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Reviews. Reports

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Review of: Anu Bradford, *The Brussels Effect. How the European Union Rules the World*, Oxford University Press, New York, 2020, 404 pp.

In 2020, Oxford University Press published the book *The Brussels Effect. How the European Union Rules the World*, drawn up by Anu Bradford. The author is the Henry L. Moses Professor of Law and International Organization at Columbia Law School. She is also Director for the European Legal Studies Center, and a Senior Scholar at the Jerome A. Chazen Institute for Global Business at Columbia Business School. As an expert in international trade law, digital regulation, and antitrust law, she has also hands-on experience working before in Brussels in the position of adviser on economic policy in the Parliament of Finland and as an expert assistant at the European Parliament.

In her latest book, Professor Bradford has turned all this personal expertise into a richly detailed account of the global regulatory power wielded by the European Union. According to the author, despite the recent crisis, the EU is, and is likely to remain, an influential superpower. Doing so, she raises objections to the increasingly frequent dramatic narratives of the European Union's growing global irrelevance and decline. The author points out that what such narratives overlook is "its power

that remains unaffected by the recent crises – the EU’s unilateral power to regulate global markets” [Bradford 2020: XIII–XVI] through the increasingly deliberate use of the *Brussels Effect*. The purpose of the publication is therefore to provide a comprehensive picture of the influence of the EU and discuss its persistence.

The title phenomenon, coined by Bradford herself, refers to the outsize influence of the EU on the global market, where the EU without active effort, only by adopting stringent regulations, is able to set standards for market participants and regulators outside its borders. As the author described, “it is the interplay between EU regulations and the market forces’ ability to externalize those regulations in different markets that give rise to the Brussels Effect” [Bradford 2020: 2]. An important factor here is often the self-interest of multinational companies to adopt relatively stringent EU standards globally for the entire production rather than differentiate their work. But in addition to the companies’ alignment with EU rules (*de facto* Brussels Effect), the author also points to an emerging trend of emulation of EU regulations in third countries (*de jure* Brussels Effect). Despite the name given, the theory goes beyond the EU and can be attributed in the future to any jurisdiction exerting such strong influence on the global marketplace with the help of market forces. It is also important to emphasize that the Brussels Effect can concern both product regulation and production methods, for example, chemical products and the process of storing data.

The book consists of an introduction and nine thematic chapters organized into three parts corresponding, in turn, to the theoretical foundations (Part I), case studies (Part II), and an assessment of the desirability and durability of the Brussels Effect (Part III). In addition, each part of the book includes a short preface providing a brief overview and incorporating elements of Professor Bradford’s research design.

The author starts with a broader analysis of the harmonization process in the EU, taking into account the facilitating factors and the rationale behind it, thus, determining the substantive content of the exported regulations and revealing the underlying process of building and expanding the European regulatory state. In addition, the first chapter identifies the institutions supporting upward harmonization, in particular, the European Commission, but also the Parliament, and the Court of Justice. The author’s position is that the EU has been preoccupied with internal market integration, whereas the Brussels Effect historically was only its byproduct. Referring to EU documents, she holds that a change to a dual goal, adding an external dimension, occurs in the 21st century. Only then does she indicate growing awareness and intentional action for global regulatory hegemony.

The following chapter focuses on the Brussels Effect itself and addresses the question of why the EU is currently the only player capable of exerting unilateral influence on global markets. In doing so, Professor Bradford refers to an analysis of the conditions under which the Brussels Effect is generated, which cannot be limited to the size of the market. This also delineates the limits of the phenomenon in question. Five important elements discussed here are market size, regulatory capacity, stringent standards, inelastic targets, and non-divisibility.

Part I concludes by placing the phenomenon under study in the broader context of the EU exercising global regulatory influence and discussing other channels used in this regard. Thus, the author mentions the extraterritorial application of law and extended territoriality, which reveals an interesting complementarity with the work by Marise Cremona and Joanne Scott. This includes a book published one year earlier entitled *EU Law Beyond EU Borders. The Extraterritorial Reach of EU Law*, which, in turn, refers back to Bradford focusing primarily on the other two concepts, although it contains elements of commentary on the Brussels Effect as well [p. 3]. The second pathway discussed in Chapter 3 is a cooperative mechanism, such as bilateral and multilateral treaties, participation in international organizations, and transgovernmental networks.

Chapters 4–7, which make up Part II, illustrate the functioning of the Brussels Effect in practice across four distinct policy areas – market competition, digital economy, consumer health and safety, and environment. The empirical material demonstrates the scope of EU legislation and examples of the Brussels Effect with an eye on how the mechanism shapes actual business practices and marking its limitations and variance in occurrence. The case studies also present and explore many cases of emulation of EU regulations in the legislation of third countries, thus exposing the global reach of the *de jure* Brussels Effect, which complements the *de facto* Brussels Effect.

Part III opens with a consideration of the costs and benefits associated with the Brussels Effect in Chapter 8. Here the author confronts three main strands of criticism levelled at the European Union's actions, namely that is economically costly, hence inhibiting innovation; prompted by protectionism that distorts the operation of the market, or that, as a new iteration of imperialism, it violates sovereignty and individual political autonomy of third countries. Throughout her analysis, Professor Bradford pays particular attention to the potential of advancing or reducing the welfare of people, both in the EU and abroad, and argues that in many areas, the benefits may still outweigh the costs. Taking it further, the author even wonders if desirability matters at all, if there is not much that can be done to counteract such regulatory influence. Chapter 9 concludes the book with a discussion of the durability of the Brussels Effect and how it may evolve going forward given political, economic, and technological developments.

With the publication, the author proves convincingly that the Brussels Effect exists and matters giving the EU extraordinary regulatory influence around the globe. The Brussels Effect completes the picture of the toolbox used by the European Union in its external relations considered in the volume edited by Scott and Cremona. It also adds to the picture presented in David Vogel's research on the EU precautionary approach that pushes more toward stringent regulations. Bradford's work is an important contribution to the discussion on the EU's global influence and globalization. Due to the insightful analysis, it should also be appreciated by those who are interested in the particular policy areas under study (market competition, digital economy, consumer health and safety, and the environment).

The book contains assertions supported by excellent examples. For instance, it shows clearly why the WTO fails to constrain the Brussels Effect. The sheer number of factors may be overwhelming, but it accurately reflects the complex nature of the phenomenon under study and, more broadly, the socioeconomic reality of today. The author does not oversimplify reality as well as not claim to provide a theory that explains everything. On the contrary, she indicates that there may be other factors in play and nuances the situation. The book provides both positive and negative examples and tries to explain the latter as puzzles, making it not a quick but convincing read. It also deals with the criticism that had already emerged following the release of Bradford's landmark article on the Brussels Effect, including, for example, the issue of restricting innovation. In doing so, the author refers to both the accuracy of these claims and their overall relevance. Within her book and particularly in the final chapter, Professor Bradford also successfully counters calls of a decline in Europe's influence and points out that many of the factors behind such assertions paradoxically may even strengthen the EU's quiet power.

Bradford delivers a balanced analysis of the Brussels Effect's mechanism, the emergence criteria, and its resilience in the face of new challenges. The research material is rich and well-structured. The author demonstrates a high-level ability to capture dense regulatory material and a wealth of knowledge about trade, trade disputes, and policies of various countries. At the same time, she provides ample evidence to support her claims, cites intriguing examples, and weaves in interesting facts. Thus, also worthy of praise is the narrative layer, which makes the book simply engaging.

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