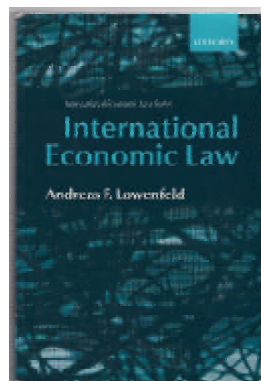


# Book Review

## International Economic Law

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While international economic law is not necessarily similar with the laws of international economics, it is true that economics has had a strong influence on the shape and evolution of the international trade, investment and financial transactions. Nations, as well as the other relevant actors, behave rather more according to law in the economic sphere. Many international conventions, collaborative arrangements, roughly uniform national laws, and customary laws apply to much of the international economy.

Meanwhile, there is no global sheriff and the system of remedies does not reach as far as the system of rules. However, there are a surprising number of consequences of unexpected behavior and a growing number for resolving disputes between states and private participants in the international economy. The problem is how to link the apparently diverse topics with some general concepts that serve to explain, guide, limit and predict the development of an international economic law.

This book is about law not about economic science. Nevertheless, it is worth keeping in mind that at least to some extent, attempts by the governments to achieve specific results through legislation run up against economic forces incapable of being restrained. This book gives detailed explanations from trade to investment and monetary affairs, dispute settlement to sanctions and to unilateral versus collective action, economic law to public international law and to

private international law. Although these fields are not separately treated here, the author opined international economic law influences and is influenced by public international law and private international law and the boundaries between them are inevitably blurred.

The book contains eight parts. Part one discusses International Economic Law which is divided into two sub parts: Economic Law and the Laws of Economics and Money, Exchange Rates and the Balance of Payments. In this part the author mainly elaborates the economics theory, politics and law. Furthermore, in the second sub part, the author also explains three approaches to exchange rates and the adjustment process using the gold standard, fixed exchange rate, the Bretton Woods Scheme and floating exchange rates. Moreover, the author also illustrates the balance of payments and puts forth some preliminary objections.

GATT and WTO systems are elaborated upon in Part two, which is divided into four sub parts : the General Agreements on Tariffs and Trade: Origin and Overview; Evolution of the GATT and GATT Law, The GATT / WTO system after the Uruguay Round: A Preliminary Survey ; The International Exchange of Services and the Creation of GATT. In the first sub part, the author explains in details on the birth of GATT and the overview of GATT. The second sub part greatly elaborates on Most Favored Nation (MFN), reciprocity and negotiating rounds, starting from the first five rounds, Kennedy round, Tokyo round and Uruguay round. In the third sub part the author looks at the GATT/ WTO system after the Uruguay round. In this section, the author also describes the Agreement on safeguards, Trade Related Investment Measures and Trade Related Aspects of Intellectual Property Law and its relation with the Competition law as well as its enforcement in the developing countries. The last sub part, the author elucidate on the International Exchange of Services and the creation of GATS which includes an overview on the General Agreement on Trade in Service, the implementation of GATS, GATS and financial services, GATS and telecommunication as well as preliminary reflection on services in the WTO system.

Dispute resolution is discussed within Part three, which is divided into two sub parts: Dispute Resolution in the GATT, 1948 – 94 ; and Dispute Settlement in the WTO. The author in this part, illustrates the history of dispute resolution in the GATT since 1948 until 1994. He divided it into three phase; the first phase (1948 – 1960), a pause in the process (1963 – 1970) and dispute settle-

ment revived (1970 – 1979). Further, he is also point up the dispute settlement in the 1980s and the Uruguay round. In addition, the author describes very clearly, systematically, and broadly on dispute settlement in the WTO starting from the overview of the system -in which also explains the effect of a decision and the issue of sovereignty, takes a closer look at the panel, the appellate body, the role of Secretariat, expanding the controversy, counterclaims and third party participants, dispute settlements and the developing countries, nullification and impairment, the understanding on dispute settlement and unilateral action and the last some reflections of the system.

International Trade is explained within Part Four, which is divided into two sub parts: The question of subsidies; dumping and anti-dumping. First sub part is broadly explains GATT and subsidies question based on article VI GATT, the subsidies and countervailing duties code of 1979 which includes the basic compromise, procedural aspects: countervailing duties and required determination, the question of injury, regulation of subsidies, the second track, subsidies and the developing countries. The author gives some illustration on subsidy law in this section; direct export subsidies, export incentive schemes, export credits and the OECD arrangement, defining a subsidy, Charge on the public account or benefit to the recipient, United States countervailing duties against European Steel in the 1980s, benefit versus public charge revisited: subsidies and privatization. Further, the author elaborates the Uruguay Round Agreement on Subsidies and Countervailing Measures into six sections such as: definition of subsidy, red and green light subsidies, yellow light subsidies, the question of specificity, measuring a subsidy, subsidies and the developing countries. The last section of this chapter, describes dumping and anti-dumping. Unexpectedly, the author illustrates the economic arguments or pro and cons in this issue. Likely as previous part, the author never leaves the historical part. Then he adds the legislation of the international law of dumping and anti dumping since 1947 – 1994. Although this book is about law not economic science, establishing the fact and the margin of dumping is well explained by the author from two aspects: the export price and the normal value. More specifically, the anti dumping proceeding is described as follows: standing, preliminary injury finding, provisional measures, assembling the facts, transparency and the right to be heard, price undertakings, and judicial review.

World Trade Organization (WTO) is elaborates within part five, which is divided into two sub parts: The Environment and International Economic Law and Competition Law (written by Eleanor M. Fox). In first sub part, the author links the environment issue and international economic law. He elaborates the growth of the environmental movement from the Stockholm Conference in 1972 until the Rio Conference in 1992. He emphasizes more law aspect as it can be seen he add up a trade case versus environment, Tuna Dolphin case, the sanitary and phytosanitary Agreement and the beef hormones case. In second sub part discusses competition law by Eleanor. M. Fox. She starts from the place of competition law in international economic law. Further, she describes adoption of competition law in Europe and Japan. Moreover, she compares the enforcement competition law in the United States and European Union. She also adds up the rules and principles of modern competition law. As her closing remarks, she brings up issue of competition policy and world economic integration.

International Investment is discussed in part six, which is divided into three sub parts: The Responsibility of Host States to Foreign Investors: Customary International Law; Dispute Settlement and International Settlement; Evolving Standards of International Law on International Investment. In the first sub part, the author mentions the responsibility of host States to foreign investors as a customary international law which begins from before the First World War.

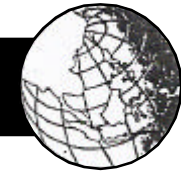
As a law Professor, the author deeply explains dispute settlement and international investment. He presents several cases which arise in many courts such as: the International Arbitral Tribunal, the Libyan nationalization cases and *Aminoil v. Kuwait*; the International Court of Justice, the *Anglo-Iranian* case, the *Barcelona Traction* case, and the *Elsi* case. In addition, he describes international law in national courts, for instance the *Anglo-Iranian* case in national courts and the Indonesian tobacco cases. He also reveals the act of State doctrine in the United States by presenting the *Sabbatino* case.

In order to describe standard settings of international law on international investment, the author wrote extensively on International Convention Settlement of Investment Dispute (ICSID), Multilateral Investment Guarantee Agency (MIGA), and the Iran – United States Claims Tribunal, as well as Bilateral Investment Treaties (BITs) and its relation with international law.

The International Monetary System discusses extensively in part seven, which is divided into six sub parts: The Bretton Woods System; The International Monetary Fund as Amended; The International Monetary System and Regional Crises; Other Institutions of the International Monetary System; The European Monetary System and the Rise of the Euro; and International Monetary Law and Private Activity.

The author illustrate very comprehensively on regional crises in Latin America, South East Asia and Russia. He also adds up expansively the monetary system in Europe and the rise of Euro as single currency in European Union. In addition, the author wrote briefly on other institutions of the international monetary system such as World Bank, Paris Club, and the Bank for international settlements, the group of ten, the group of seven and other related group. International monetary law and private activity is discusses broadly in the last sub part.

Finally, as closing remarks, part eight discusses Economic Controls for Political Ends, which is divided into two sub parts: United Nations and Other Collective Sanctions; and Economic Sanctions without Benefit of Treaty. The author elucidates widely sanction by the Security Council of the United Nations and regional arrangements. Further, he also explicates range of national sanctions in the United States and GATT.



## South-East Asian Summitry Distant dreams

[http://www.economist.com/world/asia/  
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The summit of ten leaders of the Association of Southeast Asian Nations (ASEAN) as well as China, Japan and South Korea was held in Thailand from October 23<sup>rd</sup> to October 25<sup>th</sup> 2009. The gathering at the beachside town south of Bangkok also included meetings with the leaders from Australia, India and New Zealand. Leaders focused in large part on the nuts and bolts of expanding trade.

Buoyed by signs of recovery in recession-bound countries, and unbroken expansion in China, India and Indonesia, leaders spoke of a free-trade zone that would link the world's most dynamic economies. As for example, according to Prime Minister of Japan, Yukio Hatoyama, the region's largest economy is, if one of its worst-performing said such a zone should have a common currency and aspire to "lead the world". Not to be outdone, Australia's Prime Minister, Kevin Rudd, proposed a pan-Pacific economic community that would include America and collaborate on security.

Government officials were on hand to caution that such grand plans would not happen overnight. Mr Hatoyama, who is trying to give Japan a more prominent role in Asia without jeopardizing its security guarantee from America, described his proposal as a "medium-term objective". Indeed, talk of an East Asian community, with perhaps even a single currency, is nothing new. However, the chatter has grown louder since America blundered into a financial crisis that sapped its ability to act as the motor for global growth. As Thailand's Prime Minister, Abhisit Vejjajiva, put it, the old model of satisfying Western consumers will no longer serve the region.

There is tremendous scope for Asian countries to boost intra-regional trade and investment. On trade it is already happening: intra-East Asian trade flows rose to 42% of total trade in 2008, up from 32% in 1990, according to the Asian Development Bank (ADB). But much of this is in commodities and semi-finished goods, with