

**Importance of cooperation and  
coordination among three countries  
and  
a common background of the  
legislative and regulatory system in  
Chinese, Korean and Japanese bond  
and capital markets**

ABMF-China-Korea-Japan Trilateral Asian Bond  
Market Law Seminar

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- The institute is dedicated to research on fundamental structure of a **corporation system** as well as **financial and capital market systems** in terms of historical and philosophical aspects.
- We were determined to promote research, aiming to understand the essence of the Western corporate legal systems for the mature society and even surpass Europe and the U.S. in logic.

## 1-1. Objective of Waseda GCOE Institute

- **Understanding the real nature of the Western legal systems** which have a long history since Roman law, without being constrained by the superficial form of statute laws,
- **Forming theories** about the parts which the Western nations rely on their experience, and
- **Developing a full-fledged theoretical model of the corporation system integrated with the capital market** which causes disaster if mishandled.
- We should **overcome the lack of experience** that the Western nations have, with intellect and through logical deduction and constructing essential theory, learn weakness in the Western models, and serve national interests of Asian countries and regions with the same problems.

## 1-2. Our Vision

- Our Institute will continue various cross-sectoral research among different fields of law studies with the common focus on **key words “corporation, market, and civil society,”** which is a kind of ambitious research never undertaken before.

**1-3. Three keywords**

- There are few countries and regions in the world that have placed such great importance on comparative jurisprudence as Japan has.
- Japan has taken more than a hundred years to arm itself with knowledge in European and American jurisprudence in its own language, and **comparative jurisprudence** has become a settled habit in the country; Japan is therefore all the more equipped to develop such knowledge.

**2. Comparative Legal Studies is our tradition since the Meiji era**

- Civil law or civil law system has developed in Western Europe, and widely adopted in continental Europe. Japan has adopted it during the Meiji Restoration, and then spread in Korea and China and other East Asian countries.
- In Japan, then, while under the influence of English law and U.S. law, became rooted in the tradition of Comparative Legal Studies.

### **3. Japan/Korea/China's reception of Civil law tradition**

- On the other hand, Common law historically derived from English law, now forms the foundation of the UK (except Scotland), the British Commonwealth countries and English-speaking country's legal system.
- For example, in Asia, India, Malaysia, Singapore, and Hong Kong, those countries and regions that there was once a British colony, essentially have maintaining the tradition of common law heavily.
- To my knowledge, these countries and regions, as observed in Japan, China and Korea, a unique and significant development in the field of civil law system has not been observed.

## **4. Reception of Common law traditions in Asia**

- → In the West, in order to stabilize the financial system and to prevent the recurrence of the global financial crisis, it has become a definitive direction to strengthen supervision and financial regulation.
- → But for Asia, when we seek for a way and a direction of the development of our own capital market regulation and supervision in the Asian region, it is important (1) to take advantage of high savings and a robust economy within Asia, and (2) to **emphasize harmony with the traditions and the culture in Asia**.
- → What are the basic principles of legislations / self-regulations / regulatory supervision to be applied to the common financial and capital markets for professionals within the Asian region?
- → It is an important policy issue in Asian region as a whole for regional market participants and regulators **to discuss the basic principles, and share together, both vision and design of the legislative and regulatory infrastructure of the professional market**.
- Who should take the lead?  
Only cooperation of China-Korea-Japan will make it possible.

## 5. Importance of cooperation and coordination among three countries



- Nov. 2008 in Beijing  
Finance Conference in Beijing – China - Japan International Scientific Symposium on Financial Markets [Construction of a new order after the Financial Crisis in Asian region]
- Jan. 2009 in Tokyo  
Japanese and Korean financial and capital markets legislation Forum - Financial Instruments and Exchange Law of Japan
- July 2009 in Seoul  
Capital Market Regulatory Forum of the three countries in Asia - China, Korea and Japan Forum for direction of capital market legislation, regulation and voluntary supervision in Asian region
- Jan. 2011 in Tokyo  
Korean Bond Market Seminar (The 2nd ASEAN+3 Bond Market Forum related ABMF-J&K Meeting)
- Apr. 2011 in Beijing  
China-Korea-Japan Trilateral Asian Bond Market Law Seminar

## **6. China Korea and Japan- Research exchange partnership proved**

# 7. Vision / Design for the Asian Bond Market

## Sequence of Bond Markets Development in Asia

How can we establish an Asian common set of standards and regulation to promote Cross-Border Inter-Regional (wholesale) Market in Asia?

