The Constitutions of the Communist World


During the past ten years, many Communist-Party states have adopted new constitutions, and others have amended their constitutions. This book provides English translations of the constitutions presently in force in the following countries: Albania, Bulgaria, the People's Republic of China, Cuba, Czechoslovakia, German Democratic Republic, Hungary, Kampuchea, Korea (People's Democratic Republic), Mongolia, Poland, Romania, USSR, Vietnam and Yugoslavia. This book might be considered a sequel to Jan F. Triska's *The Constitutions of the Communist-Party States*, which contains texts of the constitutions in force at the time of its publication in 1968.

A general introduction begins the 1980 collection, and a two- to six-page introductory note precedes each translation. In the book's preface Editor William B. Simons says of the introductory notes, "... no standards were imposed upon the contributors. Each person was asked only to outline the constitution as he or she thought best." This was an unfortunate approach. The introductory notes suffer from a lack of consistency in organization and quality. For instance, Ivan Sipkov's note discusses the process of drafting and adopting Bulgaria's constitution and amendments, but it does not tell the reader much about the content of the Bulgarian constitution. Max Azicri provides an excellent summary of the articles in the 1976 Cuban constitution, but he discusses only cursorily the drafting and adoption of the document. Joseph Darby offers the reader no information about the pre-1968 history of the German Democratic Republic, but his writing is candid and entertaining.
One hopes that this book will be a success for its publishers, so that they will be inspired to publish a new edition ten to twelve years from now. If a new edition were published, though, it would be wise to structure and organize the introductory notes so that each note mentions prior constitutions and the reasons for their demise. Articles of the present constitutions should be compared with articles of former constitutions and possibly with articles of constitutions of other countries. Information which would be of help in the interpretation of the constitutions also should be included.

These criticisms of the introductory notes should not dissuade one from purchasing this book, however, because the translations of the communist countries' constitutions comprise the most important parts of this book.

An extremely useful feature of the book is the systematic index that fills the last twenty pages. This index is arranged as a table with rows and columns. At the top of the table is a horizontal listing of the countries whose constitutions appear in the book. The column at the far left of the index lists topics which are found in the constitutions. By locating a topic on the left side of the page and following the row across the page to the column of a Communist country, the reader can easily and quickly locate the article or articles in that country's constitution which pertains to the topic he has chosen.

It is important to note that the translators were not only knowledgeable about the languages of the constitutions they translated, but they also were jurists, knowledgeable about the relevant legal systems and governments.

Certainly this book will be of tremendous value to practitioners and to students of comparative law. Political scientists, too, will welcome the arrival of this useful book.

WILLIAM K. KNOWLES
Los Angeles

Treaties of the People's Republic of China, 1949-1978: Annotated Compilation


This book presents the first English-language compilation of treaties concluded by the People's Republic of China (PRC) from its founding through 1978. Of little value to the practicing lawyer, the compilation nevertheless does provide a handy reference tool for scholars.

The authors, lecturers in comparative Chinese and Japanese anthropology and oriental studies at Tufts University, generally have confined their selection of documents to those PRC international undertakings technically
considered to be treaties (t'iaoyueh); they have excluded other forms such as exchanges of notes, protocols, declarations, conventions or agreements. (The only exceptions are the texts of the 1972 PRC-Japan Joint Statements, and the PRC-United States Communiques of 1972\(^1\) and 1978.)

As a result of this narrow basis for selection, the compilation is focused chiefly on consular, boundary, friendship, and commerce and navigation treaties. Regrettably for the United States practitioner, the PRC-United States Trade Agreement of 1979\(^2\) is not included, presumably because it is not a treaty. Most of the thirty-four treaties presented in the book are from the late 1950s and early 1960s, and most of the treaty partners are Soviet bloc or Third World countries with special links to the PRC.

Each of the main subject groupings of treaties in the book is preceded by a brief essay which attempts to analyze the importance of those treaties in China's foreign policy. The essays are of uneven quality. The book as a whole also suffers from the absence of an index and inadequate editing and proofreading.

One might want access to this compilation if one needed to know the coordinates of China's boundary with Nepal or China's trade treaty provisions with Yemen. Otherwise, the best that can be said of this book is that it does, indeed, succeed in reaching its goal of presenting the first English-language compilation of Chinese treaties.

ARTHUR T. DOWNEY
Washington, D.C.

A New Look at Legal Aspects of Doing Business with China


This book, the successor to *Legal Aspects of Doing Business with China* (H.M. Holtzmann, ed. 1976), contains eleven papers prepared for distribution at ABA-PLI programs in December 1979 and January 1980, together with twenty-five appendixes. Most of the authors are widely recognized practitioners or academic authorities on Chinese law and foreign trade. The appendixes comprise the principal Sino-American agreements, understandings, accords and protocols signed or in effect at the time the programs

\(^1\) 11 INT'L LEGAL MATERIALS 443 (1972).

\(^2\) 18 INT'L LEGAL MATERIALS 1041 (1979).
were held. The appendixes also include the People's Republic of China (PRC) Joint Venture Law, Chinese rules and materials on arbitration and several United States Department of Commerce publications dealing with United States-China trade.

Four seminal essays form the core of this collection. First, "U.S. Laws and Treaties Affecting China Trade," by Walter Sterling Surrey and Stephen M. Soble, is a comprehensive overview of the fifteen agreements, accords and protocols between the United States and the PRC up to November 1979. The authors focus on the July 7, 1979 "Agreement on Trade Relations between the U.S. and the PRC,"1 analyzing the agreement and discussing its practical consequences. The authors then proceed to the "Agreement on Settlement of Claims"2 and miscellaneous agreements, i.e., those regarding scientific, technological and cultural exchanges, trade exhibitions and consular offices. Finally, there is a discussion of the PRC-U.S. Joint Economic Committee and its projected role as a mechanism for expediting development of commercial relations between the two nations through planning and coordination. The practical and cautionary points raised with respect to the construction of the trade agreement and the problems of practice and trade pursuant to it make this article especially valuable to practitioners.

Second, Jerome Cohen, Jack T. Huang, and Qwen D. Nee undertake a thoroughgoing analysis of the July 1, 1979 "Law of the PRC on Joint Ventures Using Chinese and Foreign Investment"3 in a definitive essay entitled "China's New Joint Venture Law." The authors explore all aspects of the Chinese law as set forth in its fifteen terse articles—from the procedures for establishing a joint venture to its operation and management and, ultimately, to its winding-up and termination. The authors' caveats, interpretation of the document and drafting suggestions make this essay especially useful for the practitioner.

Third, in "Taxation in the People's Republic of China," Richard D. Pomp and Stanley S. Surrey outline the PRC tax laws in effect in 1979. Since this piece was completed, and PRC has promulgated new tax laws on joint venture and individual income taxation, but this essay remains a competent digest of other aspects of Chinese tax law, especially the consolidated industrial and commercial tax and the industrial and commercial income tax; however, the one paragraph description of "customs duties" is insufficient.4

Fourth, Howard Holtzmann's "A New Look at Resolving Disputes in U.S.-China Trade" provides an exhaustive analysis and discussion of the

---

1 INT'L LEGAL MATERIALS 1041 (1979).
2 INT'L LEGAL MATERIALS 551 (1979).
3 INT'L LEGAL MATERIALS 1163 (1979).
4 A slightly expanded, more academic version of this essay can be found in Pomp & Surrey, Taxation in the People's Republic of China, 20 VA. J. INT'L L. 1 (19—).
1979 Trade Agreement’s integrated system for dispute resolution in commercial contexts (viz., friendly consultation, conciliation, “other mutually acceptable means,” including litigation, and arbitration). Holtzmann also discusses Chinese policies regarding dispute resolution and the role and functions of the Chinese analogues of the American Arbitration Association. Of special interest is the detailed recitation and analysis of the first United States-PRC joint conciliation. Finally, the author compares UNCTRAL arbitration rules with the Chinese rules, suggests possible arbitration clauses for contracts with the Chinese, and points out potential problems in arbitration enforcement. Throughout the essay Holtzmann contrasts United States and PRC views on the roles of parties, institutions, practices and values in dispute resolution.

Three additional articles not directly related to the topic of legal aspects of doing business with China give the practitioner a flavor of PRC legal attitudes and policies and help to depict the legal context in which the PRC does business with the United States. Jerome Cohen, in “Year of the Law,” gives a broad overview of the Chinese renascence of interest in the law and touches upon the joint venture law and the new Chinese popular and academic interest in law before finally focusing on the new criminal codes. Victor H. Li’s “Reflections on the Current Drive toward Greater Legalization in China,” is, in many respects, a distillation of Professor Li's 1979 book, Law Without Lawyers. Professor Li describes traditional Chinese attitudes toward law, legal developments after liberation, the policies underlying the post-Gang of Four drive for legislation and problems the Chinese may face in this effort. The development of legal institutions in the PRC is the primary focus of Stanley Lubman’s “The Development of China's Formal Legal System,” but he also mentions several aspects of Chinese legal training and China’s new popularization of law.

The remainder of the articles serve to supplement the core articles in the collection. “Financing Sales to China” by Roger E. Shields, Paul B. Spooner and Sandi C. Summerlin, and “The Role of International Trade and Finance and Finance in the PRC” by Lynn Feintech, deal generally with PRC financial institutions, i.e., the Bank of China, the General Administration of Exchange Control, and the China International Trust and Investment Corporation; the relationships between United States and PRC financial institutions; Chinese financial policies and practices in foreign trade, especially in the areas of payment mechanisms, financing alternatives, and the shift to assumption of foreign debt; and the regulatory limitations on United States commercial banks dealing with the PRC. David C. Buxbaum’s “Continuity and Change in China’s Legal Theory and

See note 1 supra.


Practice Affecting Importing and Other Aspects of Foreign Trade” deals with both policy and practical considerations. The author provides an insightful analysis of the theoretical and political bases of the recent legal developments in China, explains the joint venture law from a Chinese perspective and adumbrates the emerging role and functions of local authorities and institutions in the PRC’s foreign trade. Buxbaum’s discussion includes the special trade zones—a critical subject since the September 10, 1980 enactment of the joint venture tax law.

As the editors note, to ensure that program registrants would receive the materials in time for the programs, the book was not heavily edited. Thus, the typographical and romanization errors and inconsistencies and the overlapping coverage by some of the papers are to be expected. One result of the lack of editing does make use of the book inconvenient at times: references in the text to appended documents and specific provisions within the documents are not accompanied by corresponding page or appendix numbers (except in Holtzmann’s article). Additionally, the failure to footnote or document sources detracts from the quality of some of the papers.

In the post-Gang of Four era, under the aegis of the Four Modernizations, the PRC is making efforts to implement a new legal system and has taken its first steps toward forging a cohesive commercial law. United States-China trade on an expanded scale is still in its infancy. Thus, it is reasonable to expect fluidity and flux in the field of United States-China trade relations.

Since the publication of this book, China has enacted new individual and joint venture income tax laws. In the United States, the PRC has been accorded most-favored-nation status; the blocked Chinese assets have been unblocked; the Ex-Im Bank has approved its first preliminary commitment for a sale to China; and the Overseas Private Investment Corporation has approved a program in the PRC. Furthermore, the PRC and the United States finally have reached an agreement on textile import quotas. Consequently, minor portions of this book no longer accurately reflect the legal and regulatory environment for U.S.-China trade. However, these developments raise no major issues not already touched upon in this book (except for tax planning possibilities under the new tax laws); the developments have merely added to the field without rendering this work obsolete. This book retains its utility as the best and most authoritative introductory handbook and sourcebook available on legal aspects of doing business with China.

MORGAN JONES
Los Angeles
American International Law Cases
1969-1978, Volume 22

This supplement to the twenty-volume American International Law Cases series planned and begun by Professor Deak contains selected federal, state and regulatory agency decisions and other materials covering the period 1969 through 1978 concerning the nature, sources and application of international law in general, and concerning the sovereignty, independence and equality of states as international persons. The materials in this book are essentially uncut reproductions of case material from the West National Reporter System and of materials from other sources. The decision of the editor of this supplement to reproduce the materials in their entirety, rather than to cite only portions of them, should make the supplement more useful to its readers. Although the original series contains an editor's note for each case in which treaties are cited, primarily to assist readers in dealing with obscure treaty citations (particularly in some of the earlier cases), the treaty citations in this supplement in most instances are sufficiently clear and complete that editor's notes are kept to a minimum. This book is useful primarily as a supplement to the original series and not as an independent source book. Further supplements to the original series are planned.

Bruce W. Jenett
Palo Alto

Space Shuttle and the Law

This paperback makes an outstanding contribution to the advancement of solutions to the international legal problems that will be much in the news with the launching of the United States Space Shuttle and its payload, the European Space Agency’s Spacelab.

The articles deal with the legal status of the shuttle and with the issues of international space flight, especially those arising out of Space Shuttle/Spacelab operations, including, but not limited to, the international questions of command authority, jurisdiction, liability, risk, insurance and other commercial aspects of outer space international law.
Compiled from writings by some of the leading United States and international space law writers, and edited by a member of the international Academy of Astronautics, the volume contains an excellent bibliography and index.

The emergence of the space transportation system, and the coming industrialization and establishment of settlements in space make this work essential reading for the members of the Aerospace Committee of the American Bar Association's Section of International Law and for the ever-increasing number of persons interested in outer space law.

The book brings into particularly sharp focus the question of whether Spacelab should be registered as a space object separate from the Space Shuttle itself. On the coming Space Shuttle flight, Spacelab will not be separated from the Shuttle and, therefore, the United States as the launching state will have jurisdiction and responsibility for Space Lab. But the prospects of subsequent shuttle flights and releases of experimental "packages" into outer space orbit make it necessary to resolve who has control, jurisdiction and responsibility for such activities.

This brief book will be most helpful to commercial users of outer space, present and future. It lays the groundwork for addressing the legal issues that will be applicable in future situations involving the use of outer space resources. The book gives a fine analysis of the legal problems that are likely to arise with each step man takes in the exploration of outer space.

EDWARD R. FINCH, JR.
New York City

A Guide to Foreign Investment under United States Law


At a time when considerable attention is being paid to the level and form of foreign investment taking place in the United States, there can be little doubt as to the need for a book that sets out the legal framework within which such investment occurs. The purpose of the book, in its own words, is to act as a "guide and source book for persons engaged in, and attorneys rendering advice concerning, foreign investment in the United States." It succeeds admirably in doing just that.

Despite a superficial and somewhat unnecessary historical survey of foreign investment in the United States at the commencement of the book, the
guide surveys all facets of such foreign investment succinctly and thoroughly. Methods of direct investment are set out and examined from the viewpoints of the noncorporate investor, partnerships and corporations. The discussion of each of these situations proceeds in a logical and very readable manner, so that a layman reading this book could quickly obtain an overview of the steps to be considered and the pitfalls to be avoided by a foreigner who contemplates making some form of investment in the United States.

The succeeding chapters follow a similar approach, covering acquisitions of existing United States businesses, foreign portfolio investment, the impact of federal laws on foreign investment in specific areas, and investments by foreign governments. As is perhaps inevitable in a book that is the product of committee work, some areas are better covered than others. The chapter on acquisitions exemplifies this point. Foreign acquisitions of existing United States businesses have become prevalent in recent years, with some major and well-known domestic corporations among the targets. It is particularly important for any book attempting to provide a picture of the legal framework of foreign investment to give special attention to this trend, and to highlight the tax and securities law considerations that inevitably will play a major part in shaping ultimate investment decisions. The chapter on acquisitions succeeds in doing this. At times, however, the tax passages produce statements for which explanations lie outside the text itself. Fortunately, copious and excellent footnotes provide guidance for the reader. Indeed, the combination of a readable outline text and first-class pointers to further information allows this book to achieve its stated purpose as a guide and sourcebook.

As such it will prove to be a useful tool not only for the lawyer whose advice might be sought, but also for the potential foreign investor who might seek to inform himself. The investor will be warned that the securities laws require disclosure of matters in a manner and to an extent that probably is not required in his own country. In addition to alerting the foreign investor to the existence and demands of the Securities and Exchange Commission, the guide will draw the investor's attention to state securities laws as well. The elements of United States antitrust law, too, are summarized well, and a rather successful attempt is made at explaining what probably baffles and angers many foreign corporations, namely the extraterritorial reach of United States antitrust laws.

The text of the book concludes with a chapter on foreign investments in Canada, France and Japan. This seems to be a pity because in addition to being of dubious value in a book on investment in the United States, the chapter as presented is too superficial to provide any points for comparison.

A three-hundred-page appendix to the book consists of a 1975 report of the Executive Office of the President which was designed to survey and catalog United States government information collection and dissemination activities with respect to foreign investment in the United States. The
report provides a detailed picture of the range and extent of reporting requirements that may have to be met by foreign investors, but its value is somewhat diminished by its presentation in miniscule print. One hopes that the small type will not cause readers to ignore the appendix. The book as a whole is an excellent contribution to an increasingly important facet of corporate legal practice.

ANTHONY G. TOFT
New York City

Guide to the Companies Act of 1980


The recent Companies Act 1980 affects every company in the United Kingdom and therefore the advisers of multinationals with United Kingdom subsidiaries will be concerned with this substantial new law. The Act will come into effect over a period of approximately six months from the date the Royal Assent was given on May 1, 1980. For those affected by the ninety sections of the Act and its four schedules there is therefore a considerable amount of new law to assimilate. This book bears that in mind. It is not a lengthy and detailed work on company law but is, as the title suggests, a guide; its forty-six pages of notes are followed by a reprint of the statute.

The notes describe the contents of the legislation particularly as it reorganizes the classification of companies, the restrictions placed upon distribution of profits and assets and the new law relating to insider dealing—this latter matter has for a long time been a controversial and political issue. Probably the most fundamental change is in classification of the registration of companies. Under the Act a public company will not necessarily be a listed company and these provisions should not be confused with Stock Exchange requirements for listing. The changes introduced are not changes made with the intention of simplifying the law; complications persist and the book at least demonstrates and warns against them by showing, for example, that the definition of a public company can only be found by consulting nine sections and subsections of the new Act. Any foreign investor in United Kingdom companies who already has a knowledge of English company law will find this book most useful.

The concise nature of the notes is shown, for example, with the statement given of the general rule on insider dealing, which in the Act itself requires over nine pages, simply by stating that the rule "... prohibits (subject to exceptions) an individual knowingly connected (as defined) with a com-
pany, having information by virtue of that connection, which he knows to be unpublished and price sensitive, and which ought not to be discussed except for the proper execution of his functions, from dealing in securities of that company.” After so much which has been written about insider dealing it is refreshing to see in one sentence (albeit a fairly complex one) a statement of the principle involved.

The Act itself is a reprint from the statutory document. One major feature in the Act is Schedule 2 which comprises a table showing the increases in penalties and change of mode of trial in respect of offences or contraventions under the existing Companies Acts of 1948 and 1967; one hundred and thirty-six offenses are shown which may be committed under the Companies Act. This, with the twelve pages of notes on duties of directors and possible sources of conflict of interest, should assure that this guide is welcome wherever international groups have a United Kingdom subsidiary.

JOHN G. GOLDSWORTH
London

Documents on Prisoners of War

This collection of documents is a must for those interested in international humanitarian law and, in particular, the development of that law as it concerns prisoners of war and war crimes. The documents are arranged chronologically and offer the reader a panorama of the evolution of states’ commitments to the treatment and protection of these victims of international armed conflict.

But the editor provides the reader more than a historical perspective. When writing his treatise, Prisoners of War in International Armed Conflict, Professor Leive discovered the difficulty of obtaining many documents on this subject. This new volume is an effort on his part to fill the void by pulling together official documents (treaties, agreements, statutes, decrees, judicial decisions, military orders, regulations and the like), many of which have been heretofore unavailable in published sources. This compilation supplements and enriches the works of Leon Friedman and Dietrich

---


Schindler and Jiri Toman, which dealt with the topics of prisoners of war and war crimes, but only superficially.

All documents in this compendium are in English. Professor Levie has translated those in French into English with great skill. Each document is identified by its official title or, in cases where no official title exists, by its popular name. In addition, for each document the editor has cited as many as six additional sources where the document may be located. Finally, the editor provides a note before each document. The note is used both to give historical background and to tie the document to other related documents and, on occasion, to provide the editor with an opportunity to exercise editorial comment. When documents are reprinted in their entirety they are identified as "texts," and when they are partially reprinted they are identified as "extracts."

Professor Levie has an international reputation as a practitioner and scholar in the field of international law as it relates to prisoners of war. As an Army Judge Advocate (retiring in the grade of colonel), he served with the United Nations Command Armistice Delegation in Korea, as Legal Adviser to the United States European Command and as Chief, International Affairs Division, Office of the Army Judge Advocate General. As an academician he taught international law at Saint Louis University Law School (where he is now professor emeritus) and held the prestigious Stockton Chair of International Law at the Naval War College. His knowledge and expertise has produced an unparalleled volume which every student of this subject should find invaluable. Publication of this documentary collection by the Naval War College in its International Law Studies series continues the College's long heritage of dissemination of international legal materials.

Richard J. Erickson
Washington, D.C.
The West Bank and the Rule of Law


This International Commission of Jurists monograph presents an intriguing glimpse into a legal system in which judges are appointed by an occupying army, half the attorneys are on permanent strike, and legislation is not published. It is the first analysis in English of the legal order in the West Bank of the Jordan River since Israel occupied that area in 1967. Raja Shehadeh, a British-trained Palestinian lawyer practicing in the city of Ramallah, West Bank, cites unpublished court decisions and military orders as he gives a firsthand account of law practice in the West Bank.

The West Bank is part of the former British mandate territory of Palestine. It was annexed by Jordan following the 1948 Israeli-Arab war that accompanied the establishment of Israel. Jordan held the West Bank until Israel captured it during the 1967 Israeli-Arab war.

The West Bank has been operated since 1967 by an Israeli military government, which constitutes its sole executive and legislative authority. The military governor appoints judges and adopts laws. There is no constitution or legislature. The military governor has established military courts to try security-related offenses. Shehadeh says that these courts have taken jurisdiction over many nonsecurity crimes.

The jurisdiction of the Palestinian courts, he argues, has been curtailed seriously by creation of an Objection Committee that hears challenges to administrative decisions on such issues as tax assessment and land appropriation. These issues formerly went to the courts, Shehadeh says. He further complains that the Committee, whose members are non-law-trained Israeli military officers, rarely question an administrative act if it was made by Israeli military officials. Shehadeh argues that this assumption of jurisdiction violates the 1949 Geneva Convention Relative to the Protection of Civilian Persons in Time of War, which covers military occupation. The Convention permits infringement on local court jurisdiction only for security purposes.

Palestinian attorneys in the West Bank refused to practice following the Israeli occupation in 1967. Later many resumed work. Presently about 130 Palestinian lawyers service a West Bank population of 800,000. Approximately the same number of lawyers remain on strike.

Those who practice, Shehadeh says, complain of their inability to form a West Bank bar organization. They tried to establish one but gave up when the Israeli military governor for the West Bank refused to permit them to include Jerusalem lawyers. Israel annexed Jerusalem in 1967, shortly after capturing it, and therefore does not consider it part of the West Bank, though it is contiguous with the West Bank.
A constant complaint of West Bank attorneys, Shehadeh says, is the difficulty of obtaining texts of the laws in force. Under the 1949 Geneva Convention, the legislation in force at the commencement of a military occupation remains in effect. For the West Bank that means Jordanian law. But post-1967 changes in Jordanian law do not apply. So the applicable law is Jordanian law as of 1967. Legislation as it was in force in 1967 is not published by Jordan, however, and Israel has not published it either. Even more difficult to obtain, Shehadeh says, are the texts of the numerous law-creating orders issued by the Israeli military governor. These are distributed at the time of promulgation to practicing attorneys but are not compiled or made available in any library.

The picture that emerges from Shehadeh's book is that of a legal system with considerable frustration for the practitioner.

JOHN QUIGLEY
Columbus, Ohio

Trading with Saudi Arabia


Leslie Alan Glick has compiled Saudi Arabian statutes, regulations and proclamations respecting shipping, trade, investment and taxes. In connection with each of these areas, he has added a brief description of the basic treatment under Saudi law.

Mr. Glick describes the basic parameters of law in Saudi by briefly sketching the concepts of the Islamic legal system, the "Shariah," and by commenting on the development of a commercial system of laws to supplement the Shariah. The author focuses on the areas of Saudi Arabian maritime laws, general shipping regulations, income tax and Foreign Capital Investment Code, Tender Regulations, custom tariffs, and boycotts.

This treatise offers a practical solution for the lawyer or businessman needing a guide to the local statutes and regulations governing trading with Saudi Arabia.

MICHAEL H. SKELTON
Houston, Texas