

NEW PRIVATE LAW THEORY

New Private Law Theory opens a new pathway to private law theory through a plural approach. Such a theory needs a broad and stable foundation, which the authors have built through a canon of nearly seventy texts of reference. This book brings these texts from different disciplines into conversation with each other, grouping them around central questions of private law and at the same time integrating them with the legal doctrinal analysis of example cases. This book will be accessible to both experienced and early-career scholars working on private law.

Stefan Grundmann is Professor of Private and Business Law at Humboldt University, Berlin, and at the European University Institute, Florence. He co-founded SECOLA (the Society of European Contract Law) and is president of the European Law School (Berlin/London/Paris/Rome/Amsterdam/Athens/Lisbon). His research focus is on contract, banking and company law, on regulation, governance and theory.

Hans-W. Micklitz is Professor of Economic Law at the Robert Schuman Centre for Advanced Studies, European University Institute, Florence, and Finland Distinguished Professor at the University of Helsinki. His research interests focus on private law, European and international economic law and private law theory.

Moritz Renner is Professor of Civil Law, International and European Commercial Law at the University of Mannheim. His research focuses on transnational financial law and the economic sociology of law. Before joining the Law Department in Mannheim, he held a Lichtenberg Professorship at the University of Bremen.





New Private Law Theory

A PLURALIST APPROACH

STEFAN GRUNDMANN

Humboldt University and European University Institute

HANS-W. MICKLITZ

European University Institute and University of Helsinki

MORITZ RENNER

University of Mannheim





CAMBRIDGE UNIVERSITY PRESS

University Printing House, Cambridge CB2 8BS, United Kingdom One Liberty Plaza, 20th Floor, New York, NY 10006, USA 477 Williamstown Road, Port Melbourne, VIC 3207, Australia 314–321, 3rd Floor, Plot 3, Splendor Forum, Jasola District Centre, New Delhi – 110025, India

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning, and research at the highest international levels of excellence.

www.cambridge.org
Information on this title: www.cambridge.org/9781108486507
DOI: 10.1017/9781108760089

79 Anson Road, #06-04/06, Singapore 079906

© Stefan Grundmann, Hans-W. Micklitz and Moritz Renner 2021

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 2021

A catalogue record for this publication is available from the British Library.

ISBN 978-1-108-48650-7 Hardback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party internet websites referred to in this publication and does not guarantee that any content on such websites is, or will remain accurate or appropriate.



Contents

Preface		page 1x	
	New Private Law Theory: The Core Ideas	1	
	PART I METHODS AND DISCIPLINES	33	
1	The Inside and the Outside of Law? Stefan Grundmann	35	
2	Private Law and Sociology Moritz Renner	59	
3	Economics and Private Law Institutions Stefan Grundmann	71	
4	Private Law and Theories of Communication Moritz Renner	95	
5	Comparative Law and Legal History Hans-W. Micklitz	110	
	PART II SOCIAL ORDERING, CONSTITUTIONALISM AND PRIVATE LAW	7 129	
6	Societal Order and Private Law Stefan Grundmann	131	
7	Values in Private Law Moritz Renner	156	
8	Constitutionalization, Regulation and Private Law Hans-W. Micklitz	166	



vi	Contents	
9	Democracy and Private Law Hans-W. Micklitz	180
10	Formalism, Substantive and Procedural Justice Moritz Renner	193
	PART III TRANSACTIONS AND RISK: PRIVATE LAW AND THE MARKET	205
11	Negotiation, the Function of Contract and the 'Justice of Consensus' Stefan Grundmann	207
12	Knowledge and Information Stefan Grundmann	230
13	Private Power Moritz Renner	248
14	Non-discrimination Moritz Renner	261
15	Risk, Tort and Liability Hans-W. Micklitz	272
16	Digital Architecture of Private Law Relations Hans-W. Micklitz	298
17	Between Market and Hierarchy Stefan Grundmann	315
	PART IV PERSONS AND ORGANIZATIONS	339
18	Person, Civil Status and Private Law Hans-W. Micklitz	341
19	Theory of the Corporation Moritz Renner	360
20	Actors in Organizations Stefan Grundmann	369
21	The Principal's Decision: Exit, Voice and Loyalty Stefan Grundmann	391
22	Organizations and Public Goods Hans-W. Micklitz	414



	Contents	vii
	PART V PRIVATE LAW (RULE-SETTING) BEYOND THE STATE	435
23	Law as a Product Hans-W. Micklitz	437
24	Multilevel Governance and Economic Constitution Hans-W. Micklitz	454
25	Transnational Law Moritz Renner	472
26	Private Ordering Moritz Renner	484
27	The Shadow of the Law and Social Embeddedness Stefan Grundmann	495
Inde	ex	517

A list of the main reference text, links to full text resources and English translations of all texts originally written in other languages can be found at: http://newprivatelawtheory.net





Preface

In our *New Private Law Theory* there is one feature that we want to stress specifically: it is a pluralist approach. This book approaches two challenges of private law theory today – in a highly globalized world and equally global discourse, in a setting where social sciences increasingly interact – and combines two answers to them.

First, it contains a survey on a large variety of theories and approaches across all the social sciences, including law, philosophy and beyond, behavioural sciences, psychology and so on. A large variety implies width in countries and traditions of thought on which we draw. A large variety also implies that we want to integrate as many insights as possible that might be relevant for legal thinking from all neighbouring disciplines. A large variety further implies that this aspiration is per se unattainable, and certainly so in one book and for three authors. This book can only constitute an attempt to set up a first map, to throw a stone into a pond, with a lot of terra incognita still to be discovered in response to this first approach. As such, this has to be a joint endeavour. To add as much objectivity as possible to a book that – with its limitations in authorship, in size, and as well in preconceptions of the authors – is bound to have a strongly subjective side as well, we chose one possible way of proceeding. With a view to bringing together the theoretical strands that matter for private law, we chose to start from those texts that – after long and broad discussions – we judged as seminal works for their discipline and discuss the discipline's main thought on particular problems via these texts, their contexts, their later developments and discussions. Moreover, we added landmark cases to illustrate the interplay between theoretical approaches, texts and legal problems. As a survey on a large variety of theories and approaches across all the social sciences and beyond, and in a considerable variety of countries worldwide, the book aims to break new ground indeed. It should have the capacity to serve as a basis for teaching, reading and thinking about a broadly conceived interdisciplinary theory of (private) law. Different from many other theories, it also tries to put theory into applied practice and run through vast territories of private law – again, of course, not all.

Second, while such a collection of the broad variety of approaches and theories may be interesting and helpful, in what respect does it constitute a new private law theory at all? What is new? Is it more than a mere collection of material? Is it a theory, and if so, what



x Preface

kind of theory is it? The answer given in the book starts from what law is: a powerful ordering mechanism and stabilizer of society, perhaps even its 'social contract'. A theory of law, we think, has to reflect law. And not only for legal scholars and lawyers, but for society at large, there is at least one yardstick to which we adhere in societies based on the rule of law (and typically market economies), namely Western societies to which this book may speak in particular. This yardstick for legitimate order in society is made up of constitutions and democratically decided values, and not the individual predilection of the authors for approaches – from libertarian to communitarian and so on. Our new private law theory tries to take this yardstick seriously, tests its validity in the national and transnational arena and develops from this pluralist value basis a pluralist legal theory, establishing benchmarks and instruments to bring into the legal arena the ocean of knowledge that neighbouring disciplines have developed, but that requires to be linked to what constitutions say and what democracies decide in their established procedures. The interplay between the ocean of knowledge and the constitution of the legal system, its theoretical underpinnings as well as its systematization, in nation states and beyond nation states, is what distinguishes new private law theory and the theorizing of this interplay - under the shadow of constitution and democratically decided values – is the core of our book.

Such a book would not have been possible – in its overall dimensions as well as in single chapters – without discussion and input of many friends, colleagues and discussion partners. We name them in alphabetical order and without affiliations – even though a number, perhaps most, of them would certainly have deserved long and special sentences and specifications. We warmly thank Marietta Auer, Anna Beckers, Dorothee Bohle, Gert Brüggemeier, Youssef Cassis, Hugh Collins, Rónán Condon, Simon Deakin, Michael Denga, Klaas Eller, Antonina Engelbrekt-Bakardjieva, Fabrizio Esposito, Muriel Fabre-Magnan, Fernando Gómez Pomar, Philipp Hacker, Martijn Hesselink, Lorenz Kähler, Duncan Kennedy, Torsten Kindt, Andreas Leidinger, Pia Letto-Vanamo, Liam McHugh-Russell, Florian Möslein, Horatia Muir-Watt, Szymon Osmola, Przemyslaw Palka, Dennis Patterson, Giovanni Sartor, Mathias Siems, Eyal Zamir . . . and many classes of researchers at the European University Institute, Florence, and at Humboldt University, Berlin.

We thank Thyssen Foundation for kindly and generously sponsoring acquisition of copyrights and translation of texts. Hans-W. Micklitz would like to thank the Finland Distinguished Professor Programme (FiDiPro) for the generous support in the finalisation process of the book and Moritz Renner the Volkswagen Foundation for generous support in the framework of the Lichtenberg Professorship Programme.