I
INTRODUCTION: OF MUSIC AND LAW

A little test worth conducting from time to time involves this question: Can you name two elements of German culture that have reached the greatest number of people worldwide? It is no surprise that German music will invariably be identified as number one. From Bach to Beethoven to Brahms and beyond: the concert halls, the record stores, the radio programs, all testify to the amazing enrichment of the world community by German composers. But what else is there? What other contribution to world culture have the Germans made that has affected the lives of people in many different countries? German philosophy, art, and literature (including even the brothers Grimm) pale by comparison with music in any test under which the number of people affected worldwide is crucial. So what comes next after music?

Is it the Volkswagen, is it the Rucksack, or aspirin? Certainly, they are hot candidates, albeit hardly recognized as such by Germans steeped in a traditional notion of "Kultur" which would not include any of these items. Yet there are even more embarrassing candidates such as, for instance, certain German military practices, the imitations of which can be observed in places as far apart as Red Square and Santiago de Chile.

Fortunately, law comes to the rescue. It can be seriously argued that German law in the last one hundred years or so constituted a manifestation of German culture which, next to music, was encountered by more people all over the world than any other accomplishment of that nation. To be sure, these encounters in the large majority of cases went unnoticed by those ultimately affected, the citizens of the many countries on whose legal systems German law has had an impact. More often than not, even lawyers tend to know very little about the origins of the law they practice. It is also true that when laws travel from one part of the world to another, they frequently undergo substantial transformations in the process of adaptation to a
different, sometimes radically different, social, political, economic, and cultural environment.

And yet, if one imagines a map of today's world highlighting all those countries upon which modern German law has had a significant impact, it would show a surprising picture. There is little doubt that the countries marked as "German law-influenced" would constitute a substantial share of the world's total population; even though probably not a majority, it might be close to it. One reason for this result is that with the promulgation of the General Principles the People's Republic of China must in all fairness be counted among the group of German law-influenced countries.

This will become apparent from the following analysis of the General Principles which, progressing from general to more specific features, focuses first and foremost on the "General Structure and Coverage" of the Principles. The typical German insistence on a stringent systematic "Organization" of a code furnishes the next point of comparison. Finally, the style of the Principles embodied in its "Approach and Concepts" will be studied, while a detailed inquiry into the "Content and Form" of the rules contained in the General Principles cannot be undertaken within the confines of this essay.

II

COVERAGE AND STRUCTURE OF THE GENERAL PRINCIPLES

A. A Civil Code Model and the General Principles

At first sight the General Principles is a far cry from the German Civil Code of 1896, which went into effect on January 1, 1900. Moreover, the Principles is a far cry from any modern civil code I know, whether these codes follow the German model or the French or any other model. The coverage of all these other modern civil codes is much broader. Most of those relying on the German model include comprehensive sets of rules on obligations (contracts, quasi-contracts, and torts), property (personal and real), family law, and decedents' estates (statutory heirs and wills). All of this is typically preceded by a "General Part" purporting to furnish rules applicable to all subject matters in the other parts of the code, and even beyond that to all matters of "civil law" (or "private law"), whether they are covered by the civil code, the commercial code, or some other enactment.

Some systems, both from the Germanic and the Francophone legal orbit, extend the coverage of their civil codes even further. In addition to the aforementioned topics, they incorporate into a single organic piece of codification matters of commercial law such as commercial transactions (warehousing, carriage of goods, and so on), negotiable instruments, corporations, partnerships, and the like.

On its face, the General Principles of the PRC does not at all resemble a civil code of one or the other description. The General Principles resembles the "General Part" of the German Civil Code to the extent that it contains rules pertaining to persons (chapters 2 and 3) and to civil legal acts as well as to
agency (chapter 4). The rules determining time limits for bringing an action (chapter 7) also deal with a subject included in the “General Part” of the German Civil Code. Finally, the choice-of-law rules in chapter 8 cover an area which the German legislature relegated to the “Introductory Statute” accompanying the Civil Code.

While these various sets of rules can be viewed, from a German perspective, as perfectly well suited for inclusion in the General Principles, it is somewhat surprising to find rules of property, contracts, and torts in chapters 5 and 6 of the General Principles. Obviously, they do not exhaust the subject matter to which they apply. In this sense they are not comprehensive. Moreover, they are different from the other rules in that they deal with questions which do not have general application. Therefore, from a German perspective, one would expect to find such rules in “Special Parts” of a civil code containing a comprehensive, not a fragmentary, statement of all the provisions pertaining to the various subjects.

Granted, however, that the coverage of the Chinese General Principles appears to be atypical when compared to the various prototypes of civil codes, especially the German, we should not allow ourselves to be misled by appearances.

B. The Historical Environment of the German Bürgerliches Gesetzbuch (“BGB”)

There is a clue from history to be gleaned from a sequence in time: The enactment of the General Principles followed a series of drafts of a PRC Civil Code with a considerably greater number of provisions and a correspondingly broader scope of coverage than the final product, called General Principles, in fact, contains. It is quite obvious from this legislative history that the idea of a comprehensive codification of civil law is still very much in favor in the PRC. On the other hand, it is also obvious that the conditions prevailing in the PRC in the nearly forty years of its existence were not ideally suited for a smoothly progressing process of drafting and enacting a monumental piece of legislation such as a civil code with a structure and coverage similar to that of the BGB. It should be remembered that it took the German draftsmen and legislators more than twenty years of sustained and painstaking work to produce their code (1874 to 1896). They were fortunate enough to undertake this task in a period of relative political stability and unprecedented economic growth in Germany and in other industrialized nations of the West. This is not all. The German drafters also could build upon solid foundations laid by European legal scholarship of several centuries culminating in the German Pandektenwissenschaft of the nineteenth century. This scholarship had won worldwide recognition and sometimes admiration from legal academics and many practitioners.
C. Conditions in the PRC Compared

Entirely different circumstances have prevailed in China since 1949 and, indeed, for a much longer period. Throughout the nineteenth century and into the twentieth, China has experienced interventions, internal conflicts, and an almost complete loss of self-determination. Since the inception of the PRC there have been at least four different phases in the country's political history. Notwithstanding the uniformly communist character of the PRC, the goals and the policies pursued during each of these phases were vastly different, sometimes diametrically opposed to each other. These political fluctuations have had a profound impact on the role attributed to the law and the project of codification of the law in China. This phenomenon is well documented elsewhere and does not have to be restated here in detail. The net result of the various turns in China's recent history is that there has not been one sustained, continuous effort designed to create a coherent body of law in keeping with China's needs and aspirations.

Since the era of the "Great Cultural Revolution" ended, the PRC has made great strides in modernizing not only its agriculture, industry, and educational and scientific institutions, but also in establishing a legal order appropriate to its modernization movement. There were very pressing economic, social, and political needs which clearly compelled inclusion of the legal system in the modernization policy. Most of all, the need to attract foreign capital and to stimulate other forms of economic, scientific, and technological cooperation with foreign countries, their citizens, and their corporations energized the legislative process of the past decade. It makes no sense here to recapitulate all the enactments or even the most important enactments in the PRC during its modernization era. It is crucial, however, to note that quite a few of the new statutes deal with subject matters which in a country with a civil code like West Germany's would most likely be affected by that code. Some would form a part (a "Book") of such a code, like the PRC's Marriage Law and the Inheritance Law (of 1950/1980 and 1985 respectively). Others might be embodied in separate statutes or codes; but many of the civil code rules on contracts or property would form the basis upon which the special legislation tacitly or explicitly proceeds, such as the PRC's Patent Law and Trademark Law (of 1984 and 1982). It is hard to assess the status, in a legal system like the West German, of statutes such as the Chinese Economic Contract Law of 1981 or the Foreign Economic Contract Law of 1985. The difficulty in dealing with this kind of legislation stems from the fact that in a capitalist system there are no easily identifiable counterparts to the particular contract relationships involved in these statutes. From an East German perspective there would be an interesting topic for comparison.

D. Chinese Method of Recent Codification

At any rate, it seems abundantly clear that in view of practical needs as seen by the political leaders and probably also by many lawyers, the PRC, in the period since 1977, had to enact a body of piecemeal legislation in areas
typically covered by a civil code. This had to be done quickly and without the benefit of much scholarly reflection, systemization, and coordination. The legislation thus enacted forms the backdrop of the General Principles. Thus, from a German-law perspective the various statutes bearing upon civil law relationships can be viewed in substance, even though not in form, as “Special Parts” of a civil code. A purist of the civilian approach to law would certainly prefer inclusion of all or many of these statutes and their homogenization in a civil code. I disagree with this purist position for two reasons.

E. Comparison with German Experience

It can be fairly claimed that ideal conditions, as outlined above, existed at the time that the German BGB was drafted and enacted. But even the German codification project was less streamlined than might be expected. Special legislation, e.g., determining liability for railroad accidents and for installment contracts, was enacted while the Civil Code was being considered and finally adopted. Practical needs did not permit legislative inactivity until the codification project was completed. At the time of the Code’s promulgation, this special legislation, which was clearly within the purview of the Civil Code, was not repealed, nor was it incorporated into the Code. Rather, it was left intact and continues to exist even today in the form of (frequently amended) special legislation. This fragmentation demonstrates that even a very principled, well-organized system like that embodied in the German Civil Code allows for pragmatic compromises. If practical needs call for piecemeal legislation, it is unwise to postpone the enactment of special statutes merely because they will constitute inroads or pockets within the realm of a codification with comprehensive coverage.

There is another and possibly even more important reason to justify the Chinese method of codification in recent years. This method has been characterized as a bifurcated process of pragmatism, which drafts first the retail and then the wholesale. No doubt this method collides with the position of a purist who, at a minimum, would insist that no series of statutes dealing with particular issues should or can be enacted in a coherent fashion without the previous enactment of general principles or rules that give direction and provide structure for the special enactments. These arguments, however, are the product of idealized conditions, often far removed from social and political reality. In actual legal practice even unarticulated, or only insufficiently articulated, legal principles or rules can exert a significant influence on specific rules. From this premise it follows that even after the enactment of specific rules the underlying (unarticulated or half-articulated) principles can be molded into statutory rules of a general character so as to inform the coherent interpretation and application of previously enacted specific rules. It seems to me that precisely this occurred when the PRC enacted the General Principles of Civil Law.

From a German-law perspective two things are remarkable about the Principles: First, and maybe foremost, is that no comprehensive codification is
attempted. This point makes sense in light of our previous discussion of the historical circumstances in the PRC. Much more noteworthy is the fact that Chinese jurists and legislators (at least a majority of both groups) seem to have been in agreement that specific statutes need to be based (for the purpose of coherent interpretation and application) on fairly broadly phrased principles of civil law. Furthermore, it seems that at least a majority of those groups agreed that the formulation of the basic rules and principles must be undertaken by the legislature and not left to courts or legal scholars.

F. A Common Law Perspective

A lawyer trained in the common law may find it hard to understand why Chinese lawyers and legislators are not content to leave the task of providing coherence in the handling of the formally isolated sundry of legislation to the courts. Why do they insist, a common lawyer may ask, on codified general rules and principles for this purpose? There is no easy answer to this question. It may be that the answer is not even all that important. What really counts, or so it could be argued, is that you can tell a German-law influenced tradition by its insistence on a well worked out “General Part of Civil Law.” Historically, this insistence seems to be related to a greater trust in legislatures than in courts as guardians of individual freedom. Be that as it may, the German tradition (and probably Continental European tradition in general) relies on a greater legislative role in defining the general confines of rights of all those affected by the law. One instrument serving this purpose in a German-style code is a “General Part.”

G. The “Generalness” of the General Principles

The General Principles of Civil Law of the PRC is entirely consistent with this tradition. To be sure, some of the rules included in these principles are rather specific and do not lend themselves at all to universal application. The same kind of criticism, however, can be and has been leveled against parts of the German BGB, e.g., the rules on “legal person” (sections 21-89) and on “things” (sections 90-103). Nonetheless, apart from such somewhat misplaced rules, the “General Part” of a German-style code is designed to provide structure, coherence, and consistency to the various special parts of civil law. It seems obvious that Chinese lawyers and lawmakers were prompted to push for the enactment and eventually to enact the General Principles primarily for the reason of giving direction and providing general guidelines for the enforcement of a host of civil law statutes. This effort aimed at the legislative construction of a principled and well-structured system of civil law sets the present law of the PRC clearly apart from any of the common law systems with their emphasis on creative lawmaking by judges without much principled direction provided by legislatures in private law areas. With its emphatic reliance on a “General Part” including rather abstract broadly phrased rules, the Chinese General Principles is also manifestly
distinguishable from French-style codifications of civil law which usually do not embrace this kind of "General Part."

Clearly, appearances are deceptive. The General Principles may not look very much like a civil code in terms of structure and coverage. However, seen in perspective and viewed, as it must be viewed, in connection with the host of special statutes in the realm of civil law in the PRC, it performs very much the function of a "General Part" of a German-style civil code.

III

ORGANIZATION (SYSTEM)

A. Meaning of System

From a German-law perspective the aspect of organization carries much more weight than a common-law-trained lawyer will ordinarily attribute to it. To the German legal mind a piece of legislation and especially a code has to be crafted. In particular it must have a well-designed scheme of organization. The German word for this is System, but the English counterpart "system" cannot possibly connotate the basically positive overtones of the German term. It would seem that "system" in English is essentially neutral and that the context can color it in positive or negative. Take the phrase: "To beat the system." Here, system clearly conveys a negative meaning. A literal translation into German using the word System is simply inadequate except when an adjective with a negative connotation is added to qualify System.

The point here is that a German-style codification has to have a well-designed System in order to pass muster. Not only does the BGB have a "General Part" containing principles and rules which, with certain exceptions referred to before, are applicable to the subsequent "Special Parts" (and sometimes outside of the BGB), but beyond that the "Special Parts" (called "Books") and their subdivisions are for the most part equally well organized. Consequently, the mere arrangement of the individual rules and groups of rules in the BGB (and other German codes) frequently furnishes important clues for their understanding.

This is the reason why Savigny, the great law scholar of the nineteenth century, and everybody who relies on his canons of interpretation recognizes the place of a rule in a statute or code as one of various significant arguments in the process of interpretation. This argument is called systematische Auslegung, and nothing could be more misleading than a literal translation into English that renders it as "systematic interpretation." An interpretation that attributes significance to the place of a rule in a code or statute is not "systematic," as contrasted with one that is "unsystematic;" rather, it is System-oriented, or System-based. These are the translations to be preferred. Of course, non-German lawyers, including those in common law countries, are not unfamiliar with interpretive strategies relying on spatial properties of a text. The fact is, however, that under a German-style code such strategies are
much more common and are taken more seriously (supplemented in most cases by purely textual and policy considerations as well as legislative history).

B. External and Internal System

The significant role of System-oriented strategies of interpretation under a German code can be seen also in the tendency of German lawyers to distinguish between "external and internal system" ("auesseres und inneres System"). On the one hand, this refined terminology used in the discussion about System lends further support to the foregoing assessment of the role of System in the understanding and handling of a German code. On the other hand, the term "internal system" demonstrates that the German concept of System involves more than the visible arrangement of textual materials in a code. It also refers to the substantive connections between various materials appearing in places removed from each other, possibly far removed from each other in different parts of the code. These invisible connections have to be laid open by commentators and courts, which in developing the internal system, may, sometimes, be aided by legislative history and by policy considerations.

C. System in Chinese Law

Where does a German-style System-oriented analysis of the Chinese General Principles lead us? Under present circumstances, not very far. But that is what, in view of the difficult circumstances prevailing in the PRC, one could have expected. For reasons of political and economic expediency, the leadership pushed for the enactment of special statutes such as the two contract statutes, the patent and trademark laws, the revised law on marriage, and the inheritance law. This was done in response to urgent practical needs arising in the course of the modernization drive. For the time being, the idea of a comprehensive civil code that included some or all of the subject matters covered by the special statutes was abandoned. In the course of drafting the General Principles, efforts were made, sometimes last-minute efforts, to iron out possible inconsistencies between the Principles and one or the other of the special statutes. No attempt, however, was made to incorporate any of these statutes into a civil code in the form of "Special Parts" following the General Principles. Obviously, the failure to do so was deliberate and resulted from the resolve to enact the Principles without further delay.

Consequently, I assume no review and no revision of that legislation occurred at the time of enactment of the General Principles. This leaves us with the possibility and, in the light of all historical experience, with a strong likelihood that more inconsistencies and doubts will surface regarding the relationship between the General Principles and specific rules in the special statutes.

Lawyers and courts and whoever is confronted with the application of those rules will have to work hard to resolve the doubtful questions. To be sure, to some extent this is the perennial task of lawyers and others under any
system of law. However, a German-style code can do a great deal to alleviate that task of harmonizing rules within a codified area of the law. A System-oriented strategy helps in this endeavor.

Its application presupposes, of course, a great deal of diligence and hard work invested into the drafting process. The arrangement of materials in a code (external system) and the substantive connections between materials located in different places of a code (internal system) can provide guidance toward a coherent, harmoniously fine-tuned enforcement of the code on one condition only. The external and the internal system must have been thoroughly considered and worked out within the legislative process. This in turn requires a great deal of time.

D. Building-Block Method of Constructing a System

Apparently it is precisely that commodity—time—which was not readily available during China’s modernization movement and was still in short supply when the special statutes and the General Principles were enacted. Sooner or later the work on a comprehensive civil code may be resumed. The draftsmen and the legislators would not necessarily have to start from scratch again, and they would not necessarily have to come up with a final product before any part of the new code would become effective. Rather, the General Principles and the special statutes, those already existing and those possibly enacted in the future, can be used like building blocks. Of course, they will have to be sandpapered or even cut to size (i.e., reviewed and revised) so as to fit into the new code. Also, the various parts of the code could be enacted seriatim in correspondence with the different dates of their finalization. To be sure, this is not the method of enactment of the German BGB and many other codes. Presently, however, West Germany is using this method in the process of creating a Social Law Code (Sozialgesetzbuch). The raw material consists largely of wide-ranging legislation, some of which has existed since the late nineteenth/early twentieth century and some of which is of recent vintage. The draftsmen started by designing a detailed outline of the new Code, with some parts more detailed than others. Next they devised two sets of general rules, one applicable to all special parts of the Code to come, another set applicable only within the part designed to contain the Law of Social Insurance. These general rules were promulgated and put into effect at the time they were ready. In the meantime, special parts formed from duly modified existing legislation have been added to the project, which is still in progress and presumably will be for some years to come. Of course, the method is not without difficulties and has its critics. But under the circumstances it seems to be the only way to codify the West German law in this particular field.

Possibly, similar steps could be taken to finally create a civil code in the PRC. The benefit to be derived from such efforts are the same as one can expect from any kind of codification. Internal consistency and coherence in the law are likely to be increased. More predictability of results and greater
ease in the application of the law is likely to ensue. All of this can reduce the waste of resources in the enforcement of the law.

IV

Approach and Concepts

A. Hands-on Attitude

There is little, if any, political ideology expressed in the Principles; pragmatism prevails. Hyperbole, verbose statements of lofty ideals, and moralizing language are avoided throughout. Even where the temptation to resort to such rhetoric must have been particularly strong, the draftsmen and legislators did not give in to it, as the legislatures in other socialist countries (and in China on other occasions) have frequently done. Excessive moral exhortation or condemnation, as the case may be, usually looms large when it comes to the formulation of preamble-type declarations like those contained in article 1 of the Principles, or when invalidating clauses like article 7 or an ordre-public clause like article 150 are formulated. In a most refreshing no-nonsense attitude, the Chinese authors of the Principles have wisely refrained from such excesses.

Generally speaking, their approach appears to be that of experienced craftsmen, of legal technicians who desire their product to be useful and most efficient in the hands of those who need to use it. Again, applying a broad generalization, I think it is fair to say that this approach is quite consistent with the one taken in many civil law countries. But the German Civil Code of 1896/1900 is perhaps the unsurpassed paradigmatic manifestation of such an approach.

B. Lack of Details

While there is thus a noticeable affinity in approach between the General Principles and the BGB, there is also a striking difference. The General Principles is far less detailed than the BGB. Of course, one should compare only those sets of rules in the two codifications that cover the same subject matter. For example, the rules on competence to perform civil acts (articles 11-13) leave open many more questions than sections 104-115 of the BGB. A reading of articles 54-62 on civil legal acts against the backdrop of sections 116-163 and sections 182-185 of the BGB reveals a similar disparity. Amazingly, the rules on agency in articles 63-70 approximate the degree of specificity of sections 164-181 of the BGB in larger measure than the other examples. By and large, however, the conclusion is inescapable that the General Principles regulates many fewer details than analogous parts of the BGB.

C. Lawyer’s Code and Citizen’s Code

It has been argued in criticism of the German Civil Code that it is overly concerned, to the degree of being obsessed, with technical minutiae. This is claimed to be one of the reasons for the Code’s inaccessibility to the ordinary
citizen. In this view, the BGB is strictly a lawyer’s code, and not at all a citizen’s code. It is then contrasted in this respect with the Swiss Civil Code, the French Code Civil, and, interestingly, the East German Civil Code of 1975. All three codes, so the argument goes, are much more easily accessible to laymen and are therefore more “popular,” more widely read, and more often consulted by non-lawyers.

While this last-mentioned assertion will be hard to verify and is thus subject to serious doubt, it is undeniable that the BGB is almost impenetrable for the uninitiated. One of the reasons for this uncomfortable fact is the high degree of technicality and specificity of rules that the authors of the Code provided so as to furnish a maximum of exhaustive and detailed rules.

This approach is obviously not shared by the authors of the General Principles. Speculating on their reasons, one can surmise that once again the enormous time pressure under which they acted may account for the relative lack of detailed rules. Alternatively, they may have intended to produce a “citizen’s code” in the sense outlined above and in contrast to a “lawyer’s code” like the BGB.

D. Highly Abstract Concepts

If this was one of their objectives, it is doubtful whether it can be accomplished. Regardless of the brevity made possible in part by leaving out a lot of details, the General Principles still has one crucial attribute in common with the German Civil Code which makes it unlikely that people without special training can easily grasp its exact meanings. The Principles employs some of the same highly abstract concepts which were worked out meticulously by the German Pandektenwissenschaft of the nineteenth century and which are to be encountered everywhere in the BGB.

The most notorious of them all is, of course, the concept of Rechtsgeschaeft, mostly translated as “jural act” or “juridical act,” and less often as “legal transaction.” In the translation of the General Principles into English the translation from Chinese reads “civil legal acts” and, in case the act is unlawful, “civil act.” Whatever the disguise, a German-trained lawyer will immediately know a Rechtsgeschaeft when he sees it; and he sees it everywhere in the General Principles.

There is another extremely sophisticated concept that the General Principles shares with the BGB: the “abstract notion” of agency (Abstraktheit der Vollmacht) which is as clearly embraced in articles 63-70 of the General Principles as in sections 164-181 of the BGB. This concept divorces the power of a person to act for another person vis-a-vis a third person almost completely from the underlying relationship between the agent and his principal. Consequently, the “abstract notion” of agency has so much plasticity that under Chinese law and German law it can be applied to a legal representative like a guardian or a corporate board of directors as well as to any agent appointed by the principal. It is against this conceptual background that one must read rules like article 14 and article 64 of the Principles.
These and other examples demonstrate that the conceptual apparatus of the *General Principles* is entirely familiar to a person trained in German law, provided allowance is made for the differences resulting from the existence of a socialist system in the PRC. But then there is a socialist system in East Germany. Once one knows enough about that system, it is easy also to understand the concept of "civil liability" and the ownership concept in the PRC.

V

**Conclusion: Content and Form**

It would be interesting to analyze in a comparative fashion those rules of the *General Principles* to which there is a counterpart in German law. An especially intriguing aspect of such a study would be the attempt to assess the possible reasons for divergences. To give an example, it is not clear to me why the civil act of a person acting under the influence of deceit or duress is treated as void according to article 58, whereas the civil act of a seriously mistaken person is not void, but can be rescinded by a court or arbitral tribunal under article 59 of the *General Principles*. Under German law the *Rechtsgeschäft* would be voidable in both instances (sections 119, 123 of the BGB), and no court needs to be involved in either case. This and many other questions relating to the contents of the *General Principles* will have to be taken up at another time.

Let me close with an observation on the form in which the rules in the *General Principles* are stated. They are neither too elaborate nor unwieldy, as is so much legislation in common law and sometimes in civil law countries; nor are they so succinct and elegant as to be unintelligible or obscure, as the French Code Civil frequently is. With respect to the textual form of legal rules, the originators of the *General Principles* seem to have pursued an ideal very much akin to the ideal of those who drafted the German BGB. In both of these codifications the ideal was not always attained. Yet, given the immense difficulties and the time constraints under which the Chinese draftsmen had to labor, their accomplishments are certainly quite impressive.