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Civil Law Perspective on International Trade: The Role of Economic Law in Regulating Cross Border Commercial Contracts

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Abstract

In international trade, economic law plays a critical role in regulating cross-border commercial contracts. As cross-border dealings increase, harmonizing legal principles becomes vital to facilitate smooth contract effecting. Despite the increasing significance of economic law in global trade, there is a lack of experiential proof to quantify its impact on the effectiveness and outcomes of cross-border commercial contracts. The research aims to assess the role of economic law in regulating cross-border commercial contracts with statistical analysis, specifically focusing on contract formation, enforcement, and dispute resolution mechanisms. Data is gathered from international commercial transactions across multiple jurisdictions. To investigate the relationship between legal norms and commercial contract outcomes, a quantitative research methodology is used, with statistical techniques such as regression analysis and correlation testing performed using IBM SPSS Statistics version of 29. Independent factors include legal harmonization measures (LHM), economic law frameworks (ELF), and dispute resolution procedures (DRM). In cross-border transactions, dependent variables include enforcement efficiency (EE), disagreement frequency (FOD), and contract success rate (CSR). The findings examined the significant relationship between well-defined economic legal frameworks and favorable contract outcomes, with higher degrees of legal harmonization contributing to fewer disputes and well-organized contract enforcement. These findings highlight the need of strong legal standards and international collaboration in promoting stable global trade. The research highlights the need for further global help in laws and regulations to improve sustainable international trade.

Keywords: Civil Law, International Trade, Economic Law, Cross Border, Contract.

Introduction

The global economy relies significantly on international trade, facilitates the movement of capital, goods, and services across borders. It ensures fairness, legal clarity, predictability, businesses engaged in cross-border transactions which requires a unified legal framework [1]. Organized and thorough procedures for regulating such communication are provided by civil law systems, which have their roots in codified legislation and regulations. Economic law is one of the principal areas of law that civil law states use to encourage international commerce [2]. The foundational principle of all global trade agreements is attention to the civil law approach. Rules leading such contracts, therefore, form an essential component of the economic law that regulates both business agreements and the trade, competition, and market practice structure that is typically in place in an exacting jurisdiction [3]. Economic law involves the basics of private and public law in its efforts to address issues that range from the regulation of markets and the settlement of disputes to the enforcement of contracts. Cross-border commercial contracts are based on international conventions and treaties, which make them vulnerable to the dynamics of multiple legal systems, creating complexities and uncertainties about interpretation and

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enforcement [4]. Civil law, with codified legal systems, offers an answer to such problems by clearly defining structures to govern commercial relations [5]. International trade under civil law relies on the uniform application of principles aiming at giving a high degree of legal certainty and predictability for international transactions. Among the chief goals of economic law, in this context, is the effort to reduce risks associated with international contracts, which include problems in jurisdiction, conflict of laws, and recognition and enforcement of judgments [6]. There are numerous laws and traditions about international trade. Another function of economic law, especially in the civil law system, is the formation and institution of normal business practices [7]. This extends to illustrate international conventions on contracts for the international sale of goods that lay a uniform structure for commercial contracts across more than one jurisdiction [8]. Harmonized legal principles enable consistent application, fostering an environment where businesses can operate freely in the global economy with confidence while respecting rights and fulfilling obligations governed by established rules [9]. Therefore, economic law influences the regulation of cross-border commercial associations, such as trade policy. Governments use economic law to promote trade agreements and shield domestic companies from unfair tactics such as intellectual property infringement, contract breaches, and anti-competitive activity [10]. Economic law, in this respect, safeguards the interests of all participating governments in global commerce in addition to regulating the relationship among the contractual parties.

Research Objective

The research goal is to investigate how economic law governs cross-border business contracts from a civil law standpoint, with importance on how intercontinental agreements and legal frameworks balance contractual duties and dispute resolution procedures in global commerce.

Key Contributions

- **Empirical Analysis of Legal Frameworks:** Measures how economic law affects cross-border business contracts with statistical methods, including regression analysis and correlation testing.
- **Focus on Key Contractual Aspects:** Examine important subjects, including the creation of international contracts, their implementation, and the dispute settlement process.
- **Identification of Influential Legal Norms:** Identifies key variables economic law frameworks (ELF), legal harmonization measures (LHM), and dispute resolution mechanisms (DRM) that affect contract success rate (CSR), enforcement efficiency (EE), and frequency of disputes (FOD).
- **Implications for International Cooperation:** Highlights the importance of strong legal norms and international cooperation in promoting stable global commerce, emphasizing the need for harmonized legal frameworks to facilitate efficient and predictable international trade.

Rest of the Research

The rest of the research is separated into multiple following phrases: Phase 2 and 3 explain the literature review and Hypothesis development. Methods and findings were depicted in Phase 4 and Phase 5, discussion and conclusion were given in Phase 6 and 7.

Related Works

The European Union's (EU's) sustainability strategy aims to improve trade agreements' labor and

environmental requirements. Regular dispute resolution, fines, and greater stakeholder involvement are all part of the approach. The product was examined to improve adherence and safeguard the environment and labor force. Among the restrictions are possible difficulties with enforcement and juggling the interests of various stakeholders [11].

The main objective of the research was to create future national investment law regulations that would support economic growth while maintaining independence. The research takes a normative approach using conceptual and legislative techniques and concludes that investment is essential for economic growth and job creation. While giving preference to domestic capital, it highlights the necessity of regulated competition to attract investment. The analysis was constrained by its emphasis on the development background of Indonesia and the ratio of foreign to domestic [12].

The research analyzes major issues and their impact on globalization initiatives through a qualitative examination of legal and regulatory compliance. The findings demonstrated the value of the law in boosting competitive advantage. The research focuses on American businesses and potential differences in legal systems between sectors and geographical areas were among its drawbacks [13].

The research focused on private regulatory organizations to evaluate the new "Transnational New Governance" system in international regulation. The domestic "New Governance" model needs to be adapted for the international context. It concludes that governments and intergovernmental organizations (IGOs) can improve this system by expanding their orchestration tasks. One limitation is the current orchestration gap that prevents effective implementation [14].

The research focused on data protection, intellectual property rights, trade barriers, and regulatory harmonization; it aims to research how artificial intelligence (AI) is influencing international trade rules. The research used qualitative approaches, focusing on the benefits and problems of AI but is limited by the complexity of international regulatory systems and the reach of the technology [15]. Table 1 shows the previous work overview.

Author(s)	Methodology	Findings	Advantages	Disadvantages
D. Sinha, S. Roy Chowdhury [16]	Blockchain-based smart contract framework analysis	Proposes a blockchain framework for international business.	Innovative framework using blockchain for international contracts.	Implementation can be challenging due to technological complexity.
W.C. Iheme [17]	Comparative legal analysis of cross-border consumer disputes	Analyzes the legal frameworks for resolving cross-border consumer disputes.	Useful for understanding legal frameworks in different countries.	It cannot cover all types of consumer disputes.
P.J. Buckley et al. [18]	Theoretical analysis of multinational enterprises	Analyzes the intersection of international business and	Provides insight into the darker side of multinational	Limited focus on criminal enterprises may miss broader

		criminal enterprises.	business.	issues.
A. Šilenskytė et al. [19]	Blockchain-based analysis of digital business ecosystems	Explores the role of blockchain in connecting digital platforms in international business.	Demonstrates blockchain's potential for improving international business connectivity.	Focuses heavily on the blockchain and may not account for other tech.
J. Zhang et al. [20]	ML analysis of cross-border acquisitions	Provides inductive evidence on cross-border acquisition strategies.	Uses ML for innovative insights into Multinational Enterprises (MNEs).	Focus on ML can not fully capture traditional business factors.

Table 1 Methods, Findings, Advantages, and Disadvantages in Previous Work

Research Gap

The difficulties of implementing an EU sustainability plan, juggling conflicting stakeholder interests, and the limited generalizability of the research due to the consultation of the Chinese investment legislation framework are some of its limitations. Furthermore, research based on corporations aim to expand in foreign markets ignores sectoral legal systems and cross-region differences of a country, respectively. Based on the paper on the regulation of private organizations, the scoring gap presents the problem behind its effective implementation ability. AI's influence on international trade is limited due to the technology's complexity and regulatory systems. The research on cross-border consumer dispute resolution lacks jurisdictional flexibility, and research on criminal multinational enterprises leaves several areas for future studies. The research on blockchain-based digital connectivity recognizes that its practical application would be limited in achieving the full theoretical features it aims to replicate, and research on determinants of deal completion is limited due to data context. IBM SPSS statistics version 29 can help to address the issues by having robust data analysis and visualization capabilities. In terms of enforcement and stakeholder interests, SPSS can analyze compliance data and stakeholder feedback to identify patterns and areas for improvement. Despite limitations in focusing on certain regions or sectors, SPSS's advanced statistical techniques enable the analysis of diverse datasets, making findings more applicable.

Hypothesis Development

❖ **Hypothesis 1 (H1):** Economic Legal Framework (ELF) positively impacts the Contract Success Rate (CSR).

A strong ELF creates stable surroundings for company to enter into agreement by offering precise rules, legal protection, and enforceability. By lowering uncertainty and risks, this predictability raises the possibility that contracts effectively shaped and carried out, which eventually raises CSR.

❖ **Hypothesis 2 (H2):** Economic Law Frameworks (ELF) are expected to lead to higher Enforcement Efficiency (EE).

Faster and more efficient contract enforcement is made possible by a well-organized legal framework, which offers uniform legal interpretation, clear regulations, and processes. It improves the efficiency of the enforcement process by lower legal uncertainties, increasing compliance, and facilitating cross-border dealings.

❖ **Hypothesis 3 (H3):** Legal Harmonization Measures (LHM) lead to a reduction in the Frequency of Disputes (FOD).

Countries can promote clearer communication and collaboration by reducing misinterpretations and divergent legal interpretations by harmonizing cross-border legal standards. Because uniform policy and practices provide a more stable and expected legal environment, this arrangement lowers the likelihood of legal disputes.

❖ **Hypothesis 4 (H4):** Dispute Resolution Mechanisms (DRM) positively impact the Contract Success Rate (CSR).

Effective and prompt dispute resolution promotes collaboration and confidence among contracting parties. The possibility of disputes getting worse, guaranteeing more efficient contract execution and a greater chance of getting better and more profitable outcomes.

❖ **Hypothesis 5 (H5):** Legal Harmonization Measures (LHM) directly improve Enforcement Efficiency (EE).

LHM helps lessen inconsistency and misunderstanding and enable more flawless functioning by harmonizing legal procedures and laws throughout various jurisdictions. As a result, enforcement activities are quicker and more dependable, guaranteeing constancy in results and raising common confidence in the efficacy of the legal system in various areas or countries.

❖ **H6 (a):** Enforcement efficiency (EE) directly mediates the relationship between the legal framework (ELF) and the outcome (CSR)

The probability of successful contract outcomes is impacted by the ELF's strength, which also affects how well contracts are enforced. Effective enforcement is made more dependable by a legislative framework that encourages. It enhances overall company and contractual performance by growing contract observance and company social responsibility.

❖ **H6 (b):** Enforcement Efficiency (EE) serves as the mediator, explaining how Legal Harmonization Measures (LHM) influence the Contract Success Rate (CSR).

LHM play a crucial role in enhancing EE, as they standardize legal frameworks across jurisdictions, ensuring consistency and clarity in enforcement processes. It improved enforcement efficiency, in turn, directly influences CSR, as contracts are more likely to be honored and fulfilled when legal systems are harmonized and enforcement is effective.

❖ **H6 (c):** Frequency of Disputes (FOD) is the mediator between Dispute Resolution Mechanisms (DRM) and Contract Success Rate (CSR)

DRM successfully resolves conflicts, which helps to lower the FOD. Escalating disagreements is less likely when DRM processes are effective and timely. The CSR is subsequently positively impacted since fewer unresolved issues result in improved collaboration between parties and smoother project execution, which guarantees successful contract results.

These hypotheses form the foundation for the subsequent statistical analysis, as shown in figure 1, which examines the direct and interaction effects among the independent and dependent

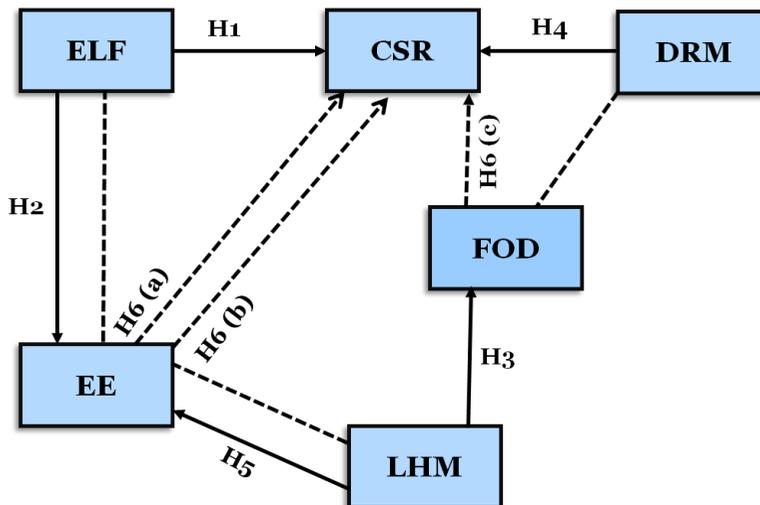


Figure 1: Hypothesis Framework

Methodology

The data collection process, along with an explanation of the independent and dependent variables, was outlined detailed in the section. Data analysis was conducted, and the corresponding flow of the analysis is presented in Figure 2.

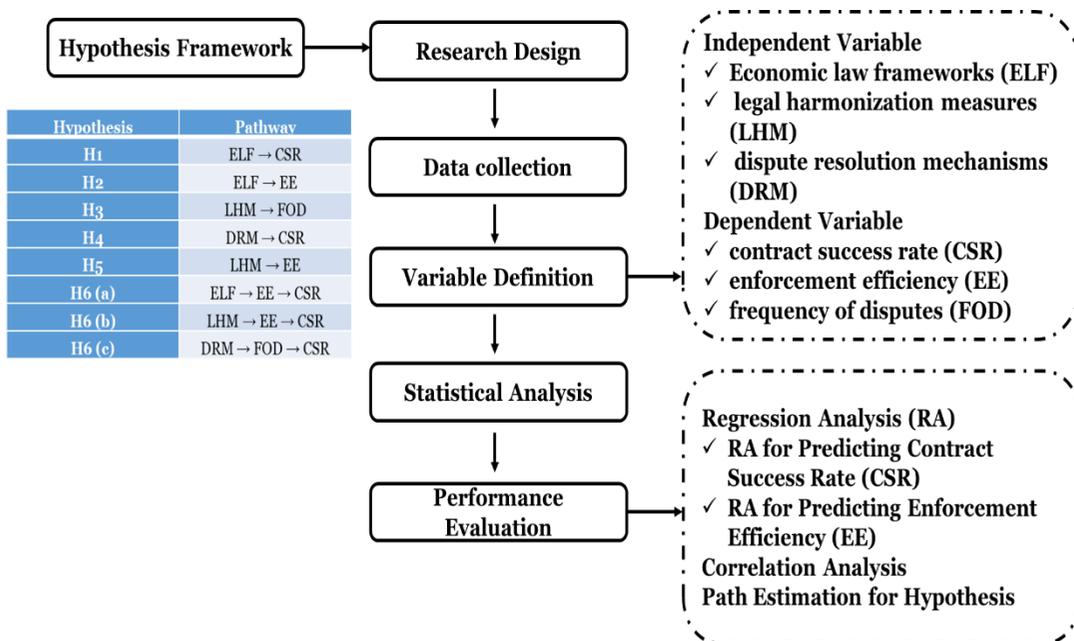


Figure 2: Diagrammatic Representation of the Research Progression

Research Design

The research adopts a quantitative and exploratory design to assess the impact of economic law on international business agreements. It focuses on examining the mechanisms of contract formation, enforcement, and dispute resolution in cross-border transactions. International commercial contracts from different countries are utilized to collect data, and statistical methods like regression and correlation analysis are utilized to assess the relations between legal frameworks and contract outcomes. An impartial and thorough assessment of the topic is guaranteed by this design.

Data Collection

International business associates include more than 1000 contracts in more than 10 countries, providing the data. To suggest the varied design of legal systems, the data includes both established and emerging economies. Additionally, to contract results like success rate (CSR), enforcement efficiency (EE), and frequency of disputes (FOD), the data collection includes knowledge of the economic law frameworks (ELF), legal harmonization measures (LHM), and dispute resolution procedures (DRM) that are employed in each contract. Case law, business contracts, and documents from courts, arbitration organizations, and international trade agreements are samples of data sources. In agreement type and resolution mechanism, Table 1 and Figure 2 provide samples of Contract Performance and Dispute Outcomes.

Contract Type	ELF Framework Rating	LHM Level	DRM Type	CSR (%)	EE (Days)	FOD (# Disputes)
Sale Agreement	High	High	Arbitration	95	30	2
Service Contract	High	Medium	Mediation	92	25	1
Supply Agreement	Medium	Low	Litigation	88	60	5
Franchise Agreement	Medium	Low	Arbitration	85	45	4
Distribution	High	High	Mediation	98	20	1
Licensing Agreement	Medium	Medium	Litigation	80	50	6
Purchase Agreement	High	High	Arbitration	97	35	2
Joint Venture	High	Medium	Mediation	90	30	3
Employment Contract	High	High	Arbitration	93	28	1
Partnership	High	High	Litigation	96	22	1

Table 1: Contract Performance and Dispute Outcomes

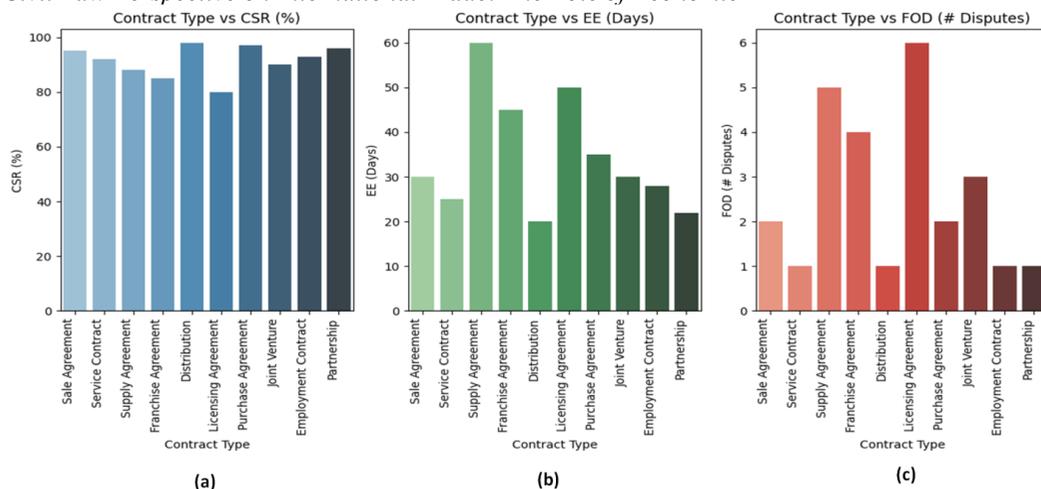


Figure 3: Graphical Representation of Contract Dispute Resolution Analysis

The main data from international profitable contracts shows key attributes of the contract type, ELF rating, LHM, DRM implemented, and three outcome measures CSR, EE, and FOD. The numerous elements that affect the results of agreements and how relationships, legal systems, and dispute resolution procedures affect the efficacy and efficiency of international trade agreements are shown in Table 1.

Research Variables

Independent Variables:

- ✚ **Economic Law Frameworks (ELF):** Legal frameworks that manage international trade
- ✚ **Legal Harmonization Measures (LHM):** Attempts to bring legal ideas from many countries into alignment.
- ✚ **Dispute Resolution Mechanisms (DRM):** Techniques, such as arbitration or mediation, for settling disputes in business contracts.

Dependent Variables:

- ✚ **Contract Success Rate (CSR):** The percentage of contracts that were completed.
- ✚ **Enforcement Efficiency (EE):** The efficiency and promptness of international contract enforcement.
- ✚ **Frequency of Disputes (FOD):** The quantity of disagreements that occur in international contracts.

Statistical Analysis

Using IBM SPSS Statistics version 29, there is an elaboration of the effects of independent variables ELF, LHM, and DRM on resultant variables like CSR, EE, and FOD. The three legal components concerning the direction and strength of the cross-border business contract implementation relationship and how much percentage each of those components influences have been assessed. To ensure that the study assumptions are verified, correlation tests are performed to establish the direction and strength of the relationships discovered. The overall

approach used here ensures a highly precise assessment of the impact that each legal component has on contract execution.

★ **Regression Analysis:** This statistical technique estimates the relationship that exists between the independent variables, like ELF and LHM to resolve disputes, and the dependent variable, which includes the CSR, the amount of disagreements occurring and the efficiency of the EE. Additionally, it helps to determine the extent to which changes in independent factors can influence dependent variables.

★ **Correlation Analysis:** It measures the strength and direction of the relationship between two variables. It provides an understanding of the relationship between ELF, LHM, and DRM with contract outcomes, CSR, EE, and FOD. Hence, positive correlations would suggest that there is a possibility that the legal environment develop and result in better contracts.

Together, these statistical methods provide a quantitative understanding of how legal factors influence the success and efficiency of international commercial contracts, allowing for data-driven insights into the role of economic law in global trade.

Results

The hypothesis revealed that well-defined ELFs show good correlations with positive outcomes in cross-border commercial contracts. Also, it was found that the disputes were fewer and contract enforcement effective with high harmonization. These results highlight well-defined legal norms and international cooperation as vital factors for creating stable and efficient global trade.

Regression Analysis

In economic law, regression analysis is a crucial instrument, especially when it comes to regulating international business relationships. By regression models, the interaction between trade volume, exchange rates, tariffs, and contractual obligations with other economic variables to understand trends and predict outcomes in international agreements. The analysis approach is especially useful in predicting CSR and EE it clarifies to policymakers and businesses the impact of different legal and economic factors on cross-border contract enforceability.

In the correlation coefficient equation (1), both the dependent variable, Y , and the explanatory (independent) variable or variables used to predict or relate to Y are included. The slope of the explanatory variable or variables, or the regression residual or error term, is represented by the intercept y, b (beta coefficient).

$$Y = a + bx + u \quad (1)$$

Regression analysis also provides empirical evidence to support in the assessment of the effectiveness of legal interventions such that required changes to existing policies or the formulation of new ones would optimize cross-border contract enforcement. The test outcome is shown in Table 2 and 3, along with the regression analysis, and predicting variables.

Variables	B	SE	t-Value	p-Value	Significance Level
Economic Law Framework (ELF)	0.45	0.08	5.63	0.000	$p < 0.05$

Legal Harmonization Measures (LHM)	0.32	0.07	4.57	0.000	p < 0.05
Dispute Resolution Mechanism (DRM)	0.21	0.05	-4.20	0.000	p < 0.05
Enforcement Efficiency (EE)	0.39	0.06	6.50	0.000	p < 0.05

Table 2: Regression Analysis for Predicting Contract Success Rate (CSR)

Variables	B	SE	t-Value	p-Value	Significance Level
Economic Law Framework (ELF)	0.29	0.08	3.63	0.001	p < 0.05
Legal Harmonization Measures (LHM)	0.21	0.06	3.50	0.002	p < 0.05
Dispute Resolution Mechanism (DRM)	0.15	0.05	-3.00	0.003	p < 0.05

Table 3: Regression Analysis for Predicting Enforcement Efficiency (EE)

Note: Coefficient (B), Standard Error (SE)

The result of performing a regression analysis to test factors associated with contract success rates and efficiency in enforcement. Significant positive predictors include ELF with a coefficient of 0.45, LHM at 0.32, and EE at 0.39, all having a p-value less than 0.05. The negative coefficient for DRM is 0.21, with a p-value of less than 0.05. Notably, CSR and FOD are excluded from the model, which could indicate that these are not significant predictors in the model. These findings emphasize that strong legal structures and effective implementation mechanisms are factors contributing to the success rate of contracts.

Correlation Analysis

Analysis of correlation is important in cross-border commercial regulation, specifically at the level of economic law, as it considers the interaction between legal rules, trade regimes, and their outcome on an economy. Indeed, the entire process assists decision-makers in understanding a legal framework governing the exchange and flow of goods and services that cut across territorial boundaries with the regulation of tariffs involved, international accords governing, and mechanisms to end disputes.

Using equation (2), where x_i , represents the values of the x and y variables, \bar{x} and \bar{y} indicates the means of respected variables.

$$r = \frac{\sum(x_i - \bar{x})(y_i - \bar{y})}{\sqrt{\sum(x_i - \bar{x})^2 \sum(y_i - \bar{y})^2}} \quad (2)$$

The nature of the general economic principles inculcated in them concerning supply and demand, pricing tactics, and competing intereststake shape within the legal, environmental setting under which cross-border trade transactions occur. Its appreciation serves to ensure maximum optimization in commercial strategies from globalization in comparatively and effectively channeling transactions. Table 4 and Figure 3 present the correlation coefficients among various variables, highlighting the strength and direction of their linear relationships.

Variables	CF	CE	DRM	ELF	LHM	DRM
Contract Formation (CF)	1.00	0.75	0.50	0.60	0.45	0.55
Contract Enforcement (CE)	0.75	1.00	0.70	0.80	0.65	0.85
Dispute Resolution Mechanisms (DRM)	0.50	0.70	1.00	0.55	0.60	0.80
Economic Law Frameworks (ELF)	0.60	0.80	0.55	1.00	0.85	0.75
Legal Harmonization Measures (LHM)	0.45	0.65	0.60	0.85	1.00	0.70
Dispute Resolution Mechanism (DRM)	0.55	0.85	0.80	0.75	0.70	1.00

Table 4: Correlation Matrix between Variables

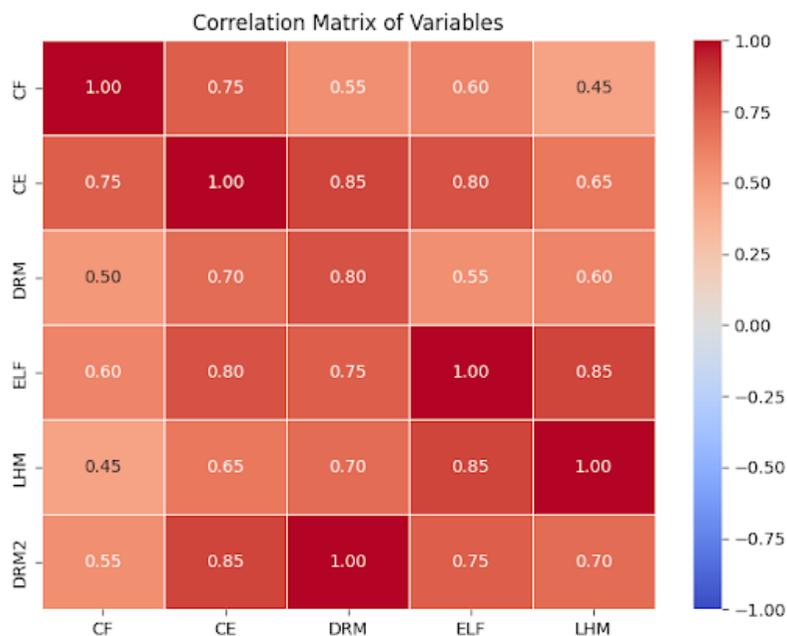


Figure 3: Graphical Representation of Correlation Matrix

Correlation coefficients between six variables: CF, CE, DRM, ELF, LHM, and dispute resolution outcomes DRM. For example, CF and CE have a very strong positive correlation of 0.75, meaning that as CF increases, CE tends to increase as well. The same applies to CE and DRM, which show a very strong positive correlation of 0.85, which means a direct relationship between the variables in question is strong. These correlations shed light on the ways through which the variables interact, which is helpful in the efforts to comprehend the workings of contract law and dispute settlement.

Pathway Estimation of the Hypothesis

The cross-border commercial contract is very significant in terms of economic law. It is the primary determination to ensure that fair predictability and legal recourse are used in international transactions. Hypothesis pathway estimation research on how different legal and economic elements, such as agreements that govern trading, mechanisms to address disputes, and observing regulations, are critical in terms of contract origination and contract execution. The interaction of the key variables of economic stability, legal infrastructure, and international regulations traced by pathway estimation displays the strength and direction of such factors. The

method can also indicate how the structure of economic law could be related to cross-border commercial relationships. It also provides a systematic method of inferring whether legal provisions can be formulated that would advance international trade while at the same time protecting the interests of all parties. Table 5 displays pathway analysis results.

Hypothesis	Pathway	β	SE	CI	t-value	p-value	Accepted / Not Accepted
H1	ELF \rightarrow CSR	0.38	0.06	[0.27, 0.49]	6.33	<0.001	Accepted
H2	ELF \rightarrow EE	0.12	0.08	[-0.02, 0.26]	1.50	0.135	Not Accepted
H3	LHM \rightarrow FOD	0.31	0.07	[0.18, 0.44]	4.43	<0.001	Accepted
H4	DRM \rightarrow CSR	0.20	0.09	[0.02, 0.38]	2.22	0.027	Accepted
H5	LHM \rightarrow EE	0.25	0.08	[0.09, 0.41]	3.13	0.002	Accepted
H6 (a)	ELF \rightarrow EE \rightarrow CSR	0.38	0.06	[0.27, 0.49]	6.33	<0.001	Accepted
H6 (b)	LHM \rightarrow EE \rightarrow CSR	0.29	0.06	[0.17, 0.41]	4.83	<0.001	Accepted
H6 (c)	DRM \rightarrow FOD \rightarrow CSR	- 0.19	0.07	[-0.33, - 0.05]	-2.71	0.007	Accepted

Table 5: Pathway Analysis and Hypothesis Testing Results

Note: confidence interval (CI)

In hypothesis testing within a structural equation model, the relationships between various constructs are examined using β , SE, CI, t-values, and p-values. If the p-value is below 0.05, the hypothesis is considered statistically significant and is accepted. For example, H1 (ELF \rightarrow CSR) has $\beta = 0.38$, SE = 0.06, CI = [0.27, 0.49], t-value = 6.33, and a p-value less than 0.001, thus accepted. In contrast, H2 (ELF \rightarrow EE) has a p-value of 0.135, which rejects. These results reflect the importance and strength of the connections that the model hypothesizes.

Discussion

The findings of the hypothesis underscore the role of economic law in enabling more efficient and successful cross-border commercial contracts. Statistical analysis reveals that well-defined ELF and greater degrees of LHM have the effect of increasing the rate of successful contract execution and improving enforcement efficiency while reducing the incidence of disputes in international transactions. This supports the hypothesis that stability and predictability are critical elements that coherent legal systems provide and help generate trust and minimize risks in global commerce. More importantly, the research emphasizes that the mechanism of dispute resolution plays an essential role in ensuring that the contract runs through its course. Such procedures are, in fact, a component of contract enforcement and may give rise to disputes. According to the argument, increased international coordination in legal norms and institutions is necessary to sustain and improve the effectiveness of global commercial interactions as the

volume and complexity of international commerce increase. Harmonization initiatives, which might result in more seamless international trading environments for companies and countries overall, should be the focus of policymakers and legal experts.

Conclusion

The use of economic law is crucial when establishing contracts for cross-border Companies. An effectual economic and legal system increases the occurrence of successful contracts and facilitates their enforcement, which lowers the probability of trouble concerning global commerce. It reduces legal ambiguities and ensures more seamless cross-border transactions by standardizing legal principles across various countries through the harmonization of laws. Robust dispute resolution methods offer well-defined protocols for resolving disputes. International trade becomes more efficient and stable as a result. Studies specify that the organization of such legal frameworks is necessary for promoting smooth international trade.

Limitations and Future Research

The capability to extrapolate result to other areas with distinct legal system can be limited by the exacting jurisdictions. More comprehensive information of the purpose of economic law in global commerce can be achieved by increasing the scope to cover a better numeral of jurisdictions and including qualitative studies in future research to solve these trouble.

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