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BOOK REVIEW

Peter McDermott

PROTECTING FOREIGN INVESTMENT UNDER INTERNATIONAL LAW (1997)
Legal Aspects of Political Risk

(New York: Oceana Publications Inc),
ISBN 0 379 21371 0

By Paul E Comeaux and N Stephen Kinsella

This book examines the subject of the expropriation or nationalization of foreign direct investment. In the twentieth century this occurred as a result of revolutions in the Soviet Union in 1917, Brazil in 1930, Mexico in 1938, Bulgaria, Czechoslovakia, Hungary, and Poland between 1945 and 1948, the Middle East and Africa from the 1950s until the 1970s. In the 1970s expropriations of Western investment occurred in Uganda, Ethiopia, Pakistan and Iran. Many of the recent expropriations occurred despite concessions that were granted to Western investors.

However, the climate in developing countries has changed mainly because of the need for foreign capital in the privatizing of what were formerly state-run enterprises. With the rejection of communism and socialism there has been an increasing recognition of property rights, and States which were formerly hostile to Western investment have enacted investment codes that are favourable to foreign investors. It is in this new climate that this work fills a useful need.

This work contains a comprehensive analysis of international law and political risk, pre-investment decisions to reduce political risk and responses to manifestations of political risk. In this latter respect the authors have examined international arbitration including arbitration using the UNCITRAL Rules and ICSID Arbitration. This book will become a first point reference to any practitioner called upon to advise a foreign investor who intends to invest capital in a developing country.

BOOK NOTICES

THE LAW OF INSURANCE CONTRACTS (3rd ed., 1997)

(London: LLP Limited; pp.1-909)
ISBN 1 85978 160 8

By Malcolm Clarke

This edition is an excellent work in that it not only keeps practitioners up to date with recent English developments in respect of such matters as unlicensed insurance activity (Fuji