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978-1-107-07569-6 - International Economic Law After the Global Crisis: A Tale of Fragmented Disciplines

C. L. Lim and Bryan Mercurio

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## INTERNATIONAL ECONOMIC LAW AFTER THE GLOBAL CRISIS

This collection explores the theme of fragmentation within international economic law as the world emerged from the 2008 global financial crisis, the subsequent recession and the European sovereign debt crisis which began in early 2010. The post-crisis 'moment' itself forms a contemporary backdrop to the book's focus on fragmentation as it traces the evolution of the international economic system from the original Bretton Woods design in the aftermath of the Second World War to the present time. The volume covers issues concerning monetary cooperation, trade and finance, trade and its linkages, international investment law, intellectual property protection and climate change. By connecting a broad, cross-disciplinary survey of international economic law with contemporary debate over international norm and authority fragmentation, the book demonstrates that ours has been essentially a fragmented and multi-focal system of international economic regulation.

C. L. LIM is an international lawyer and former trade negotiator. He is currently Professor of Law at the University of Hong Kong and chairs the East Asian International Economic Law and Policy Programme. He is also Visiting Professor at King's College London and a barrister.

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# INTERNATIONAL ECONOMIC LAW AFTER THE GLOBAL CRISIS

A Tale of Fragmented Disciplines

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## PREFACE

In this collection, we set out to provide a reliable guide and analyses of key, contemporary issues in international economic law. The period following the global financial crisis, and thereafter the global economic crisis marked by the great recession and the European debt crisis, seemed an especially good time to revisit the broader manner in which the post-Second World War Bretton Woods system has evolved, and to ask whether current institutions and arrangements are adequate to the task of handling the kinds of issues which we have included in this survey. Our aim has therefore been to provide a snapshot of the field during the years following the global financial crisis of 2008.

Although we believe this single volume will be a useful complement in the university classroom, our aim is to appeal not only to academics, scholars and university students but also to lawyers, diplomats and policy-makers.

The book began life partly as a collection of papers delivered during the second conference of the Asian International Economic Law Network (AIELN). AIELN, which is spearheaded by Junji Nakagawa of the University of Tokyo, is a regional sub-group of the Society of International Economic Law (SIEL), and is therefore open to those who are members of SIEL. The conference – dubbed ‘AIELN II’ – was hosted by Doug Arner and C. L. Lim of the University of Hong Kong, and Bryan Mercurio of the Chinese University of Hong Kong and held at the University of Hong Kong during the summer of 2011 following a world-wide call for papers. Colleagues came from afar – London, Oxford, Washington, DC and Zurich, among other places, in addition to AIELN’s lively membership of Asian, Australian and New Zealand scholars. The 2011 conference focused on the emerging issues that the international economic system confronts today, ranging from the adequacy of financial regulation systems to the regulation of credit rating agencies, cross-border cooperation in securities regulation, investment in agricultural land abroad and the expropriation of intellectual property rights.

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This collection is not, however, a mere reproduction of the proceedings of that conference. Following a post-conference assessment, we selected a core of papers while identifying what we thought of as gaps and other new issues which were quickly emerging, but which had not been discussed during those proceedings: for example, the Chinese currency policies which continued to be an issue throughout 2011, and the European Emissions Trading Scheme, which was extended in January 2012 to airlines worldwide, having an impact on air traffic (or transport) rights within the EU. The European Debt Crisis unfolded with the focus on Greece and the capabilities of the EU in taking collective action. In light of these developments, we sent out further invitations to other international experts in an effort to provide as richly textured a snapshot of current issues scattered across the whole landscape of international economic regulation as possible.

When we turned our focus to how common issues were conceived, conceptualized and regulated we found a variety of ways by which this was done by what remains, essentially, a fragmented and multi-focal system of international economic regulation. At the same time, the world trading system continues to fragment and regionalize, in turn causing ever newer forms of regulatory systemic friction particularly at a time when regional trade agreements continue to venture far beyond regulatory concerns in Geneva. And so this volume is intended as a survey of a broad range of legal and regulatory instruments, indeed a range of legal regimes, by organizing our inquiry around some of the most salient and pressing economic, legal and regulatory issues of the day, issues which acknowledge the existence of a globalized economy against the backdrop of imperfect global economic design.

So this is not a study of the various crises as such, but does involve some questions of what they might mean for the international economic order. By and large, we have focused upon two important aspects of what these crises do not mean – they do not or do not yet mean any great structural change in the way the global economy continues to be designed and regulated, and they do not mean that other real challenges will not continue to emerge from all sides, often unrelated to the crises but in a way which seems very much related to economic globalization.

By way of a caveat, comprehensiveness is impossible. Choices had to be and were made. In general, however, we have tended to venture into areas which are important but have to date been under-explored in the literature, particularly in light of our principal focus on the still fragmented – and fragmenting – nature of global economic regulation.

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Towards the end of the volume, we felt we knew more about what this means, and we have tried to spell out some of that understanding in our conclusion.

Our greatest debt is to our contributors who were sheer joy to work with, and to Finola O'Sullivan and Kim Hughes at Cambridge University Press who have been such magnificent and rigorous supporters of the project. We thank the University of Hong Kong, not least for providing generous financial support through its Strategic Research Themes funding programme and a venue for the AIELN II Conference, AIELN's Steering Committee of committed scholars, the Chinese University of Hong Kong, and our fellow co-organizer at HKU, Professor Douglas Arner to whom we attribute much of the success of that conference. Similarly, we are indebted to Ms Flora Leung at HKU for her consummate skills as conference administrator. Mr Kalana Senaratne, currently a doctoral student at the University of Hong Kong, and Ms Jackie Cheng, a JD student at the Chinese University of Hong Kong, provided invaluable editing assistance. Finally, C. L. Lim would like to record his appreciation to the HKU-KCL Fellowship and HKU Sabbatical Leave Schemes for funding support, to HKU law school for six months' leave, and to King's College London and the World Trade Organization's Visiting Scholar-in-Residence Programme for offering such conducive working environments during the preparation of this volume.

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