

István Hetényi is 80 years old

The life and work of a finance minister is anything but balanced, calm, free from daily excitements and unpredicted situations anywhere in the world. This is especially so in Hungary, where this position would probably rank high on a scale of stress-loaded jobs. It can partly be attributed to this fact that in the past 16 years at least two, but more often three persons headed the Ministry of Finance within each election cycle.

Finance ministers come and go, however there is someone who represents permanence, continuity, someone, who was a finance minister for a relatively long period, for six years, and whose advice, experience, gravity, calmness, rationality and sense of reality have been utilised by most ministers ever since. This person is István Hetényi, who is described rather laconically in reference books – he did not disclose much about himself to the reference book writers –, but is regarded as an eternal finance minister, or rather “The Finance Minister” in professional circles.

His career has been very rich. The field of tax theory is readily associated with his name not only at academic level, but also in the dissemination of taxation related information. A significant part of his publications are on taxation. He also addresses the practical problems of the current tax systems. In his writings he covers

the fundamental questions of economic policy, and apart from the general tasks of economic policy and national economy planning he extensively writes about one of the most monumental tasks of the past decade, i.e. the reform of the public finance system.

Rationality and reality. This is what every finance minister needs in his hectic daily work schedule to be able to thoroughly review the decisions, reveal the correlations, adequately analyse the events, i.e. foresee the future.

István Hetényi represents rationality and reality. Rationality that is supported by profound professional knowledge and preparedness that is available only to the fortunate few. On the other hand, reality is nothing but keeping in mind how much daily reality differs from theory and pure science. Such sense of reality can be possessed only by someone who has spent a very long time in public administration, in a planning office, in the Ministry of Finance, and who started to build the fundamental elements of the market economy at a time when the political turnaround was not even in the air.

Naturally, the systems about which brainstorming began while Mr. Hetényi was holding the post of finance minister have been built, implemented and put into operation by now. The market economy was created, Hungary underwent great changes in the past

three decades, and in many aspects the Hungary of the 1980s is incomparable to the current Hungary. However, a considerable similarity is that reforms have again been put on the agenda.

Action is needed in the field of public finance. Time is pressing, tasks are plentiful and such decisions must be made within a relatively short timeframe that will significantly determine the country's life in the next decades. The road we have embarked on is not always paved and it is undeniable that there are plenty unnecessary detours, too. Of course, this does not mean that we should be afraid of the changes, slow down or give up some of the objectives. It is important to maintain consistence, courage, perseverance, rationality and the sense of reality. It is important to maintain what István Hetényi represents with eighty years of experience, with the energy of forty-year-olds and with the fresh-mindedness of reformers. It is important to keep the reforms going, because interests are violated. The reforms must be continued despite the strong resistance of the different interest groups, despite the fact that many people object to the changes while they

themselves want changes, and despite the fact that in the short run political popularity with the voters can hardly be won with reforms.

However, reforms pay off in the long run, although not always for the reformers, but definitely for the economy and the country. Professionally well-founded, well implemented reforms bring the country to the front-line of development, accelerate the process of gap reduction, and create new opportunities for the population to manage or improve their lives.

The precondition is professional well-foundedness, i.e. everything that is present in István Hetényi's writings, work, orally presented thoughts, and comments which he offers to each finance minister in office without hoping that his advice would be accepted as is. He knows that many other factors need to be taken into account. Yet, myself and my colleagues have occasionally realised subsequently that those comments would have deserved more careful consideration.

Happy birthday István Hetényi!

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