

ABSTRACTS

ZOMBOR BEREZVAI

♦ *Evolution of market concentration and competition in Hungary between 2008 and 2021*

In recent years, there has been a growing body of literature indicating that market concentration has increased in previous decades. This has resulted in a rise in consumer prices and a shift in income relations towards capital income at the expense of labour income. Overall, income inequality has also risen. However, these analyses have typically looked only at developed countries with significant economic power and at a rather aggregate level. The objective of this analysis is to examine the evolution of market concentration in Hungary between 2008 and 2021, with a particular focus on the deepest possible sectoral level (four-digit industry classes). The data employed in this research are drawn from the Competition Statistics Database compiled by the Hungarian Competition Authority and the Hungarian National Bank, which contains nearly 100 indicators at the industry level, presented in a format that allows for time-series comparisons. The database also quantifies specific indicators globally unique, aggregated directly from individual corporate annual accounts. The broad set of indicators of the GVH–MNB Competition Statistics Database allow the evolution of market concentration to be compared with other factors such as productivity, profitability and research and development activity. This allows for an understanding of how changes in concentration are related to changes in other relevant factors. The results have implications for economic policy and competition policy.

DÁNIEL HELFRICH

♦ *Analysis of price trends following the lifting of the fuel price cap in Hungary*

In 2022, energy prices reached record levels within the European Union, continuing a trend of rising wholesale energy prices that began in 2021 due to the COVID-19 pandemic and increasing international demand. This trend also significantly impacted fuel prices. In response, the Hungarian government imposed a price cap on retail fuel prices from November 15, 2021 to December 6, 2022. This study empirically examines the effect of the elimination of the price cap on fuel prices. The aim is to determine whether the removal of the price cap resulted in subsequent price increases. The study employed a synthetic control method, comparing actual observed prices with prices estimated by the synthetic control after the intervention. In the ten-month period following the removal of the price cap (December 2022 to

September 2023), the actual price was on average 12% higher than the price projected by the synthetic control. The largest difference was observed in January 2023, with a price premium of 16%. There was a moderation in the difference between February and September, but even during these months, the gap remained slightly higher than 11%. This difference may be attributed to distortions of competition due to the price cap.

MÁRTON KÓNYA

♦ *Competition and price transmission amidst crises: analysis of the Hungarian milk market*

In Hungary and its neighbouring countries, since 2020 successive economic crises (coronavirus pandemic, energy crisis, Russo-Ukrainian war, droughts) have significantly influenced agricultural production chains, potentially contributing to food inflation and decreased food security. The price increase of dairy products in Hungary reached 80 percent between November and December 2022. This study examines the dynamics of the Hungarian dairy sector during the 2019–2022 period using an asymmetric error correction model. Our results indicate asymmetric price transmission at the Hungarian dairy processing level, as well as relative market power. This market power can be attributed to demand stimulated during the crises, and to supply shocks caused by disrupted production chains due to these crises. This situation may have allowed processing companies to pass on increased costs without being obliged to respond to fluctuating demand. Based on our findings, unlike what many other papers suggest, it was not the retailers but the processing level companies that held market power during a period characterized by economic crises and record-high inflation. It can be concluded that increasing the resilience of production chains and stimulating market competition can reduce the exposure of food markets to inflation.

TÜNDE GÖNCZÖL – LÓRÁNT TELEKI

♦ *The reform of US merger law – change of paradigm under the new merger guidelines*

In the US, calls for a renewal of competition law has been intensified by the rise of large digital companies and market concentration in general, and a loss of competition with it, real or perceived, which led to the evolvment of the so-called hipster antitrust movement. Today, hipster has become the mainstream - at least, as far as the Biden administration's moves on competition law are concerned. One of the significant milestone of this process was the issuance of new merger guidelines by the enforcement agencies which will certainly shape the coming years of US competition law.

PÁL SZILÁGYI

♦ *Stormy hipster merger control – review of the new US merger guidelines*

In recent years, the enforcement of merger control rules in the United States has seen a significant policy shift. This article by Szilágyi Pál analyses the newly adopted

merger guidelines, which have replaced the previous ones, amidst a more aggressive regulatory stance. The author critically examines these new guidelines, arguing that, unlike previous substantial policy shifts in antitrust law, the current changes lack a solid foundation in both economic science and American judicial practice. The study highlights the challenges and critiques of these guidelines, emphasizing the minimal traces of economic theory and judicial precedents that underpin the current policy changes. The article provides a comprehensive overview of the new merger guidelines and raises significant questions about their theoretical and practical implications in the context of U.S. antitrust law enforcement.

PÁL VALENTINY

♦ *Merger control reform in the light of the Fisher Body–General Motors dispute*

This paper aims to address the difficulties of merger control and of the interpretation of the economic evidence and corporate behaviour. In recent years, there has been a growing perception in the United States that merger clearance has become too permissive, market concentration has increased, and acquisitions of potential competitors have become common. The Fisher Body–General Motors merger at the beginning of the 20th century was seen as an example of vertical integration in economics for decades – until its value as an example was more thoroughly examined. In the light of the current intention to reform merger control, we try to illustrate this process by drawing on the interdependence of economic theory and economic history.

ZSÓFIA LENDVAI – RÓBERT SOMOGYI

♦ *Legal protection of news publishers and existing regulatory solutions*

In a growing number of countries worldwide, big digital platforms, notably Facebook and Google, are obliged to compensate press publishers for using the content they generate. In this paper we analyse these regulations from a legal and economic perspective. We describe the specific aspects of the online press publishing market from an economic point of view as well as the complex relationships between its actors. We discuss in detail the legal protection of press publishers in the EU and in Hungary, and also outline regulatory efforts outside the EU. Finally, we briefly summarise the existing economic studies on this issue.

DOROTTYA VELEGI – JUDIT FIRNIKSZ – BORBÁLA TÜNDE DÖMÖTÖRFY –
LEVENTE NAGYMIHÁLY

♦ *Web design and consumer orientation in the context of new accessibility rules*

In the digital economy, the innovation of products and business models gives rise to new market behaviours, which in turn result in a constant evolution of the design paradigm of electronic interfaces and the practice of displaying web content. In the context of the web environment, the visual presentation, information architecture and decision-making processes of e-commerce interfaces, as well as automated in-

teraction procedures, exert a significant influence on consumer decision-making processes. This influence may be perceived as being equivalent to, or even greater than, the impact of the natural language content of the interface itself. The design and subsequent development of e-commerce interfaces and applications must comply with a complex set of regulations, which will be further expanded by the e-accessibility requirements that have already been incorporated into the national legislation and are scheduled to take effect in Hungary in June 2025. In the context of digital space, the term 'barrier-free access', which is widely used in Hungarian terminology, does not always clearly reflect the primary regulatory objective of ensuring that web content is accessible and understandable for all users, and thus for all consumers in e-commerce. The regulations that guarantee equal access for consumers in e-commerce, in terms of consumer comprehension and the unbiased decision-making process, are inextricably linked to the other elements of the regulatory environment surrounding the functioning and design of online interfaces (web design).