



Társadalomtudományi Kutatóközpont
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Call for Papers

ESIL-supported

Russian Aggression on Ukraine from the International Economic Law Perspective

14 July 2022 (webinar)

On 24 February 2022, Russia launched a large-scale invasion of Ukraine, escalating the conflict that began in 2014. While the military aspects resemble Russian operations in Chechnya, Georgia or Syria, the unique feature of this conflict is the reaction of the international community deploying an unprecedented range of “economic weaponry.” Numerous governments support Ukraine with a broad range of economic sanctions: positive and negative, targeted and general, against public and private entities, primary and secondary, trade, investment and financial.

The characteristics of the targeted, Russian, economy also makes the case unique. Unlike Cuba, Iran or North Korea, Russia is both strongly connected and dependent on the global economy. Suffice to note mineral raw materials, metals and metal products account for more than 70% of Russian exports. In 2020, exports contributed 25.5% of Russia's GDP. Many Russian industries, ranging from high-tech and military to luxury goods consumption, depend on imports.

Moreover, despite efforts to circumvent financial sanctions, Russian business still relies heavily on the U.S. dollar and, to a lesser extent, the euro. Accordingly, a full-scale confrontation with the issuers of these currencies impacts Russia ability to conduct business with third states.

The circumstances and dynamics of the Russian invasion of Ukraine are exceptional. The intensity and scope of economic coercion raise questions about its normative status. The synergy between trade, financial, and investment coercion entails the question of whether we are facing an economic war (on an unprecedented scale).

Once the conflict is over, various stakeholders will seek legal redress for the suffered losses: claimants from Ukraine, Russia and third states. The ongoing war is a stress test for international law and will have far-reaching consequences.

The purpose of the webinar conference is to address its public and private law aspects.

1) **International investment law**

- a. IIIL sanctions imposed against Russia include both outflowing and inflowing investments. With regard to Russian incoming investments various states adopted a broad array of freeze & seize measures. While very mediatic and giving a tangible sense of justice to the public, actual confiscation is legally both challenging and, in the long-term, arguably problematic. Additionally, it creates a myriad of practical problems for the states freezing assets.
- b. IIIL sanctions imposed by Russia including mandatory management of companies suspending or halting their operation, compulsory licensing of IP rights without royalties or, possibly, expropriation of foreign investments. Those substantive law measures come on top of – relevant also in other IEL areas – changes in Russian civil procedure, granting its courts compulsory jurisdiction in “sanctions disputes”.

2) **International financial law**

- a. IFL sanctions imposed against Russia concern both public assets, notably foreign reserves of the central bank which entails difficult immunities questions, and private funds. It also raises a number of ESG questions, whereby financial regulation unrelated to the war may both strengthen and weaken the sanctions regime.
- b. IFL sanctions imposed by Russia are quite unusual. President Putin’s decree trying to impose change of energy contracts currency is particularly interesting.

3) **International trade law**

- a. ITL sanctions imposed against Russia are interesting in the broader perspective, notably with regard to environmental goals of green transformation. It entails difficult questions of weighing imminent threat to human life and health in the Ukraine against medium to long term effects of losing gas as a temporary energy resources on the way to decarbonisation.
- b. ITL sanctions imposed by Russia prohibition on the export of raw materials may seem as a merely pre-emptive move. At the same time, it makes the question of legality of economic sanctions particularly acute. Can the EU imports restrictions be considered legal while Russian export embargo unlawful at the same time?

4) Private law

- a. The applicability of economic sanctions in private law transactions. Though inspired by non-economic considerations, country-imposed economic sanctions are unilateral measures and may be subject to blocking legislation. This raises issues of applicability in private law transactions and disputes.
- b. Fundamentally changes of the circumstances. The skyrocketing prices and shortage of certain essential commodities is a stress test for contract law and dispute settlement and call for the reconsideration of legal concepts that have been of little relevance since the collapse of the Soviet Union. Does the war and the ensuing economic shock exonerate contracting parties from the breach of contract? What dispute settlement method could be used to handle trade disputes with Russian enterprises?

5) Synergies

- a. IEL & international economic governance, multilateralism, other branches of international law.
- b. Economic war. Are we witnessing (the first) economic war? If so, what are the legal ramifications of this situation?

We invite abstracts of no more than 500 words by 3 July 2022. The decision will be made in the 1st week of July.

Abstracts and queries about this call, should be sent to:
csongor.nagy[at]gmail.com and marcin.menkes[at]sgh.waw.pl

Please title your message: IEL 2022 webinar + [topic no.]

Together with the abstract please submit:

- Author's name and affiliation,
- 1-page academic resume,
- Contact details, including email address and phone number.

Only one abstract per author will be considered.

Format. The conference will be fully virtual on the Microsoft Teams platform, managed by the Warsaw School of Economics.

Publication The organizers plan to publish a book based on selected presentations. Information about the publication will be provided separately.

ESIL This Webinar Conference is supported by the European Society of International Law.