

Weintraub on Rome II: Simple and Predictable, Consequences-Based, or Neither?

Prof. Russell J Weintraub (University of Texas at Austin, School of Law) has published an interesting article on the Rome II Regulation in the latest issue of the *Texas International Law Journal* (Summer 2008): “**The Choice-of-Law Rules of the European Community Regulation on the Law Applicable to Non-Contractual Obligations: Simple and Predictable, Consequences-Based, or Neither?**” (43 *Tex. Int’l L.J.* 401).

The introductory paragraph reads as follows:

The European Community Regulation on the Law Applicable to Non-Contractual Obligations (“Rome II”) will take effect on January 11, 2009. This regulation is part of a widespread effort to draft new choice-of-law rules. For example, in 2007 a new conflict-of-laws code took effect in Japan. China is drafting a comprehensive civil code, which includes choice-of-law rules. What should be the objectives of these drafting projects? Should the new rules, as law-and-economics scholars urge, be simple and afford clearly predictable results? Or should choice-of-law rules endeavor to select the jurisdiction that experiences the consequences when the chosen law is applied? A third possibility is to draft rules that provide substantial predictability and are likely to be consistent with a consequences-based approach. Rome II falls into this third category: reasonably predictable results that are likely to give effect to the policies of the jurisdiction that will experience the consequences when the chosen law is applied.

There is now an extensive law-and-economics literature devoted to choice of law. Sections II and III summarize this economics approach to drafting conflicts rules and evaluate Rome II under this perspective. Sections IV and V outline a consequences-based approach to choice-of-law and appraise the extent to which Rome II is consistent with this methodology.

And here’s the conclusion:

Rome II provides reasonably foreseeable answers to choice-of-law issues. The various exceptions to the regulation's rules create the major predictability problems: (1) the cryptic "more closely connected" exception that appears in the general rule of article 4 and in several other articles, (2) the "public policy" exception of article 26, and (3) the "mandatory provisions" exception of article 16. The uncertainty caused by these exceptions can be alleviated by (1) replacing the "more closely connected" language with a reference to the country that will experience the consequences if its law is not applied; (2) providing that if a court refuses on "public policy" grounds to apply the law that Rome II selects, the court is not to seize this excuse to apply its own law, but is to dismiss without affecting the plaintiff's ability to sue elsewhere; and (3) giving some guidance as to what can qualify as internationally "mandatory" forum law.

The common residence exception to application of the law of the place of damage is partially, but insufficiently, consequences oriented. Rome II gets high marks for including time limitations and burden of proof within the scope of its rules. If it is to achieve its main purpose of making the result independent of the forum, Rome II should clearly indicate that quantification of damages is also within its scope.

The article can be downloaded from the Journal's website.

Another interesting article on Rome II has been written by *Prof. Weintraub* at an earlier stage of the regulation's legislative procedure, and was presented at a seminar hosted in March 2005 by the European Parliament's Rapporteur *Diana Wallis*: "**Discretion Versus Strict Rules in the Field of Cross-Border Torts**". It is available for download, along with papers by other prominent scholars who took part in the seminar, on Diana Wallis' website (Rome II seminars' page).

A slightly revised version, under the title "Rome II and the Tension between Predictability and Flexibility", has been also published in *Rivista di diritto internazionale privato e processuale* (2005, no. 3, p. 561 ff.).