# The Legal System of the People's Republic of China



THOMSON WEST

# THE LEGAL SYSTEM OF THE PEOPLE'S REPUBLIC OF CHINA

### IN A NUTSHELL

By

### DANIEL C.K. CHOW

Robert J. Nordstrom/Porter, Wright, Morris & Arthur Designated Professor in Law The Ohio State University Michael E. Moritz College of Law



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### PREFACE

This book is based upon several years that I lived in the People's Republic of China in the late 1990s when I took a leave of absence from my academic duties at the Ohio State University College of Law to serve as in-house counsel for a multi-national enterprise with substantial China operations and ambitious plans for expanding its China business. I lived and worked in the busy southeastern port city of Guangzhou, one of the first areas open to foreign direct investment, and a vanguard for bold change and progress.

As a busy lawyer in an understaffed legal department, I had many different responsibilities and opportunities to meet with high-level officials of China's many different governmental organs. I also had regular contact with judges, prosecutors, security officials, party cadres, foreign and local lawyers, and academics. In addition to my contacts with China's mainstream legal system, I also had many opportunities to learn about China's illegal underground economy with its many dangerous and nefarious characters. My work in protecting the company's intellectual property led me on investigations and raids of underground factories, markets, and warehouses dealing in pirated, counterfeit, and smuggled products. Working with professional pri-

### PREFACE

vate investigation agencies and through the use of various subterfuges and assumed identities, I was also able to have direct contacts with suspected counterfeiters, pirates, and other criminal elements in China's illegal economy. These stark experiences gave me a sense of the many enforcement challenges that lie ahead for China's earnest law reformers who seek to enact effective laws protecting the interests of legitimate business and property owners. My contacts with both the mainstream legal system and the underground economy gave me a realistic sense of China's progress and the serious issues and problems that remain.

Outside of work, I benefited from many opportunities to learn about the life of China's people and to interact with many associates, colleagues, and friends in social settings. Some of these opportunities led to lasting friendships that I renew on the regular occasions that I travel to China for professional or personal reasons. During my years in China, I had many frank discussions with Chinese from all walks of life about China's problems and prospects and the complex relations between the United States and China. Not all of these discussions were amicable nor were all of my relationships harmonious, but I learned and benefited from them all. I absorbed a sense of the conflicting attitudes of admiration, respect, distrust, and resentment that are simultaneously held by many contemporary Chinese toward the United States. When my China as-

### PREFACE

signment was over, I returned to the United States and my academic career with a sense of China's many challenges and issues that lie ahead as well as a sense of the nation's hopes for the future. These invaluable experiences have enriched and deepened my understanding of China and of the role of law in modern China. These experiences form the basis for this volume.

DANIEL C.K. CHOW

October 2002 Columbus, Ohio

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