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European Union Competition Policy versus Industrial Competitiveness: Stringent Regulation and its External Implications

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The book examines how European Union (EU) competition policy deals with the dilemma of regional organisations in the global political economy. While the EU promotes regional market integration by strictly enforcing its competition law, it also aims to ensure that the law does not undermine the international competitiveness of European firms. Therefore, the question is whether the EU prioritises the promotion of market competition or the enhancement of international competitiveness. More specifically, this book addresses three interlinked questions. (1) Does EU competition policy foster European monopolies at the expense of promoting competition? (2) Does this policy discriminate against non-EU firms for industrial policy purposes? (3) How effective is the EU's attempt to alleviate this dilemma by creating international rules congruent with its own law? The first question focuses on the internal dimension of EU competition policy, and the second one examines its external implications. The third question centres on the EU's external relations.

Drawing on the literature on regulatory states,

this book explores the proposal that the EU's supranational institutional setting ensures a 'stringent competition policy' – a policy that is nationality-blind and comparatively strict. The EU's law enforcement record in the areas of cartels, abuse of dominance, mergers, and state aid is examined based on quantitative data and high-profile cases from the 1990s to the 2010s, involving both EU and non-EU firms. The EU's engagement in rulemaking and policy convergence in multilateral forums, such as the World Trade Organisation (WTO) and International Competition Network, is also explored, drawing on the literature on the EU's policy export.

Empirical findings demonstrate that the EU has been enforcing its competition law quite stringently, despite persistent political pressure from member states, especially France, for the relaxation of European competition rules. Moreover, it is argued that the competition-competitiveness dilemma remains unresolved because the EU's capability to set global regulatory standards is rather limited due to systemic constraints such as competition with the

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United States and the WTO negotiations deadlock on trade-related competition rules. Overall, the book aims to contribute to the existing literature by analysing the external implications of the EU's stringent competition policy in the wider context of the global political economy.

The book's intended audience includes university students and researchers in EU Studies and Global Political Economy, and practitioners who engage with EU competition law and policy, such as lawyers, business persons, and members of consumer organisations. The empirical chapters focus on the external consequences of European market integration and analyse high-profile cases involving American, Japanese, and South Korean firms as well as European ones. Therefore, the book is likely to appeal to readers who are interested in the EU's international actorness and inter-regional relations with its strategic partners.