

no reference is made to the aforementioned debate over the US and UK's legal argument that they possess the right to unilaterally enforce Security Council resolutions against Iraq. Nevertheless, the book exhibits great clarity which is enhanced by the drawing upon of a large number of examples of State practice and legal sources in setting out the conceptual framework. The similar layout of each of the chapters examining the different conferrals also makes for easy comparisons to be made. The book does not appear to have an intended readership and, as such, will appeal to both the academic and practising lawyers searching for an original and useful approach to the law of international organizations.

CHRISTIAN HENDERSON\*

*Kollektive Nichtanerkennung illegaler Staaten. Grundlagen und Rechtsfolgen einer international koordinierten Sanktion, dargestellt am Beispiel der Türkischen Republik Nord-Zypern*, by STEFAN TALMON [Mohr Siebeck, Tübingen 2006, XXXIX+1052pp, 149, ISBN 978-3-16-147981-6].

Recognition of States and other entities in international law is one of the most ancient, as well as one of the most general and fundamental fields of public international law. Due to the trends towards specialization observable in the discipline, reflected also in the choices made by many international lawyers, topics such as recognition no longer receive such wide attention and discussion as was the case two or three decades ago. Dr Talmon's comprehensive and high-quality analysis of some important aspects of this area is a significant reminder that the maintenance of the generalist grip on subjects like this is both feasible and necessary.

The monograph (the shorter French version of which has been published by Pedone as *La non reconnaissance collective des Etats illégaux*, 2007), is both an important contribution to the learning on recognition, as well as a comprehensive analysis of the problem on which it places particular emphasis: the claims of Statehood of the 'Turkish Republic of the Northern Cyprus'.

At the beginning, the monograph focuses on the history of the Cyprus conflict, by way of introduction to the factual background and then examines the evolution of the international legal standard of the duty of non-recognition by looking at the collective non-recognition of Manchukuo, Southern Rhodesia and the South African homeland States. From this analysis the readers will learn, for instance, that the roots of this doctrine go back significantly earlier than the 1932 Stimson Declaration on non-recognition of territorial and other changes to the detriment of China. Earlier statements of the US Government regarding Japanese actions in relation to China and Russia confirm this.

After this introductory part, Talmon proceeds to explain the legal basis of collective non-recognition in international law. Collective non-recognition is examined from the constitutive, declaratory and negatory perspectives. It is seen as the classic third party counter-measure in response to a serious breach of a fundamental norm of international law affecting the international community as a whole. After this, the analysis expands on examining calls for non-recognition within the United Nations system, both in terms of Chapter VII measures and otherwise. Whilst the UN may not have laid down a general duty of non-recognition, UN organs have nonetheless played an indispensable role in coordinating its execution. The analysis in this monograph draws our attention to the implications of the doctrine of non-recognition, one of which is the continuation in force of legal relations which were in place before the actions giving rise to the non-recognition have occurred.

In addressing the specific aspects of the operation of the duty of non-recognition through the example of TRNC and to the extent possible of other relevant entities, Talmon focuses on a wide variety of issues, such as: treaty relations; unilateral acts; membership in international institutions; standing before international and national courts; bilateral relations between the non-recognized

\* PhD student at the School of Law, University of Nottingham.

entity and non-recognizing States; and the issues of economic contacts, postal communication, sea and air communication. After this, the monograph examines the issues of international responsibility for violations of international law in Northern Cyprus.

It is hardly possible within this review to account for the merits of the treatment of each of these substantive issues in the monograph. The treatment of the application of the duty of non-recognition and these specific implications is simply the most original and comprehensive currently available. In short it is the first and only successful attempt to bring the developments in these fields, in a systemically arranged way, to the attention of the audience of international lawyers.

In examining all of the issues included in this monograph, Talmon is careful to take account of all relevant practice, including actions taken and views expressed within the framework of bilateral relations, regional institutions, the United Nations or international and national tribunals. Furthermore, the size of this monograph, consisting of 12 chapters and the conclusion, is directly proportional both to the quality of the research and analysis on which it is based, as well as its comprehensive approach. The fact that such comprehensive and complex analysis is required to cover the legal aspects of non-recognition of one entity such as 'TRNC' only demonstrates the broad scope of the problem and the vast amount of material that has to be studied in this relation. In addition, the comprehensive indexes and tables of literature and authorities make this monograph both attractive and user-friendly. This work is definitely to be recommended as indispensable to anyone whose studies, research or practice involves the issues of recognition and its utility is sure to stand the test of time.

ALEXANDER ORAKHELASHVILI\*

*Banking Regulation and World Trade Law* by LAZAROS E PANOURGIAS [Hart Publishing, Oxford, 2006, 272pp, ISBN 978-1-841134-58-1 (h/bk)]

It has become fairly axiomatic that the regulatory regime for the financial services industry is a highly important and vital piece of modern economic and legal infrastructure. It is mostly perceived as making an important contribution to this activity and no less to social welfare and economic progress and stability. This type of regulation is well developed in most modern countries; the situations in the US and the UK spring first to mind but there has been an advance in sophistication everywhere. Fundamental reform, in Europe often in terms of deregulation, is met by newer forms of re-regulation, frequently as the result of approximation or convergence of regulatory standards under international guidance. This is demonstrated in banking, in particular by the Basel I and II Accords on capital adequacy and in the EU for cross-border financial transactions by a system of minimum regulatory requirements for mutual recognition of home regulation (subject to only residual host country powers). This is now often called passporting, under the Financial Service Action Plan of 1999 (FSAP) extended from financial intermediaries to issuers and issuing activity.

The EU programme especially is a significant achievement. It was motivated by the restrictive effects of domestic regulation, particularly the risk of double regulation in the context of cross-border financial services, and deals with domestic regulation. It led to a divide between home and host regulation and tasks with emphasis on the former, allowing a form of regulatory competition in areas not harmonized. Short of a single regulatory regime and single regulator (except in the monetary field through the European Central Bank), this approach would appear to be sound and practical. Even though it may not as yet have achieved the free flow of financial services and products to the extent the European Commission desires it—hence the FSAP restructuring of the basic concepts with an important strengthening of the notion of convergence now in the process of being implemented and tested in practice—it presents an important model for the international freeing up of regulated financial services, therefore also for WTO/GATS.

\* Junior Research Fellow in Law, Jesus College, Oxford.