Is There Still a Brussels Effect for Artificial Intelligence?

Charles Mok

https://doi.org/10.53121/ELFS10 • ISSN (print) 2791-3880 • ISSN (online) 2791-3899

ABSTRACT

Europe's non-coercive form of global influence on technology governance faces new challenges, and opportunities in the world of artificial intelligence regulations and governance. As the United States and China pursue divergent models of competition and control, Europe must evolve from exporting regulation to exercising genuine governance. The challenge is to transform regulatory strength into strategic capability, while balancing human rights, innovation, and digital sovereignty. By advancing a new Brussels Agenda grounded in values, institutional coherence, and multi-stakeholder collaboration, Europe can reaffirm its global role, demonstrating that ethical governance and technological ambition don't need to be opposing forces in the age of intelligent systems.

ABOUT THE AUTHOR

Charles Mok is a Research Scholar with the Global Digital Policy Incubator, Stanford University, and a former entrepreneur and Legislative Councillor for IT in Hong Kong (2012–2020).

INTRODUCTION

Over the years, global technology governance has come to be seen as a triumvirate, led by the three leading markets and technology powers in the world – the United States, China, and Europe. In her book *Digital Empires: The Global Battle to Regulate Technology* Anu Bradford presented a framework for how these major powers have moulded our digital world order through their different regulatory models and philosophies. This 'triumvirate' framing still matters in 2025, despite growing multipolarity, because these three powers continue to set the pace and define the boundaries of digital governance, each shaping not only their domestic landscapes but also influencing global norms, standards, and expectations in the age of AI.

The United States has advanced a market-driven model, prioritising innovation by autonomous corporations (especially those pertaining to so-called Big Tech) and minimising regulation (to the point of its near non-existence at the federal level). China is driven by the party state, consistently seeking to centralise its singular control, leverage industrial policy support for sectors and firms, and maximise the use of surveillance to protect and preserve its national ruling power.

The European model, on the other hand, is based on respect for human rights and dignity, personal privacy, and democratic accountability. It is backed by robust legal frameworks, typically operating through legislative instruments and directives from the European Union. In a 2012 paper, Bradford described the success and influence of the European model as the 'Brussels Effect', referring to the continent's ability to unilaterally impact global technology regulations through the sheer size

of its market forces, rather than by coercion or diplomacy (e.g., China's affinity for forming multilateral bodies).[1] The General Data Protection Regulation (GDPR) served as a prime example of how Europe's market forces alone could make EU regulatory practice the de facto gold standard for the rest of the world: numerous multinational firms opted to extend their European compliance to other parts of the world, and many governments followed Europe's legislative lead, introducing regulations patterned after its data privacy framework.

Then artificial intelligence entered the scene. With the launch of ChatGPT by OpenAI in December 2022, powerful AI tools (mostly in the form of large language machine learning models) were suddenly in the hands of companies, institutions, and individuals. Governments across the world began to grapple with the question of how best to address the implications of AI. In November 2023, the first AI Safety Summit was convened at Bletchley Park, United Kingdom, with government and industrial leaders coming together to discuss the safety of AI and possible regulatory directions. The EU wasted no time in establishing its own legal framework: the Artificial Intelligence Act (AI Act) came into effect in August 2024, largely focused on defining levels of risk and setting transparency requirements for developers.

In this new AI landscape, the strength of the Brussels Effect is not as apparent as before, when the targets of regulation were digital services such as e-commerce and social media platforms. In this chapter, I will first review the governance and regulatory directions taken by United States and China so far and compare them with the European approach, and then examine the new factors and constraints faced by nations in relation to AI. Finally, I will suggest some potential ways for Europe to respond to the current situation.

In this new AI landscape, the strength of the Brussels Effect is not as apparent as before, when the targets of regulation were digital services such as e-commerce and social media platforms.

THE US APPROACH – PIVOTING FROM SAFETY TO 'AMERICA FIRST'

The US government's first AI policies were developed well before 'frontier AI' and 'artificial general intelligence' became household terms. In 2016, the Obama White House released a report on future applications and considerations for AI, emphasising the deployment of AI for social good, fairness, safety, and accountability.[2] The report favoured adaptive regulations and the building of a skilled AI workforce, supported by federal funds for AI research. While advocacy for AI research continued, the first Trump administration stressed economic competitiveness, technical leadership, national security, and loosened regulation, as exemplified in the executive order 'Maintaining American Leadership in Artificial Intelligence' of February 2019.[3]

By the time of Biden's executive order on AI (EO 14110), issued in October 2023, the global AI race was already in full swing.[4] The order can be viewed as a both an extension and amalgamation of the approaches espoused by the two previous administrations: it followed Obama's positive, cautionary

1. A. Bradford (2012), 'The Brussels Effect', *Northwestern University Law Review*, 1 December, https://northwesternlawreview.org/issues/the-brussels-effect/.
2. E. Felton and T. Lyons (2016), 'The Administration's Report on the Future of Artificial Intelligence', 12 October, https://obamawhitehouse.archives.gov/blog/2016/10/12/administrations-report-future-artificial-intelligence.
3. Executive Order 13859 (2019), 'Maintaining American Leadership in Artificial Intelligence', 11 February, https://www.federalregister.gov/documents/2019/02/14/2019-02544/maintaining-american-leadership-in-artificial-intelligence.
4. Executive Order 14110 (2023), 'Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence', 30 October, https://www.federalregister.gov/documents/2023/11/01/2023-24283/safe-secure-and-trustworthy-development-and-use-of-artificial-intelligence.

vision for AI (innovative but safe, secure, trusted, and respecting of privacy and civil rights), while echoing the importance Trump placed on global competition, leadership, and standards setting. Even though the order devoted significant attention to implementing safety test reporting requirements, it fell short of proposing any federal legislation on commercial or research AI activities.

On 20 January 2025, the first day of his second term, President Donald Trump revoked Biden's EO 14110 and replaced it with his own EO 14179, 'Removing Barriers to American Leadership in Artificial Intelligence'. Six months later, on 23 July, Trump released his comprehensive strategy for AI, 'Winning the Race: America's AI Action Plan', a 28-page long document with a clear objective: to prevail in the country's competition with China.[5] This iteration of US strategy is in part a return to Trump's emphasis on innovation, economic dominance, and removing regulatory and permitting barriers for businesses – such as the previous administration's requirements for test reporting high-risk AI models – with an additional 'MAGA Republican' emphasis on 'protecting free speech' and 'American values'. The absence of a binding federal AI law in the US, where the course of innovation is largely left to market forces and corporate discretion, stands in stark contrast to the European Union's legislative approach, which seeks to proactively shape AI development through comprehensive, binding regulation rooted in fundamental rights and risk management.

THE CHINESE APPROACH – 'SHARING' BY MULTILATERALISM

On 26 July, some three days after the US White House put forth its AI action plan, Chinese Premier Li Qiang announced the country's 'Action Plan on Global Governance of Artificial Intelligence' at the 2025 World AI Conference in Shanghai.[6] Interestingly, the legislation was not presented as an action plan for China alone: it was about *global* governance and the path forward for the international community as a whole, in sharp relief with the 'America First' ethos of its US counterpart. The Chinese plan, containing only 13 points, was shrewdly designed to be succinct and effective in highlighting a willingness to cooperate and share success with other countries. It explicitly avoids stating the country's competitive aspirations in the AI race.

Compared with the US AI action plan's unabashedly self-centred objectives (e.g., to 'meet global demand for AI by exporting [the United States'] full AI technology stack [...] to countries willing to join America's AI alliance') China's narrative is about sharing its technologies to support other countries' AI development, and the use and diffusion of AI for their various industrial sectors. Where the United States' plan talks about eliminating 'bias' references such as 'misinformation', 'diversity, equity, and inclusion', and 'climate change' from the AI Risk Management Framework of the National Institute of Standards and Technology (NIST), China's rhetoric embraces a more 'global' version of shared values (such as tackling algorithmic bias, eliminating discrimination and prejudice, and promoting, protecting, and preserving the diversity of the AI ecosystem).

Of course, in reality, China's 'global' AI action plan still aims to secure the country a leadership role, particularly in the area of AI government. Yet it is about everything that the US plan is not: multilateral collaboration, joint or cooperative technology development, safety, rule/standard setting, and the creation of a responsible, sustainable environmental strategy to deal with the power demands made by AI infrastructure. Here, China is clear about its support for multilateralism in global AI cooperation and governance, basing its plan on the United Nations' Pact for the Future and its Global Digital Compact annex.[7] It also proposes that the United Nations' International Telecommunication

5. Executive Office of the President (2025), 'Winning the Race: America's AI Action Plan', 23 July, https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf .

6. Central People's Government of the People's Republic of China (2025), '人工智能全球治理行动计划 [Action Plan on Global Governance of Artificial Intelligence]', https://www.gov.cn/yaowen/liebiao/202507/content_7033929.htm. English translation: https://charlesmok.substack.com/p/chinas-action-plan-on-global-governance.

7. United Nations (2024a), 'What is the pact for the future?', https://www.un.org/en/summit-of-the-future/pact-for-the-future; United Nations (2024b), 'Global digital compact', https://www.un.org/en/summit-of-the-future/global-digital-compact.

Union (ITU) be given a leadership role in setting AI standards – affirming, in other words, the need for a top-down approach when shaping and governing the technologies of the future, rather than the existing bottom-up multi-stakeholder model, where researchers, the industry, academics, users, and civil societies are empowered and active participants. For years, this has been the vision that China has consistently worked towards.

Unfortunately, the current US administration shows limited interest in pursuing international AI cooperation. Pillar III of US AI action plan, entitled 'Lead in International AI Diplomacy and Security', only mentions 'exporting American AI to allies and partners'. That is, despite what its title implies, the focus is on securing more business and export control for the United States (rather than engaging in any kind of diplomacy, let alone leading global governance). Unlike the Biden administration, which at least expressed verbal support for the multi-stakeholder model in its technology and internet policy initiatives (such as the 2022 Declaration for the Future of the Internet), the Trump administration leaned heavily into criticism of international governance bodies in its AI action plan.[8] It accused such entities of being subject to 'Chinese influence', advocates of burdensome regulations and vague 'codes of conduct' promoting cultural agendas that did not align with American values. These claims notwithstanding, American policy has demonstrated a lack of patience or motivation to counter Chinese influence from within the multilateral system. Nor has the US taken any substantive action to prevent the existing multi-stakeholder model from being taken over by multilateralism, led by China.

THE EUROPEAN OPPORTUNITY:
FROM THE BRUSSELS EFFECT TO A NEW BRUSSELS AGENDA

The success of the Brussels Effect for digital services regulation was largely the result of the EU's large Single Market and the political feasibility of crafting a uniform regulatory framework for all its Member States. But the Brussels Effect, as its name probably implies, is relatively passive. It relies on the ability of the Single Market (by virtue of its size and commercial appeal) to induce global technology and digital services firms – the largest of which are not even based in Europe – to submit to and comply with EU regulations. The European Parliament can pass digital laws, but it is much harder for the Council of Europe to adopt a single industrial policy. Yet in today's AI race, the United States and China are prioritising competition in their geopolitics and industrial policies, from granting subsidies to exercising export controls. In this more fragmented environment, Europe is increasingly reduced to a collection of individual states, and the Brussels Effect has become less effective in the realm of AI.

Moreover, the global AI industry is very different from that of digital services from past decades (which were dominated mainly by American Big Tech firms and, to a lesser extent, Chinese companies). Across the world, the concept of digital sovereignty has taken hold in debates around AI (whether with respect to artificial general intelligence, the development of large language models (LLMs), or the building of hyper-scaler computing and datacentre infrastructure). Countries want their own LLM models trained on their own languages and cultures, their own national AI unicorns (privately held startups valued at over $1 billion), and their own data sovereignty restrictions. Even within Europe, concerns about over-regulation are now being voiced by actors in both industry and government, with some (especially from large European economies like France and Germany) contending that the EU AI Act is excessively burdensome on innovative startups and smaller companies.[9]

8. US Department of State (2022), 'Declaration for the Future of the Internet', 28 April, https://www.state.gov/declaration-for-the-future-of-the-internet.

9. A. Spies (2025), 'Europe realizes that it is over-regulating AI', *American–German Institute*, 12 March, https://americangerman.institute/2025/03/europe-realizes-that-it-is-overregulating-ai/.

In order for Europe to capture the economic, social, and technological opportunities of the AI revolution, but at the same time extend the sort of soft influence characteristic of the Brussels-Effect, it needs to be proactive.

In order for Europe to capture the economic, social, and technological opportunities of the AI revolution, but at the same time extend the sort of soft influence characteristic of the Brussels Effect, it needs to be proactive. What is needed is not an *effect* but an *agenda* – a Brussels Agenda for AI, representing a continuation of and improvement on the Brussels Effect for digital services. The following three points can form the basis for this forward-looking approach:

Maintaining the Brussels core of values, rights, and rule of law

The essence of the European model is its respect for human rights, personal privacy, and dignity in the digital realms – this must be preserved. In a world where these fundamental values are often said to be 'incompatible' with American values, Europe has an important opportunity (and indeed a responsibility) to hold the line for humanity. If China can advocate for creating 'an inclusive, open, sustainable, fair, safe, and reliable digital and intelligent future for all', based on the 'goals and principles of serving the people, respecting sovereignty, development-oriented, safe and controllable, fair and inclusive, and open cooperation' there is no reason why Europe cannot be an equally viable, or better, alternative for the rest of the world.

The size and potential of the European market, a crucial part of the Brussels Effect, is no different for AI. While the United States and China are usually considered the leaders in AI technology, Europe (especially if the United Kingdom can be enlisted as a 'free agent' on the same team) is still a force to be reckoned with, producing critical scientific research and innovative companies. In the AI context, Europe's market appeal can go beyond its aggregate size. A case can be made that the EU market is more open to entry and cooperation by developers and companies from the rest of the world than China (and nowadays, perhaps the United States), and that it is better protected by the rule of law.

From regulations to governance

The global propagation of the Brussels Effect began with Europe's regulatory regimes on data privacy and digital services. While the EU should refine its AI regulatory regimes, more focus ought to be placed on *governance* and not merely regulations, which more and more people may see as burdensome and adverse to innovation. Indeed, governance (which includes setting global standards and rules) is now more important than ever due to the fragmentation caused by AI and digital sovereignty. Europe can fill the void left by the US, which is now beset by authoritarian forces seeking to take up and hold onto leadership. Europe must recognise that it may no longer be the preferred model, not just compared to China, but even to the United States. Increasingly, governments and innovative startups, including American ones, are seeking alternatives that demonstrate stronger commitments to human rights and safety.[10]

Support for the multi-stakeholder model

The multi-stakeholder model has been a critically important – but often overlooked – factor in the sustainability of digital and Internet technologies over the past several decades. It is increasingly in jeopardy of being undermined by authoritarian governments seeking to seize control from existing rule-setting bodies. As the United States' attitude towards the global multi-stakeholder model of governance is becoming more dubious, at least for the time being, Europe and other like-minded democracies should take on a leadership role on two fronts: first, in supporting, sustaining, and ex-

10. R. Albergotti (2025), 'Anthropic irks White House with limits on models' use', *Semafor*, 17 September, https://www.semafor.com/article/09/17/2025/anthropic-irks-white-house-with-limits-on-models-uswhite-house-with-limits-on-models-use.

panding the multi-stakeholder model from existing digital technologies and services to AI; and second, in confronting and countering the efforts of authoritarian countries to wrest the governance of technology away from entities such as the United Nations and the ITU. It can do both from *within* these organisations. To avoid irreversible backsliding and bolster the intergovernmental agencies now under threat, action is crucial. Europe must step up to lead.

REFERENCES

Albergotti, R. (2025). 'Anthropic irks White House with limits on models' use', *Semafor*, 17 September, https://www.semafor.com/article/09/17/2025/anthropic-irks-white-house-with-limits-on-models-uswhite-house-with-limits-on-models-use.

Bradford, A. (2012). 'The Brussels Effect', *Northwestern University Law Review*, 1 December. https://northwesternlawreview.org/issues/the-brussels-effect/.

Bradford, A. (2020). *The Brussels Effect: How the European Union Rules the World*. Oxford: Oxford University Press.

Bradford, A. (2023). *Digital Empires: The Global Battle to Regulate Technology*. Oxford: Oxford University Press.

Central People's Government of the People's Republic of China (2025). '人工智能全球治理行动计划 [Action Plan on Global Governance of Artificial Intelligence]', https://www.gov.cn/yaowen/liebiao/202507/content_7033929.htm.

Executive Office of the President (2025). 'Winning the Race: America's AI Action Plan', 23 July, https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf.

Executive Order 13859 (2019). 'Maintaining American Leadership in Artificial Intelligence', 11 February, https://www.federalregister.gov/documents/2019/02/14/2019-02544/maintaining-american-leadership-in-artificial-intelligence.

Executive Order 14110 (2023). 'Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence', 30 October, https://www.federalregister.gov/documents/2023/11/01/2023-24283/safe-secure-and-trustworthy-development-and-use-of-artificial-intelligence.

Felton, E. & Lyons T. (2016). 'The Administration's Report on the Future of Artificial Intelligence', 12 October, https://obamawhitehouse.archives.gov/blog/2016/10/12/administrations-report-future-artificial-intelligence.

Mok, C. (2025a). 'Quick take on China's AI Action Plan – It's all about global governance' (Author's Substack), 27 July, https://charlesmok.substack.com/p/quick-take-on-chinas-ai-action-plan.

Mok, C. (2025b). 'In some ways, Trump's new AI Action Plan actually looks familiar', *The Diplomat*, 28 July, https://thediplomat.com/2025/07/trumps-new-ai-action-plan-looks-awfully-familiar/.

Mok, C. (2025c). 'The US aims to win the AI Race, but China wants to win friends first', *Tech Policy Press*, 8 August, https://www.techpolicy.press/the-us-aims-to-win-the-ai-race-but-china-wants-to-win-friends-first/.

Spies, A. (2025). 'Europe realizes that it is over-regulating AI', *American–German Institute*, 12 March, https://americangerman.institute/2025/03/europe-realizes-that-it-is-overregulating-ai/.

United Nations (2024a). 'What is the pact for the future?', https://www.un.org/en/summit-of-the-future/pact-for-the-future.

United Nations (2024b). 'Global digital compact', https://www.un.org/en/summit-of-the-future/global-digital-compact.

US Department of State (2022). 'Declaration for the Future of the Internet', 28 April, https://www.state.gov/declaration-for-the-future-of-the-internet.

White House (2025). 'Winning the Race: America's AI Action Plan', 23 July, https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-AI-Action-Plan.pdf.