Chapter 7: Investment

Worksheet

7.1 Case Study: Uruguay Limits Cigarette Sales

- In your own words, briefly summarize important facts about the case. Include important actors and events.
- What are the important legal and political questions raised by this case?

7.2 Protecting Foreign Investment

Concepts

- What are the key concepts that apply to this area of international law?
- Provide 2—3 examples that illustrate each of these concepts.

Evolution

- What are the key events and documents in the evolution of this area of international law?
- How have economic trends affected this area of international law?

7.3 Foreign Investor Rights

Expropriation

- What are the two different forms of expropriation?
- Provide 2—3 examples of each type.

Treatment Standards

- What treatment standards are commonly included in investment treaties?
- Be able to define each standard and provide examples of government policies that violate each standard.

Limits on Performance Requirements

- What is a performance requirement?
- What kinds of limits on these requirements are sometimes included in investment treaties?

Legal Remedies

- What institutions hear disputes about international investment law?
- How can investors be compensated if their rights are violated?

7.4 Preserving State Authority

Police Powers Doctrine

- What is the police powers doctrine? How does it preserve state authority?
- What limits do states face when they invoke the police powers doctrine?

Backlash to Investment Law

- What are some of the intellectual critiques of investment law?
- How has the behavior of some foreign investors sparked criticisms about investment law?

7.5 Case Study Revisited: Should We Feel Sorry for Cigarette Companies?

- How do the topics discussed in this chapter help you to understand this case?
- How would *you* answer the legal and political questions that are raised by this case?¹

¹ Note: Some of these questions may require that you express an opinion or make a value judgment. There is no inherently correct or incorrect opinion/value, but you should be able to support your answer (and argue against alternative opinions/values) using basic facts and logic.