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## Chinese Foreign Investment Law and Policies: Evolution & Transformation

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placing the whole of human existence and endeavor under the sign of the marketplace.

*Faith & Credit: The World Bank's Secular Empire*, provides an excellent overview of the workings, impact, and underlying assumptions of the World Bank. It is carefully thought out and avoids making simplistic assumptions about why the World Bank behaves as it does. Buttressed by excellent sources and information, the book also poses challenging questions regarding what role, if any, the World Bank is to play in the future. The book should prove useful not only to decision-makers and policy-analysts, but also to individuals seeking to become more informed about the role of the World Bank in relation to developing nations. It also provides partial answers to the pressing questions of why lesser developed nations seem perpetually caught in an anti-development tailspin.

*Timothy L. Finkenbinder*

JIA, WEI, CHINESE FOREIGN INVESTMENT LAWS AND POLICIES: EVOLUTION & TRANSFORMATION; Quorum Books; Westport, CT (1994); ISBN 0-89930-900-3; 216 pp. (hardcover). Index.

"Make foreign investment serve China", is the underlying theme of Wei Jia's account of China's progress toward development of a market-oriented economy. The text describes, with notable detail, the confluence of political and economic drives that produced the world's largest centrally-driven experiment in capitalism. Jia's work is a practical blend of overall analysis of this change, coupled with specific language and citations to the underlying laws and directives.

*Chinese Foreign Investment* divides the transformational changes into seven "tidal" areas: Joint Ventures; Foreign-Owned Subsidiaries; Regional Policies; Tax Regimes; Foreign Exchange Management; Technology and Intellectual Property Protection; and Foreign Banking. Each category begins with a description of the underlying political forces at the end of the Cultural Revolution in 1976. Jia proceeds from there to demonstrate a "ratcheted" evolution toward a market-driven approach as China alternately balances its realized need for foreign direct investment with the inherently cautious and conservative nature of a managed economy.

Rather than providing the reader with pure analysis, Jia presents strategies available to foreign direct investment firms dealing with this economy. For example, in the context of foreign exchange management, Chinese policy strongly encourages foreign owned firms and joint ventures to replenish foreign exchange reserves mainly through increased exports. However, *Chinese Foreign Investment* suggests more available, if less sanctioned, approaches toward replenishment, including import substitution and exchange "swapping" between related firms.

Chapter 7 contains a particularly timely discussion of Chinese development of intellectual property protection with the passage of the Trademark Law of 1982, and the Patent Law of 1985. The principle of recognizing property rights in the context of labor is necessarily antithetical to China's Communist ideals, and the author presents an excellent analysis of the conflict between China's desire to integrate itself into the world economy with the realization that foreign investors are reluctant to provide technical know-how that would normally be protected property. Apropos, Jia discusses the belated passage of the Copyright Law in 1991 in response to the United States' imposition of "Super 301" trade sanctions. This discussion of Chinese reticence to recognize private property rights coupled with the stated goals of foreign technology acquisition is consistent with the book's overall theme that liberalization of Chinese law is more the product of calculated concessions to strengthen Chinese economy than cooperative development. As this particular area is still in transition, the final word on the success of Chinese recognition of intellectual property rights is still undetermined.

*Chinese Foreign Investment Laws and Policies*, is both an excellent introduction and an in-depth presentation to Chinese foreign investment issues. The "tidal" categories are logically organized, and contain enough reference to underlying laws to make this book a practical guide for approaching Chinese commercial law. It is clear, however, that the level of dynamic change described by this book will necessitate continuous updates and revisions.

*Jonathan Kindred*

CHUKWUMERIJE, OKEZIE, CHOICE OF LAW IN INTERNATIONAL COMMERCIAL ARBITRATION; Quorum Books; Westport, CT (1994); ISBN 0-89930-878-3; 218 pp. (hardcover).

The growing predominance of international business has given rise to the need for quick, reliable settlements of commercial disputes. As a result, international commercial arbitration, while being as old as the practice of trade itself, has seen a recent growth within the global business and legal communities. Okezie Chukwumerije's *Choice of Law in International Commercial Arbitration* is a comprehensive analysis of the legal problems arising out of choice of law disputes at different stages of the arbitration process. *Choice of Law* examines the different reasons why choice of law disputes arise and offers solutions to these problems by applying national and international strategies at resolution. Similarly, Chukwumerije demonstrates the significance of commercial arbitration and the importance of resolving choice of law disputes in the international business arena.

The author lists three major benefits underlying international