



Digital Commons@

Loyola Marymount University
LMU Loyola Law School

Loyola of Los Angeles International and Comparative Law Review

Volume 12
Number 1 *International Business Law
Conference: Investment and Trade with the
People's Republic of China*

Article 1

12-1-1989

Introduction

John McDermott

Follow this and additional works at: <https://digitalcommons.lmu.edu/ilr>



Part of the [Law Commons](#)

Recommended Citation

John McDermott, *Introduction*, 12 Loy. L.A. Int'l & Comp. L. Rev. 1 (1989).
Available at: <https://digitalcommons.lmu.edu/ilr/vol12/iss1/1>

This Symposium is brought to you for free and open access by the Law Reviews at Digital Commons @ Loyola Marymount University and Loyola Law School. It has been accepted for inclusion in Loyola of Los Angeles International and Comparative Law Review by an authorized administrator of Digital Commons@Loyola Marymount University and Loyola Law School. For more information, please contact digitalcommons@lmu.edu.

**LOYOLA OF LOS ANGELES
INTERNATIONAL AND COMPARATIVE
LAW JOURNAL**

VOLUME 12

1989

NUMBER 1

**INTERNATIONAL
BUSINESS LAW CONFERENCE**

**INVESTMENT AND TRADE WITH
THE PEOPLE'S REPUBLIC OF CHINA**

Sponsored by:

Loyola Law School
1441 W. Olympic Boulevard
Los Angeles, California
90015

Introduction

JOHN McDERMOTT*

Although the one day conference on investment and trade with the People's Republic of China which produced the papers included in this issue was the first of its kind, Loyola Law School has been deeply interested in international law and transnational business for many years. This interest dates back at least to the time when Richard Rank was the librarian for Loyola Law School, and Professor Curt Garbesi and Professor Don Wilson were teaching International Law and International Business Transactions respectively. These three men¹ helped create one of the finest international law collections

* Professor of Law, Loyola Law School, Los Angeles, California.

1. Only Professor Curt Garbesi remains at Loyola Law School.

in the Western United States. Each lobbied vigorously to expand the courses offered in this area so that students interested in both public and private international law would have a selection of courses to further excite their interests.

The number and diversity of the international and comparative law courses now offered at Loyola, and the strong interest of the faculty in internationalism reflect Loyola's present commitment to exposing its students to the law of the world we live in. The 1989 law school catalogue lists thirteen different comparative and international law courses, ranging from Roman Law to Chinese Law and from International Protection of Human Rights to Transnational Commercial Transactions.² Perhaps more importantly, international and comparative law are no longer the specialties of a few faculty members. This year, eight of the full-time faculty are teaching one (or more) international or comparative law course(s).

It is neither surprising nor inappropriate that a large part of the faculty interest focuses on two areas of the world: Central and South America and the Pacific Rim. California, particularly Southern California is the gateway to these important and developing areas of the world. In addition to this conference, Loyola's interest in the Pacific Rim has manifested itself in several ways. A course in Chinese law, taught for the past several years by Frankie F.L. Leung, has been well received by Loyola Law students. Two years ago, a distinguished law professor from Japan, Tuero Doi of Waseda University, was a visiting lecturer at Loyola Law School. In Spring of 1989, Loyola Law School sponsored this international business law conference. Although much has happened since the conference planning committee initially met in the Fall of 1988, the decision to make the People's Republic of China the focal point of the first conference was easy and obvious.

China, the most populous country in the world, has been closed to the West for most of the twentieth century. When it finally opened following President Richard Nixon's historic visit in 1972, United States businesspeople and their legal advisers could not restrain their enthusiasm. China was viewed as possibly the "world's largest super-market." The euphoria quickly faded, however, as United States businesspeople discovered the realities of doing business in China. There

2. For example, Professor Wilson's International Business Transactions course has been expanded by courses such as Transnational Commercial Transactions, United States Trade Regulations and International Commercial Dispute Resolution.

were many problems including bureaucratic delays and inadequate quality control. What bothered lawyers most was the lack of a sophisticated legal system or body of law upon which they could rely. To combat the problems, the Chinese built a legal system in less than ten years, with a commitment not unlike that which went into the construction of the Great Wall.³

A major goal of this conference was to assess the progress made in developing a legal climate conducive to international trade and investment. A second goal was to identify the problems which still remain. Four of the conference panel discussions in the Spring of 1988 focused on four major aspects of international business: importing and exporting, chaired by Professor Lary Lawrence; direct foreign investment, chaired by Professor Curt Garbesi; technology transfer and the protection of intellectual property, chaired by Professor Lionel Sobel; and dispute resolution, chaired by Mr. David Laufer. A fifth panel, chaired by Adjunct Professor Frankie Leung, examined Hong Kong as the gateway to trade with and investment in China.

The conference speakers brought with them a wealth of knowledge and experience. For example, Mrs. Susan Liebeler, a former member of the Loyola Law School faculty and former chairman of the United States International Trade Commission ("ITC"), described the effects of the ITC's decisions on imports from the People's Republic of China. The conference was greatly enriched by the participation of a number of academics, practitioners and government officials from the People's Republic of China, particularly, Shi Weisan, Vice President of the University of International Business and Economics in Beijing and Zhou Chuanjie, Director of the New York office of China Patent and Technology Trade (USA) Ltd.

The success of this first conference was due to the tireless efforts of many individuals. I would like to publicly thank all of the members of the conference planning committee⁴ and the administrative and support services of Loyola Law School. The conference could

3. As an example of its legal prolificacy, China enacted a Joint Venture Law in 1979; Joint Venture Labor Regulations, and an Income Tax Law in 1981; a Foreign Enterprise Law; and a Trademark Law in 1982; a Patent Law in 1984; and a Foreign Economic Contract Law in 1987.

4. Teresa A. Beaudet, Mayer, Brown & Platt, Los Angeles; Lynda S. Engel, Conference Coordinator, Los Angeles; G. Curt Garbesi, Loyola Law School, Los Angeles; Daniel M. Kolkey, Gibson, Dunn & Crutcher, Los Angeles; David Laufer, Kindel & Anderson, Woodland Hills; Frankie F.L. Leung, Carlsmith, Wichman, Case, Mukai & Ichiki, Los Angeles; and John McDermott, Loyola Law School, Los Angeles.

not have taken place without the support and encouragement of Dean Arthur Frakt and the tireless efforts of the conference coordinator, Lynda Engel.

Sadly, a postscript is necessary. Although the theme of the conference was investment and trade with China, the conference served a greater purpose in bringing together lawyers, businesspeople, teachers and students from these two great countries. In meetings during the conference and at social occasions before and after the conference, new friendships were formed with the hope that relations between the United States and China would grow stronger. The events of Summer 1989 dealt a cruel and unexpected blow to those in both countries who applauded the growth of economic and political freedom in the People's Republic of China.⁵ We may someday forget what we saw on television and in the press following the Tianamen massacre, but for those of us who cannot or will not forget, our view of China will never be the same.

Opening Address

AMBASSADOR MA YUZHEN*

It gives me great pleasure to be the opening speaker at this conference. I am delighted that this conference and so many other conferences of a similar nature have been held. This shows there is increasing interest in the development of the People's Republic of China ("PRC"), and also in the trade relations and economic cooperations between the PRC and the United States. I accepted the invitation for this reason, and I am most delighted to share my thoughts with our friends.

My purpose is to inform you of what is presently occurring. This information will hopefully serve as the basis of your study of the economic situation in the PRC. Observers have learned a lot about our country already. Last year the PRC had an inflation problem, and a corruption problem. Recently, after the very successful visit of Presi-

5. During the summer months of 1989 in China, demonstrations by students and others against the Chinese Communist government occurred on a widespread basis. The protests continued for weeks in Tianamen Square in Beijing, China. The demonstrators were finally dispersed by the Chinese military. Many lives were lost in the pursuit of democracy.

* Consulate General of the People's Republic of China.