

The Practice of Supervisory Rights in Hungarian Cartel Law with Special Attention to the Duties of the Minister and the Legal Director

Abstract

Hungary introduced provisions on cartels with the enactment of Act XX of 1931. To protect good morals and public interests, the Act regulated the tools of state intervention and supervision. This legal field was the summarization of the proceedings of cartel supervisory authorities, in which not only executive state bodies but also judiciary organs took part. The paper focuses on the development of the Hungarian cartel law, with special attention to the practice of the courts and the aims of the State related to the supervisory power over the cartels before the codification of the Hungarian cartel law. The main aim of the study is to put an emphasis on the tasks of the responsible Minister and the legal director, mainly by analyzing the related primary sources. The purpose of this study is also to explain the tasks of the responsible Minister after the Cartel Act came into force, and the demonstration of the practice related to the proceedings. The main question is what the functions of the supervisory authorities related to the cartels were. In connection with the legal director, I would like to illustrate his task as a representative of state interests in the mainly cartel-related lawsuits.

Keywords: Hungarian cartel law, cartel supervisory authorities, Royal Legal Director, Minister of Trade

1. Introduction

The economic and political system of the interwar period had a fundamental impact on society, to which the law responded by regulating existing but not yet codified legal institutions. The guarantee of freedom of contract and association and the development of free competition meant that economic operators have sought to take advantage of the economic situation and set up companies with the primary aim of restricting competition to optimize production. The essence of the cartel movement of the 20th century is to be found in the self-contradiction of free competition, as measures restricting fair competition

have emerged because of free competition. This could only be combated by guaranteeing freedom of competition for the benefit of consumers, which meant nothing more than the fundamental enforcement of public good, public economy and good morals.

The analysis of archival sources represents the real depth of legal history research, based on which the aim is to present research results that reveal the controversial world of cartel regulation in the 20th century. A joint examination of forensic reflection and case law can provide a comprehensive picture of the actual functioning of cartel oversight, courts, and government agencies. Act XX of 1931 implemented the regulation of cartel law, basically antitrust law in Hungary, as part of the European codification processes, in which state intervention efforts played a primary role.¹ The Hungarian Act mainly regulated cartel public law; therefore, my main focus is to describe the practices of the institutions that possessed supervisory rights.²

However, the question shall be raised who had the legal control over the operations of cartels before the regulation of cartels or, to be more precise, before the Hungarian cartel act came into force. In these situations, the establishment of legal protection was in the hands of the courts.

2. Development of the Cartel Law before the Codification

The lack of comprehensive legislation has meant that courts have played a significant role in judging cartels in the 19th and 20th centuries. We should therefore examine the ministerial reasoning of the bill of the Hungarian cartel act before presenting the supervisory authorities. “There is no doubt that this part of the case law is rather general and a neglected area of law, which is otherwise understandable; and even because the courts had very little opportunity to take a stand in cartel cases.”³ Even the ministerial reasoning of the proposed Act quoted the same. “But whatever court would now decide on the legality of cartels, in today’s legal situation, it would hardly be possible to make any decision that would provide general reassurance and recognition in terms of both legal and economic fairness.”⁴ The courts, in addition to hearing the parties, would have required the governmental authority to set up a body or authority whose expertise would contribute to a more efficient and professional settlement of litigation. Prior to the

¹ Supported by the János Bolyai Research Scholarship (BO/00198/18/9). During the codification process, the Cartel Act of Hungary allowed for the supervisory legal institutions and regulations of the German Cartel Edict of 1923. More on this topic: Kessler, “German Cartel Regulation”, 680–93. German Edict against Abuse of Economic Power (Cartel Edict) from November 2, 1923 [Verordnung gegen Missbrauch wirtschaftlicher Machtstellung vom 2. November 1923] in Dobrovics, Kőházi, *Kartell, árelemzés*, 17–25; Kuhlmann, *Kartellbegriff*, 5–18; Jsay, Tschierschky, *Kartellverordnung*; Lehmann, *Grenzen der Kartellgerichtsbarkeit*; Denzel, *Mißbrauch der Kündigung*; Birnbaum, *Die Rechtsprechung des Kartellgerichts*; Szilágyi, Tóth “A kartellszabályozás történeti”, 4–13.

² Harasztosi Király, *A kartel*, 512. More on this topic: *A gazdasági verseny szabadságát korlátozó megállapodásokról*; Kuncz, *A magyar kereskedelmi- és váltójog*, 124–5; Szabó, “A kartellfelügyelet szervezete és hatásköre”, 64–83; Stipta, “A gazdasági versenyt szabályozó megállapodásokról”, 53–63.

³ Dobrovics, *A kartelek helyzete és működése* 15.

⁴ 1931. évi XX. törvénycikk indokolása, 375.

enactment of the Cartel Act, courts generally ruled on the validity or invalidity of challenged cartel agreements and did so in the absence of legislation based on general principles of private law. “The abuse of cartels cannot be adequately protected if the authorities only have access to their cases when the court declares the contract to be contrary to good morals or public order.”⁵ It was therefore considered necessary for the State to intervene and force cartels to operate “properly” before initiating administrative proceedings. To investigate complaints against cartels and monopolistic companies, different authorities had to be set up to coordinate and supervise the operation of cartels. The Cartel Act also had to specify the procedural rules that had to be applied to protect the public interest against abuse effectively.

Because if there is a strong suspicion that there is abuse, but there is no protection against it, protection must be provided as soon as possible. This is necessary not only for the benefit of complainants whose private rights have been infringed but also for the smooth operation of companies in cartels which are not objections to the economy and for reassuring the protection of the public.⁶

On the one hand, cartel agreements affected the parties of it and, on the other hand, were important players in the development of economic processes for non-cartel traders and consumers. The situation of the participants in a cartel was often not the same as that of a contracting party with equal economic power and concluded a contract on the same terms.

Some members of the cartel may participate in the cartel due to the irresistible economic pressure of members who are in a numerical minority but represent an overriding economic power, and the economic pressure may be so great as to reach the limit of a coercion under private law.⁷

The non-cartel operators with whom the cartels came into contact are companies that could not be forced into the cartel. The cartel sought to exert even greater economic pressure on these operators and sought to make them completely economically impossible. Such a restriction of industrial freedom was not considered acceptable by the state and was opposed to these efforts by all means.

Whatever the impact of the cartel, the basis for the creation and operation of the cartel is only the pursuit of the greatest possible economic benefit. And the desire to profit easily leads to exaggeration; it is easy to entice selfishness, to take advantage of sparing opportunities, and to restrict competition where and when it is economically unnecessary and even harmful.⁸

Therefore, it was not possible for “private individuals” or even entrepreneurs to carry out their activities without legally regulated control. “Freedom and organization can only be in the right proportions in the new context if the new organization of economic life, which has developed, is acknowledged and regulated by the state.”⁹ It was also necessary to consider the regulation in order to protect the interests of the consumer in monopolistic conditions. Protecting the so-called “general public” or members of consumer society

⁵ *Ibidem*.

⁶ *Ibidem*, 376.

⁷ *Ibidem*, 377.

⁸ *Ibidem*.

⁹ *Ibidem*.

meant that unfair restrictions on competition and excessive pricing had to be banned. The ultimate goal was for the consumer to buy the necessities that provided a livelihood at a fair price. “This is particularly the case now that, in the situation created by the Trianon Treaty, many sectors of the economy are cut off from their natural or historical sources of supply and sales, when some branches of the economy could barely recover from the damage of the hostile occupation when some European states are fighting us with huge tariffs and bans, when Russia and America are disturbing economic life with dumping and because of all this, the credit flow of the country cannot be regular.”¹⁰ Good morals, fairness and good faith should have prevailed in the economy as well, which could create social peace. Ensuring the solvency of consumers has been paramount in ensuring fair business conduct. “Against the possibility of all these dangers, the public cannot remain unprotected, and state power cannot continue to lack the overview needed for political guidance over the economy as a whole. Based on these, the legal regulation of agreements regulating economic competition, which is included in this bill, is justified and necessary not only from a legal but also from an economic, social and constitutional political point of view.”¹¹

The State has acted with extreme rigor against abuses in the economy and unfair competition. The war and the ensuing economic conditions pushed individual interests into the background. What had been free until then became forbidden after the war, as a result of which a series of acts (price increases, unfair competition, antitrust law) were enacted to ensure the purity of economic life and the protection of consumers. The primary purpose of the codification of cartel law was to prevent the abuse of economic power.

The regulation of cartel supervision had a connection with public interests in Act XX of 1931, which resulted in the fact that the supervision of cartels was regulated according to public rights fundamentals mainly. Conducting cartel contracts was allowed, which basically meant that cartels could operate in Hungary within the established boundaries. The cartels had to respect these legally determined boundaries. The cartel agreements had to be examined in order to determine whether they infringed public morals within the scope of private cartel law or endangered public interests, which also meant that the rules of cartel public law were breached. The examination of the latter was the fundamental duty of cartel supervisory authorities during their procedures. The legally regulated cartel supervisory authorities consisted of the responsible Minister, the Cartel Committee, the Price Formation Committee, the Cartel Court, the orderly courts and the courts of arbitration. Within the framework of this study, I examine two participating individuals, the responsible Minister and the Legal Director, who played a significant role in connection to the legal supervision of cartels.

¹⁰ *Ibidem*.

¹¹ *Ibidem*, 378.

3. Ministerial Supervisory Rights

According to the Cartel Act, the Minister for national economy became the direct supervisory authority when the law came into effect, “since the operation of cartels has an effect not only on the industry, but also on commerce, agriculture, and in general, on consumer behavior, therefore it is reasonable that cartel matters would fall into the competency of such a minister who represents not only a specific branch of national production but the whole.”¹² If the position of the Minister for the national economy was vacant, then the supervisory authority was the Minister attending to his competency (for example, the Minister of trade, the Minister of industry).¹³

The companies had an obligation to present their cartel agreements to the Minister, who registered such cartel agreements with at least one company or at least one trade or industrial concern with at least twenty employees amongst its members. The data of any given cartel had to be written down in the registry catalogue, the so-called “Cartel Book.” The only way to register into the Cartel Book was through written measures with no place for any “correction, scribble or addendum”.¹⁴ In cases when the presentation was omitted or incomplete, the ministry could order the cartel to fulfil or correct their presentation. The ministry could ask the president of the Cartel Court to appoint a temporary representative in case the cartel omitted to do so.

The only thing the Minister could examine was whether the contracts contained cartel-like specifications. However, this did not mean that the Minister could not order an investigation *ex officio* against cartels based on facts he became aware of later on.¹⁵

The Cartel Act gave an opportunity to private individuals and authorities to file a complaint to the Minister in cases of cartel abuses. In these cases, the Minister could decide whether to deal with the complaint by civil service or judicial methods. Any data and evidence provided in the complaint had to be submitted, and based on this, the Minister could decide whether an intervention was necessary due to public interests. In cases when the Minister found a complaint ungrounded, the private participant could still initiate a private legal action. The Minister mostly decided after the hearing of the Cartel Committee.¹⁶

In the event that, on the basis of the complaint, the Minister concluded that the operation of the cartel was prejudicial to the public good or the interests of the economy, it could order an investigation. In order to clarify the facts, the Minister could ask the cartel for information on the measures taken under the cartel agreement or request the presentation of the necessary documents. In this regard, the Cartel Act also stated that cartel members had to comply with the Minister’s request. In connection with compliance with the obligation to provide information, the Minister may have warned the cartel

¹² Ranschburg, *Karteljog kartelszervezet*, 88.

¹³ After the law came into effect, cartel cases fell under the jurisdiction of the minister of trade. Act VII of 1935 separated the Ministry of Trade into the Ministry of Trade and Transport and the Ministry of Industry. Dobrovics, *Kartelismeretek*, 102.

¹⁴ Harasztosi Király, *A kartel*, 514–5.

¹⁵ Ranschburg, *Karteljog kartelszervezet*, 89.

¹⁶ *Ibidem*, 89–90.

that the failure would have the effect of considering the acts complained of to be real. It could also initiate the imposition of a fine. He could order the Legal Directorate of the Hungarian State Treasury to file a request on this matter to the assigned regional court.

The Minister reviewed the accuracy of the information provided to him, to examine the conduct of business based on business books and other documents.

The Minister may have questioned the members of the cartel and the persons concerned, but if he considered it necessary to take an affidavit, he would have to apply to the competent court in order to carry it out.

Given the investigative measures, it can be concluded that the law granted the ministry wide powers. In each case, it was first necessary to examine whether the conduct of the cartel was detrimental to the public good and the interests of the economy.¹⁷ As Károly Dobrovics pointed out, “two main conditions are required for state intervention and possible retaliation, namely that the cartel operation endangers the interests of the economy and the public good and that it regulates the production, turnover or price development of the goods in a way not caused by the economic situation.”¹⁸

The Minister also had the right to propose further measures to the government, in particular the withdrawal of tax and customs concessions, restrictions on public transport, and measures in the areas of industrial policing and freight rates.¹⁹

The right of the Minister to bring an action in the public interest was linked to his rights in cartel cases before the ordinary courts or tribunals, which I will describe in connection with that part.

Within the archival sources of the Viktória Chemical Plant Ltd., the notification to the Minister of Commerce “on the presentation of the agreement on all types of liquid water glass agreement and the notification of representatives”²⁰ can be found. The cartel agreement was attached to the letter dated November 25, 1931, in one original and two copies. The letter listed the participants who duly signed the submission. Attached to the application was a report on the entry of a new member of the cartel²¹ and a letter sent to the Hungarian Industrial and Commercial Control Bank in which the exclusive right to sell the said goods on commission was transferred. The announcement also stated that the signatory factories all employed more than twenty people. And at the end of the letter, it was recorded who the cartel representative would be.

The minutes of the meeting of December 22, 1933, state that “the convention stipulates unanimously that the preliminary cartel agreement and the authorization of the cartel representatives must be presented to the Ministry of Industry within a specified period.”²²

The documents regarding the rectification of deficiencies sent in connection with the presentation of a cartel for the production of a cord, rod iron, galvanized, coarse and white plate can also be found in the archive sources of the Central Office of the

¹⁷ *Ibidem*, 90–1.

¹⁸ Dobrovics, *A kartelek helyzete és működése*, 144–5.

¹⁹ Harasztosi Király, *A kartel*, 517–8.

²⁰ The Central Archives of the Hungarian National Archives, the Department of Economic Archives (hereinafter referred to as: MNL GLF), Z 341.

²¹ This record can be found: MNL GLF, Z 341. Liquid soluble glass cartel meetings minutes 1927, 1931–1936.

²² This record can be found: MNL GLF, Z 341. Liquid soluble glass cartel meetings minutes 1927, 1931–1936. Minutes No. 1.

Hungarian Iron Merchants.²³ The ministerial answer cannot be found in the file; as a result of which, it can be deduced from the answer given to fill in the gaps on which issues the ministry expected further information. The question arose as to what kind of contractual relationship the wholesalers had with Rimamurányi-Salgótarján Iron Ltd. and the factory of Manfréd Weisz, and whether or not they had acquired the exclusive right to sell the products. Based on the reply, it can be stated that no such agreement was concluded with the Rimamurány factory, of which the factory itself informed the Minister. The agreement with Manfréd Weisz's factory, which has since expired, did not grant any exclusivity either. According to this, "even during the term of the agreement, the goods covered by the trade agreement were always sold directly to large consumers by the named factory. For retail consumers and ironmongers, it was marketed by its own sales body, the Ferroglobus Ironmongery Ltd., on the one hand, and by other ironmongers in Budapest and the countryside not covered by the trade agreement. Although some practices may have developed during our connection to the above-mentioned factory and we are still customers of the factory, there is no agreement between the factory of Weisz Manfréd and the authorized dealers that is subject to the law and contains an obligation at the time."²⁴

The letter was accompanied by statements showing the purchase prices, sales prices and gross profit margins of the goods concerned. The reply also contained a statement from the representatives of the agreement concluded with the Hungarian Royal Iron, Steel and Machinery Plants on November 28, 1930.²⁵

We get a better picture of the announcements based on the secretariat documents of Ice Selling Ltd. of Budapest. The cartel agreement was concluded between the Ice Selling Ltd. of Budapest and the "Ice Factory of István" of J. Huszár in Újpest in 1939, the aim of which was to regulate the ice trade in Budapest, Újpest and Rákospalota. The documents contain the seal on the basis of which it can be proved that, in accordance with Section 2 of the Cartel Act, the presentation took place on the day following the date specified in the contract, i.e. within the time limit. A power of attorney from the cartel representatives was also attached to the agreement. A power of attorney included three persons.

The reply letter from the Minister for Industry stated that the original of the documents containing the agreement on the production and drafting of artificial ice was returned to his representative with a presentation certificate. The Minister specifically drew attention in his letter

[...] to present a power of attorney issued to the representatives of the convention by the "Ice Factory of István" of J. Huszár in Újpest, which acceded to the agreement within an additional period of 8 days. If you do not comply with this request within the above deadline, I will contact the President of the Cartel Court to appoint a temporary representative.²⁶

²³ MNL GLF, Z 783 Central Offices of the Iron Wholesalers of Hungary. Unfortunately, the report could not be found within the disparate archival sources.

²⁴ MNL GLF, Z 783 Central Offices of the Iron Wholesalers of Hungary.

²⁵ MNL GLF, Z 783 Central Offices of the Iron Wholesalers of Hungary.

²⁶ The Archives of Budapest (hereinafter referred to as: BFL) XI. Small box No. 1105 (1) Cartel records, agreements 1927–1943. Secretarial documents of the Budapest Ice Selling Ltd. 1927–1947.

The missing power of attorney was then sent in time.

The ministerial presentation was also made within the deadline in connection with the agreement concluded between Ice Selling Ltd., the Civil Beer Brewer Ltd., and the Beer Brewer of Budapest Ltd. The aim was to “prevent the growth of competition from each other and avoid the inevitable losses that would result from it.”²⁷

4. The Legal Directorate of the Hungarian Royal Treasury

The role of the Legal Directorate was mainly in the case of financial and property disputes related to the state, as it defended the interests of the Treasury during the legal disputes. The most important task of the Directorate was to represent the Treasury in litigation, provide legal opinions in the course of state administration and management of state assets, participate in concluding legal transactions involving the state, and to participate in drafting contracts and other documents.

The Cartel Act gave the Legal Directorate a new power. Due to the public law nature of the Act, court proceedings could usually only be initiated on the initiative of the Minister, the supervisory authority for cartels. It was, therefore, necessary to regulate and introduce the representation of the state in cartel cases by the Legal Directorate, which also meant the representation of the public interest. The Cartel Act did not entrust the representation of the Treasury to the ordinary prosecution system because “the Legal Directorate, through its practice in litigation involving the Treasury as a private entity, has a closer connection with the business environment.”²⁸ The lawsuit was handled by the Legal Directorate with the exclusion of a private party.²⁹

The Directorate did not act within its own powers but on the instructions of the administrative authority supervising the cartels, the Minister for Trade. It had to follow the Minister’s instructions because the Directorate was not an acting body but only a representative one. This meant that it could not act in cartel cases at its discretion.

According to the Cartel Act, the most important task of the Legal Directorate was to represent the state as a plaintiff in a public interest lawsuit. In a lawsuit in the public interest, the Treasury could not be imposed on the costs of the defendant in the event of loss, and no claim for damages could be made against it. The additional task of the Legal Directorate in the public interest case was basically to gather evidence, group it and refute the defense.

Such lawsuits are essentially of an economic nature, so knowledge of economic conditions is required, and the completeness of proof is, therefore, a rather and eminently important task, where the mistakes made are not very repairable. Thus, the fate of a lawsuit in the public interest rests no less on the readiness of the Legal Directorate.³⁰

²⁷ BFL, *ibidem*.

²⁸ Dobrovics, *A kartelek helyzete és működése*, 227.

²⁹ Ranschburg, *Karteljog kartelszervezet*, 102.

³⁰ Dobrovics, *A kartelek helyzete és működése*, 229; Ranschburg, *Karteljog kartelszervezet*, 105.

Interim measures in a case pending before the Cartel Court could also be initiated by the Legal Directorate. Regarding the annulment of judgments of the court of arbitration, the Directorate had to examine whether intervention was necessary to protect the public interest.

At the meetings of the Cartel Committee, delegates from the Legal Directorate were allowed to appear and speak in accordance with the Act, giving them the opportunity to “monitor the part of cartel cases that comes before the Cartel Committee from the outset, because all cases that come before the Cartel Court, by law, except in cases of urgency, must first be referred to the Cartel Committee.”³¹

In connection with the imposition of a penalty, the petition also had to be submitted to the Legal Directorate in cases of non-disclosure, breach of the obligation to provide information or obstruction of investigations, execution of a prohibited agreement or decision, a continuation of prohibited activity.³² The Minister may have instructed the Legal Directorate to initiate proceedings before the competent tribunal.³³

The duties of the Legal Directorate can best be presented based on judicial practice. In most cases, the actual functioning of the Legal Directorate can only be inferred from the brief wording of the judgments. The submission of the Legal Directorate can also be found in the full lawsuit in the Bács-Kiskun County Archives of the Hungarian National Archives. According to this, the timber traders in Kiskunhalas entered into a cartel agreement on April 8, 1933, within the scope of Section 1 of the Cartel Act in respect of timber, bricks and earthenware, which established an obligation to regulate competition. It is also apparent from the letter from the Attorney General of the Royal Treasury, acting on behalf of the Legal Directorate, that the cartel agreement had been submitted to the Minister for Trade in due course. The agreement was accompanied by a fixed sales price list agreed upon between the parties. According to the Cartel Act, the agreements annexed to the original contract were subject to the same conditions. “However, in spite of the law, the above-mentioned agreement, concluded on April 8 1933, [...] and the attached agreement were not presented until May 4, 1933, so it was belated. As their omissions were not substantiated in an acceptable manner, the Minister of Commerce instructed the Directorate of Legal Affairs in his Decree No. 416/3 K.M. XI. 1933, to initiate proceedings for ordering a punishment on the basis of an authorization granted under Section 14 of Act XX of 1931.”³⁴

The Legal Director requested the initiation of proceedings under Section 14 of the Cartel Act. He also indicated in the letter that the financial situation of the complainants should be taken into account when imposing the fine. The order made in compliance with the procedural rules on commercial offenses had to be served on the court by the legal director.³⁵ Subsequently, an invitation was sent for the parties concerned to send their statements of assurance.³⁶ Further documents from the lawsuit also revealed that the

³¹ Dobrovics, *A kartelek helyzete és működése*, 231.

³² Ranschburg, *Karteljog kartelszervezet*, 125.

³³ Harasztosi Király, *A kartel*, 515.

³⁴ The Bács-Kiskun County Archives of the Hungarian National Archives (hereinafter referred to as: MNL BKML), VII. 2. c. 187/1933.

³⁵ MNL BKML, VII. 2. c. 187/1933. The data recorded in the letter of the Legal Director are corroborated by the warrant of the court of justice. BKML. VII. 2. c. Cg. 187/1933.

³⁶ MNL BKML, VII. 2. c. Cg. 187/3/1933.

complainants had learned of the complaint only from an order of the Legal Directorate (order no. Cg. 187/1/1933). The regional court then ruled that the application of the Legal Directorate was well-founded and fined the contractors.³⁷

The remaining documents relating to the brick-makers in Pécs also contain a letter from the Deputy Attorney General of the Royal Treasury to the regional court of Pécs, requesting that proceeding for ordering a punishment be initiated on similar grounds as in the previous case.³⁸

The involvement of the Legal Directorate in the proceedings was mainly justified by the fact that it also had an insight into private law. According to Károly Dobrovics, “the great significance of the cartel issue requires that the state body dealing with the official administration and control of cartels, which has been called upon by the law in these matters, be able to perform its profession with the fullest preparedness and be able to comply with it. Due to its multifaceted experience, the Legal Directorate is also able to fill this new task with impeccability if it receives the necessary support and the relevant parts of the law are applied correctly.”³⁹

5. Conclusion

The responsible Minister and the Legal Director of the Treasury received a significant role in the organizational and jurisdictional allocation in connection with cartel supervision in Hungary, who determined the beginning of lawsuits in connection to cartels. After WWI, the Government of Hungary used public interest to justify state intervention. However, the cartel supervision powers being necessary to pursue legal actions were only a little different from the separation of the branches of power; to be more precise, the executive power interfering with the operations of the judicial system under the guise of public interests. The cartel regulation of 1931 received a significant number of critics due to this regulatory method.

The responsible Minister and the Legal Director played essential roles in Hungarian cartel law; their actions were necessary in order to keep cartel operations within the “acceptable” legal frameworks. The protection of public interests and good morals, and enforcement of state interests were the most important factors during the regulation of the supervision. The state’s purpose was that cartel operations should promote economic development, not to mention ensure consumer interests and the acquirement of assets. The most important question of the Hungarian cartel supervision was the matter of what tools the Act might provide and whether the authorities of the executive power shall interfere with justice. These questions had to be regulated by keeping the independence of the branches of power. The aim of the government was to ensure as much power as possible for itself over cartels and have as many tools as possible in order to supervise cartel operations, and all this was realized with the Hungarian regulation.

³⁷ MNL BKML, Cg. 187/4/1933.

³⁸ MNL BKML, VII. 2. c. 4224/1934.

³⁹ Dobrovics, *A kartelek helyzete és működése*, 233.

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