

The Abstract

DELAWARE EFFECT AND ITS INFLUENCE ON EUROPEAN LAW

My thesis deals with Delaware effect in the United States and its effect on European law. The short introduction of my thesis contains the summary of the purpose of my thesis. The aim of my thesis is to compare the situation in the United States and in Europe in respect of incorporations of companies and to find out if the similar competition between corporate charters as it occurred in the United States can occur or has already occurred in Europe. After short introduction, I describe the beginnings of the competition between states in the USA to attract incorporations. Moreover, I describe the triumph of Delaware in this competition. Further, I describe the legal system of Delaware and its uniqueness with respect to corporation law. I characterize main theories concerning regulatory competition, I lay stress on Race to the Top and Race to the Bottom theory.

In subsequent part of my thesis I compare the situation in the USA and Europe in respect of company's incorporation. I refer to main theories concerning incorporation, the Seat Theory and the Theory of Incorporation. Consequently I deal with compatibility of the Seat Theory and Incorporation Theory with EU legislation and with the process of company law harmonization within the European Union. Further, I describe decisions of the European Court of Justice regarding free establishment of companies within the European Union. I characterize in what respect the decisions of the ECJ has changed the applicability the Seat and Incorporation theories.

Later on, I refer to the situation which came up after series of the ECJ decision which can be considered as the outset of the regulatory competition between European states. Finally, I try to compare conditions for regulatory competition in the United States and within European Union. I point the fact that Delaware affect as it occurred in the United States cannot occur within the European Union in the same or similar intensity, however same aspect of the Delaware within the EU has already occurred.