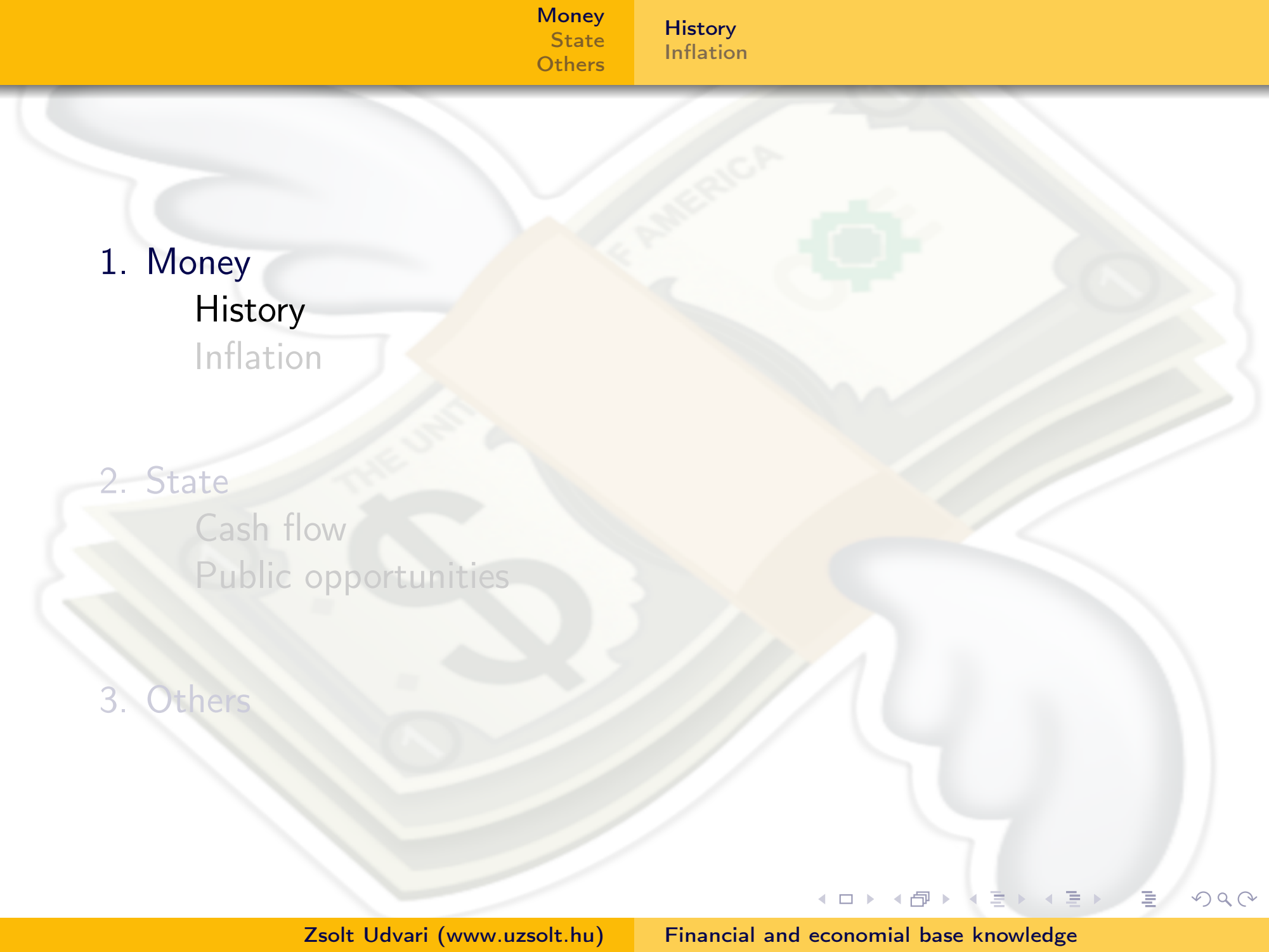

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  e.g. salt, shell, farm animal, spice, cigarette (in prisons)

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  - consequence: face value $\neq$ metal value

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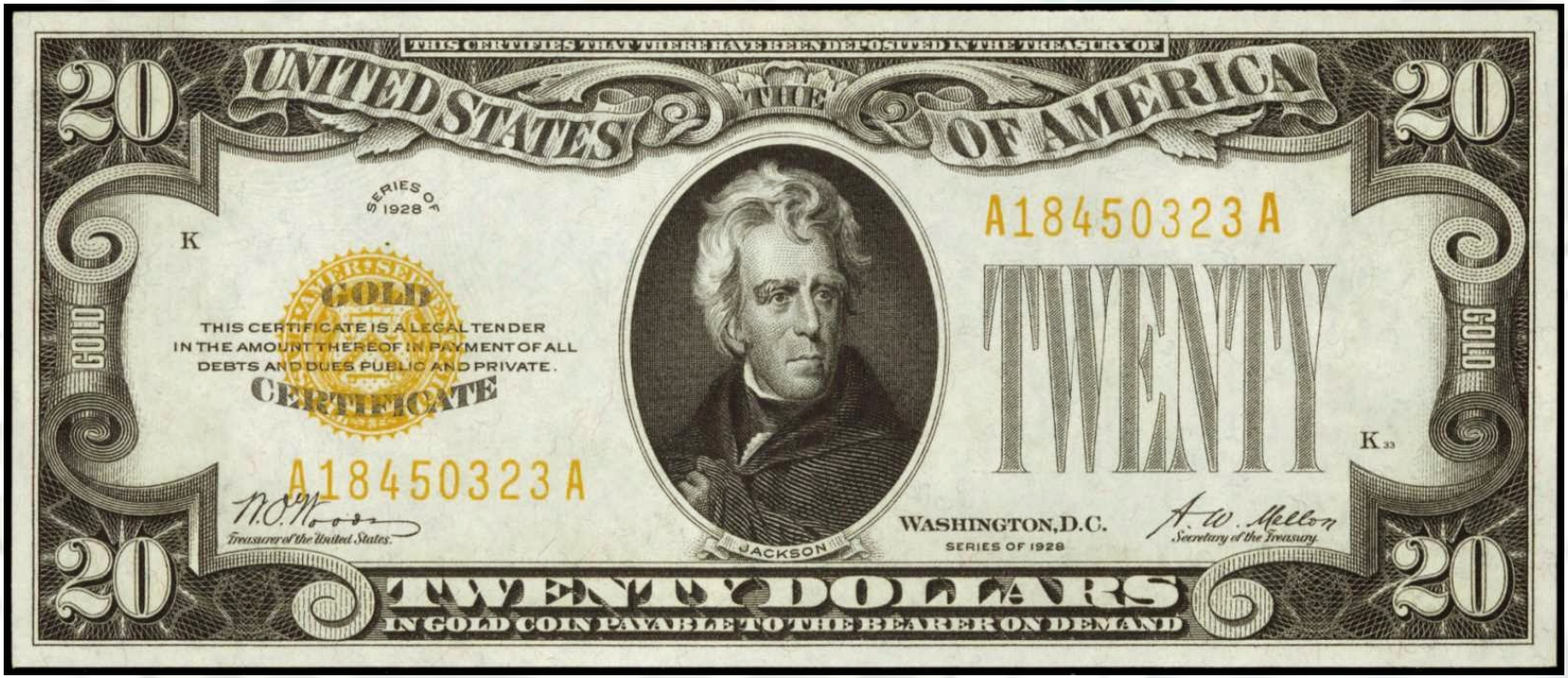

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- classic banknote: promissory note, made by a bank

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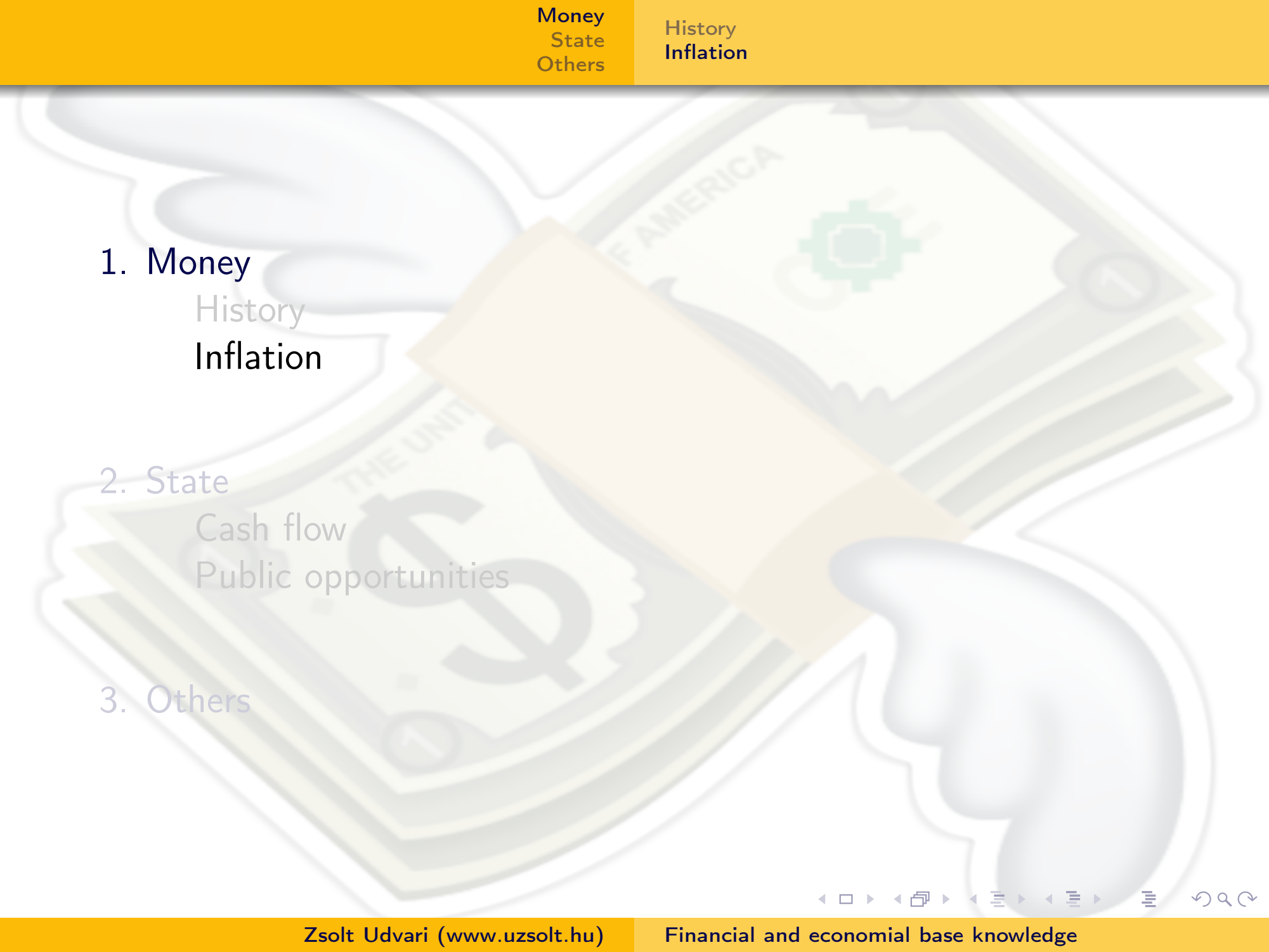
- types:
  - representative money
  - commercial bank
  - digital (electronic)



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Inflation

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Inflation

the one-day salary of the wheelbarrow was hurried home after work, but his wife received only two eggs for an hour

The price of 1 kilogram of bread in August 1945 was 6 pengos, 27 in November, 80 at the beginning of November and 135 at the end of the month. 310 in the first half of the year and 550 in the second half of January 1946. 700 at the beginning of the month, 7 000 at the end of the month and 8 000 000 at the beginning of May, at the end it was 360,000,000 and in June 5,850,000,000 pengos

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  - Zimbabwe, 2008: prices doubles per 24 hours

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  - less produce $\Rightarrow$ less worker $\Rightarrow$ unemployment increasing

Deflation news — Japan

The government has admitted deflation is destroying the Japanese economy *(November, 2009.)*

https://hvg.hu/gazdasag/20091120_japan_gazdasag_deflacio_tultermeles

. . .

And at the press conference of Finance Minister Fuji Hirohisa whether or not it is called deflation, the price reduction is in any case harmful and a cause for concern. this is one of the main economic and political issues in Japan. THE Minister emphasized that deflation was a budgetary hardly preventable, as even if large sums of money are spent on public works, it will not raise prices

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Japan has already undergone between June 1998 and January 2006 during a period of deflation which, inter alia, worsens the prospects for the profitability of companies and discourages investors

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The current negative inflation is mainly due to that the production capacity of Japanese companies exceeds domestic and foreign demand for

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Incomes

- tax, toll, fee
- from foreign land
- privatization

Expenditures

- public tasks (health care, education, police, fire department, infrastructure,. . .)
- supports
- paying debts

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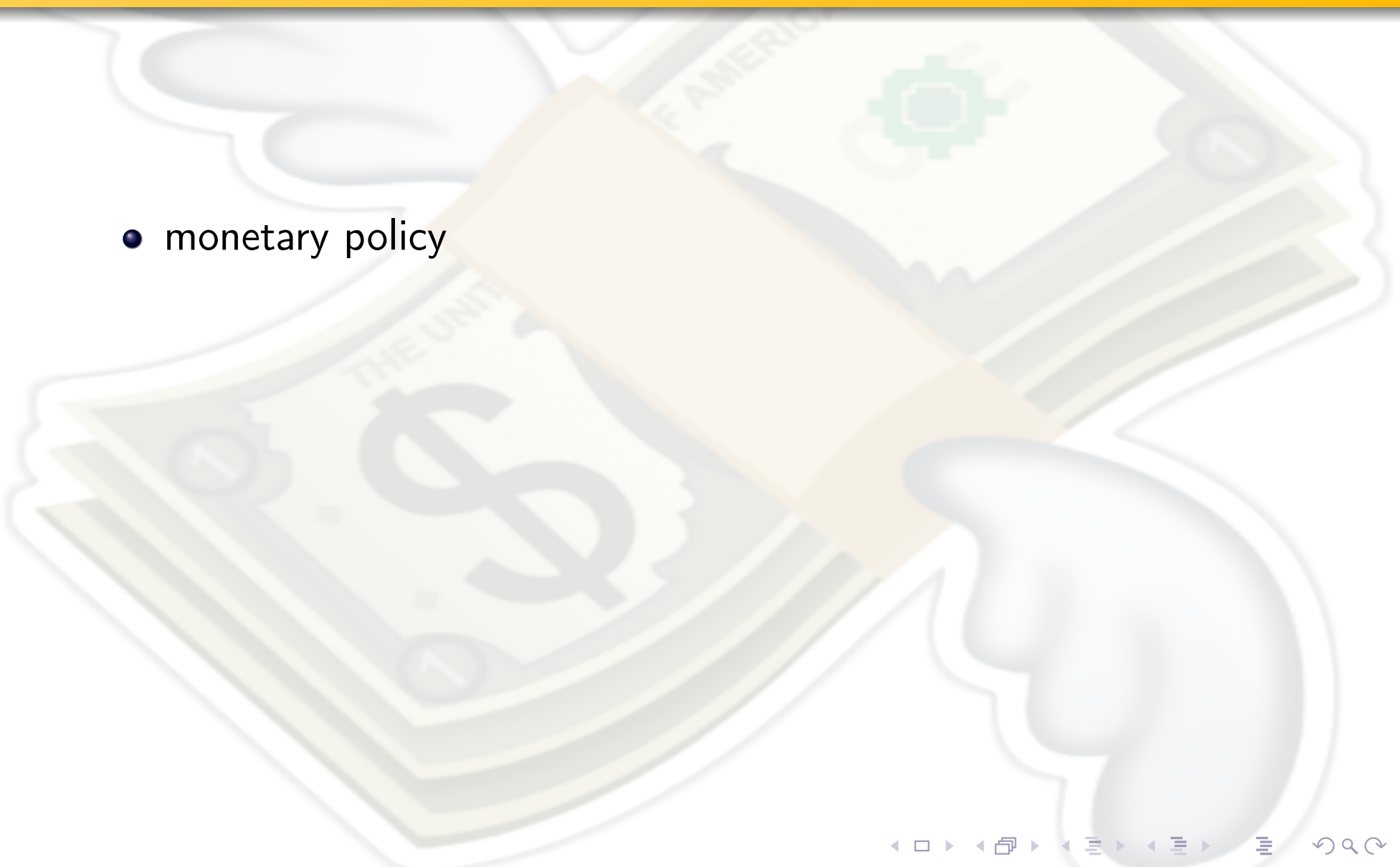
Economical policy

- monetary policy



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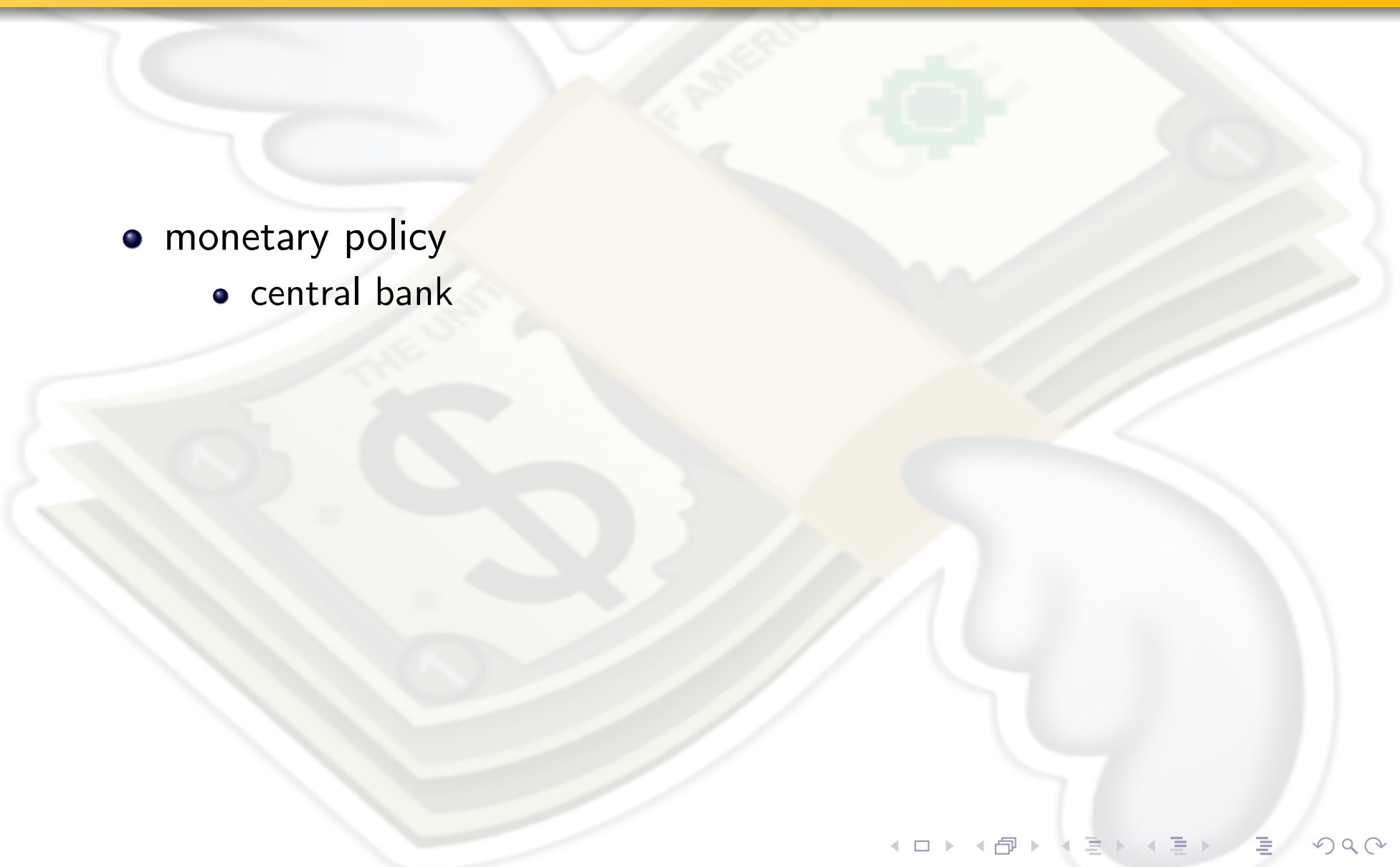
- monetary policy
  - central bank



Economical policy

- monetary policy
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  - interest rates

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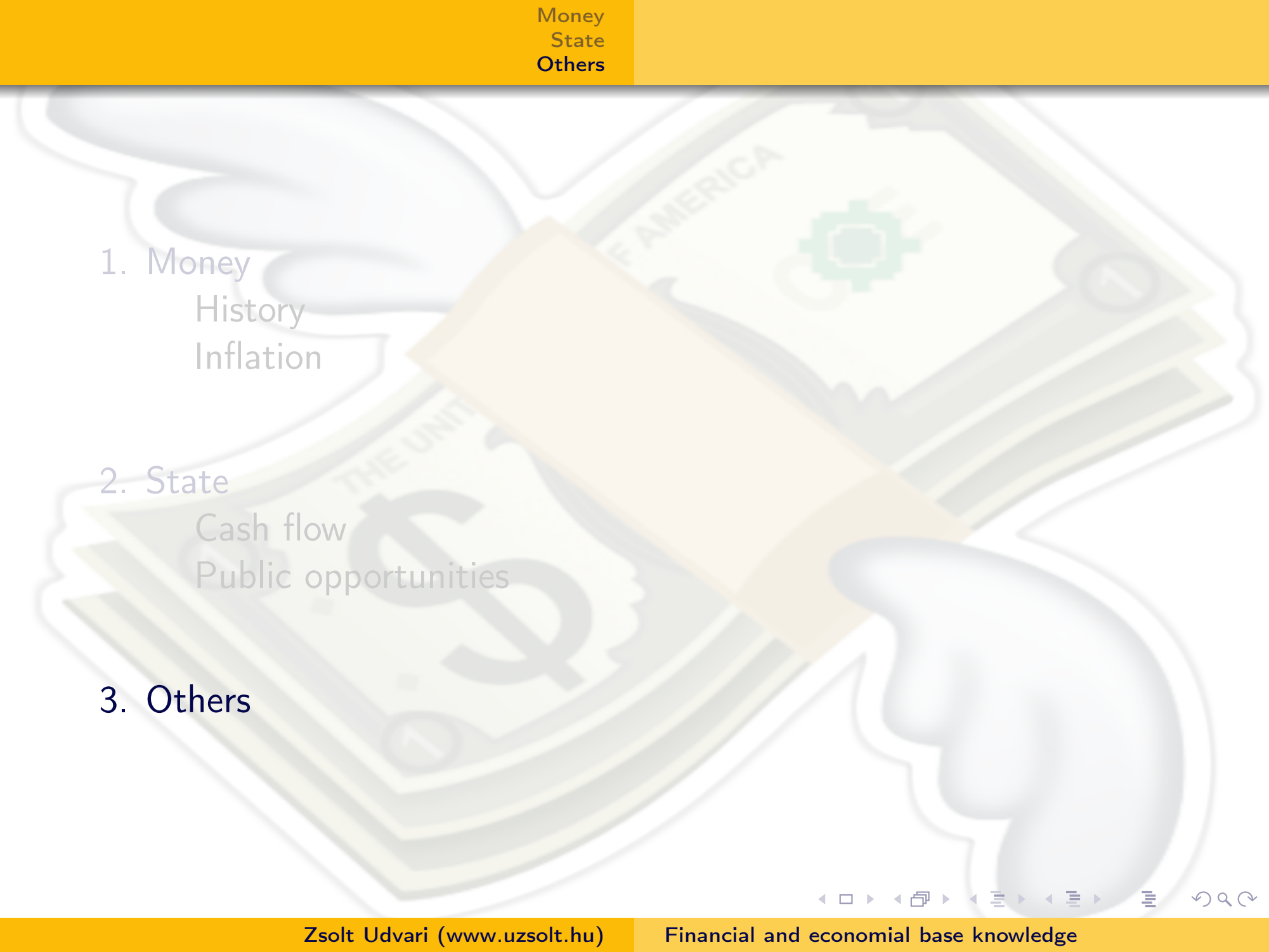
  - government
  - taxes, supports,...



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Out of time

- taxes in Hungary
- households (loans, savings)
- deceptions
- business, how it works