

Contents

<i>Acknowledgements</i>	<i>vii</i>
<i>List of Abbreviations</i>	<i>xiii</i>
<i>Table of Cases</i>	<i>xv</i>
1. The Case for Legal Reform	1
I. From States to Non-State Actors	2
II. The Legal Framework for Multinational Enterprises.....	5
A. Primary and Secondary Rules.....	6
B. The Standards of Conduct and Review	9
C. The Third Agency Problem	13
(i) The Standards of Conduct or Primary Rules	14
(a) Domestic Law	14
(b) International Law.....	14
(ii) The Standards of Review or Secondary Rules	16
(a) Domestic Law and Limited Liability	16
(b) International Law and Territoriality	18
(iii) The Divergence between the Standards of Conduct and Review.....	21
III. The Avenues for Legal Change	22
A. Soft Law: Blaming and Shaming.....	22
B. Litigation Against Companies in Domestic Courts	25
C. Litigation Against States.....	27
IV. The Perspective of Victims	29
A. Case Studies	31
(i) Workplace Abuses: The Bangladeshi Case Study	33
(ii) Environmental Degradation: The Ecuadorian Case Study	34
(iii) Militarised Commerce: The Nigerian Case Study	36
(iv) The UK Home State	37
B. Normative Argument.....	39
2. The Obligations of Multinational Companies	42
I. Remedies in the Host State.....	43
A. Undercapitalisation	43
B. Investment Law	46
C. Complicity	49

II.	Remedies in the Home State.....	50
A.	Soft Laws	50
(i)	The United Nations.....	51
(ii)	The Organisation for Economic Cooperation and Development	53
(iii)	The International Labour Organisation	57
(iv)	Interim Conclusion.....	58
B.	European Union Law	58
(i)	Jurisdictional Issue: The European Union Brussels I Regulation.....	61
(ii)	The Conflict-of-Laws Issue: The European Union Rome II Regulation.....	63
(a)	The General Rule	64
(b)	The Environmental Law Exception	65
(c)	The Forum Law Exception	66
1.	First Issue: Forum Law Exception and Fundamental Human Rights.....	66
2.	Second Issue: Characterisation	71
(d)	The Rules of Safety and Conduct.....	72
(iii)	Application of the Conflict-of-Laws Rules in the United Kingdom	73
(iv)	Application of Host State Laws	74
(v)	Interim Conclusion.....	76
C.	Domestic Law.....	77
(i)	Direct Liability	81
(a)	The Supreme Court Cases on Parental Liability	81
(b)	<i>Dorset Yacht Co Ltd v Home Office:</i> Two Relationships	83
(c)	The Relationship between the Claimant and the Respondent.....	84
(d)	The Relationship between Parent Company and Subsidiary	85
(e)	Looking Forward: Transnational Cases	89
(f)	Interim Conclusion	92
(ii)	Indirect Liability.....	93
(a)	Evading Existing Legal Obligations	93
(b)	Single Economic Unit	94
(c)	Interim Conclusion	95
III.	Conclusion.....	96
3.	The International Legal Obligations of States	100
I.	The Nature of State Obligations	103
A.	Negative Obligations	103

B.	Positive Obligations	104
C.	Overcoming the Dichotomy	106
D.	The Duties to Respect, Protect and Fulfil	108
II.	The Positive Obligation to Secure that Enterprises Respect Human Rights in the European Convention on Human Rights	111
	A. The Obligation to Secure	114
	(i) Horizontal Application of Human Rights	117
	(ii) The Duties to Protect and Fulfil	119
	(iii) Corporations.....	120
	B. The Procedural Duty to Protect and the Right to an Effective Remedy.....	121
	(i) Article 8 and the Duty to Regulate Private Industries	125
	(a) Rights of an Adversely Affected Party.....	129
	(b) Rights of a Beneficiary	131
	(ii) Article 3 and the Duty to Prevent Torture and Inhuman and Degrading Treatment.....	133
	(iii) The Relationship between the State and the Private Company	137
	C. The Duty to Fulfil	142
	(i) Article 8 and the Fair Balance Test	145
	(ii) Article 3 as an Absolute Duty to Fulfil.....	148
	(iii) Trade and Investment	150
III.	The Application to the Case Studies	153
IV.	Conclusion	155
4.	Extraterritoriality	157
I.	<i>Lex Lata</i> : Extraterritoriality in the European Convention on Human Rights	158
	A. Extraterritorial Control	163
	B. The Duty to Protect: Territorial Control with Extraterritorial Effects	167
	(i) Control Over the Victim but not the Perpetrator.....	168
	(ii) Control Over the Perpetrator but not the Victim.....	170
	(iii) Control Over Neither the Victim nor the Perpetrator	174
	(iv) Scholarly Debate	177
	C. The Duty to Fulfil: The Ability to Influence	180
II.	<i>Lex Ferenda</i> : The State's Duties and Multinational Enterprises	186
	A. Extraterritoriality	191
	B. Positive Obligations and Private Enterprises	195
	C. The Duty to Protect and Multinational Enterprises	199
	D. The Duty to Fulfil and Multinational Enterprises	206

III.	The Extraterritorial Application to the Case Studies.....	212
A.	Duty to Protect.....	213
B.	Duty to Fulfil.....	215
IV.	Conclusion.....	218
5.	An Agenda for Legal Reform	220
I.	Duty to Protect.....	222
A.	New Binding Obligations.....	223
(i)	The Primary Rules: The Obligations	224
(ii)	The Secondary Rules: The Enforcement Mechanisms	227
(a)	Specialised Monitoring Body	228
(b)	Domestic Courts.....	229
B.	Existing Domestic Laws.....	231
(i)	Conflict of Laws	232
(ii)	Liability Regime	235
(a)	Indirect Liability	236
(b)	Direct Liability.....	238
II.	Duty to Fulfil.....	245
A.	Bilateral Investment Treaties and Free Trade Agreements	246
B.	Ethical Investment Policies	251
III.	Conclusion.....	255
	<i>Bibliography</i>	257
	<i>Index</i>	271