

2020, Economics, Pembroke College

Special treatment is provided for banks in case of a crisis. As opposed to any other institution, they get a lifeline by the state if in trouble, which contradicts a main principle of our market-based system that malfunctioning organizations should be replaced by successful ones. Yet, this dealing is unavoidable if we wish to maintain the current structure of wellbeing. Explaining such paradoxes makes economics one of the most enthralling sciences and motivate me to pursue a career in this field.

Whilst enjoying the ethical dimensions of problems like the above, I have a very strong inclination towards mathematics – I like looking at it as a language which enables to describe almost every ongoing process in the world. I studied within the special mathematics department of Fazekas Mihály Gimnázium, which allowed me to expand my knowledge in a range of topics, such as graph theory or projective geometry. My favourite topic, however, has always been algebra which I've found useful in comprehending more complex topics within calculus and economic modelling. I am particularly intrigued for instance, by how the envelope theorem helps us understand the connection between short- and long-run cost functions. Multiple times during my school career, I attended a mathematics camp organized by Lajos Pósa, one of the most prominent teachers and researchers in my country, who helped me achieve competitive success, winning Bolyai Team Competition twice and being a regular participant in the final rounds of the Arany Dániel and Zrínyi Ilona mathematics competitions.

Next to my mathematical studies, I started studying Economics at the Milestone Institute in Budapest. During the Microeconomics classes, the economics of migration particularly grabbed my attention. In light of the recent European migrant crisis, I was keen to explore the possible effects of mass migration on my own country. For this reason, I read Christian Dustmann's "Migration" and took the course "International Migration" on Coursera. These helped me to understand how immigration usually boosts economic development in the host countries, and that workers are much less disadvantaged than it is often described by politicians. To deepen my understanding of the topic, I read Paul Corrier's "Exodus" and participated in the John Locke Institute's essay contest, where I discussed the costs and benefits of immigration and argued that it's high-skilled workers who bring the most economic benefits to a country. During the process, however, I realised the political and ethical challenges of designing an immigration-policy, and was faced with the limitations of mathematics in determining an 'ideal' number of immigrants for a country.

The migrant crisis is only one example for the importance of drawing on historical processes when trying to comprehend current political and economic affairs. Economic meltdowns are another one. In order to understand how they should be handled in the future, I delved deeper into the 2008 financial crisis. I read "Firefighting" by Bernanke, Paulson and Geithner, using their ideas as a springboard to argue in the LSE Economics Society's Essay Competition that banks should be bailed out by governments in case of a possible bankruptcy. A particular argument of mine was that excessive risk-taking may not certainly occur, as the safety net creates additional value to the banks and thus lowers the hazards of investments.

In my free time, I enjoy teaching mathematics to 12-year-olds, and pursue football and handball. Through teaching, I have gained valuable communication skills and the ability to

work with people from different backgrounds as well as in a team, which is profitable since economics builds upon understanding the fundamentals of human behaviour. I hope that studying Economics will provide me with valuable analytical skills to gain a better understanding of how the world operates and equip me with the tools necessary for tackling problems in the future.