

**DAVID GALLO – SPEECH**  
**“The Strategic Role of Business, Law and Education**  
**In Overcoming Contemporary Challenges”**

**International Young Scientists Forum**

When I was asked to share my thoughts about the **challenges** we face, and to suggest potential **strategic responses**, three separate, but interrelated topics came to mind. I would like to discuss today some obstacles that we are encountering in certain areas of **business, law, and education**—and how we can address those challenges with public policy and private sector **solutions** to drive the advancement of a progressive and enlightened society.

**BUSINESS.** Let’s start with business. My view is that business can lead the world forward. But here are the **challenges** we face. We all seek to accelerate cross-border trade. But this is a difficult task. The global economy is complex, with a wide variety of political systems and national priorities. Entrenched institutional practices are slow to change. Every country has its own unique form of sovereignty, and the pandemic has revived a shift, by some jurisdictions, toward protectionist economic policies.

So, what should be our **strategic response**? Let’s step back and reflect on the dynamics of commercial business activities. International business has a common purpose, and commercial activities in market economies create unifying themes. Think about it this way: **business always gets it right**. While, later in this paper, this proposition will be qualified with certain preconditions relating to rule of law principles, and an overarching ethical framework, we can generally posit that *natural economic forces drive business to achieve success*. Competitive pressures require organizations to deliver unique and differentiated value to their customers, suppliers, and other stakeholders. Successful business activities drive production and output. These are the engines of economic development. The results include infrastructure improvement, and job creation. Growth in cross-border trade, and rising Gross Domestic Product, equate to higher standards of living, and other social benefits.

History has shown that there is a correlation between long periods of growth and prosperity, and sustained peaceable relations among nations. Across the globe, we all have the same goals: to work, raise a family, get an education, stay healthy, be secure in our homes, and pursue happiness in its various wonderful forms. Business unifies us, and makes it all possible.

So, let's remember (with caveats): **business always gets it right**. Public policy should support organizations whose activities contribute to the improvement of social and economic welfare. Accommodative public policy should be designed to streamline the cross-border flow of people, capital, and goods, and to create regional private sector investment opportunities. A new spirit of cooperation and collaboration is required to create market-based transactions where there are no winners and losers, but rather **all parties are winners**.

**LAW.** Now let's talk about law. As the Greek poet, Aeschylus, told us so many years ago, we should dedicate ourselves "to tame the savageness of man, and make gentle the life of this world." We all believe in the establishment of the **Rule of Law** as the organizing principle to govern our political, social, and economic affairs. Fair, consistent, and progressive legal systems are required as the foundation for cross-border collaboration, and international trade.

But operationalizing these principles is enormously **challenging**. With the globalization of trade, the rise of sophisticated cross-border transactions, the legal and regulatory issues arising from new technologies, and the diverse range of national legal systems that are based on historical (and parochial) jurisprudential traditions--the legal environment has become increasingly complex and disjointed.

What should be our **strategic response**? Let's start by imagining a "holistic" view of **one unified global legal system**, which consists of multiple sub-parts. To drive the goals of international business, various legal systems, whether based in common or civil law, or international principles, must operate as cohesive, interdependent institutional

frameworks. Universities, government ministries, regulators, and specialized technology providers must work together to establish this systemic interconnection.

But this is not enough. Something more is required. We can look to the ancient philosophers and political thinkers for guidance on how to advance great civilizations. Aristotle and Plato proposed that legal systems must be based on **reason and justice**. Great republics must construct a framework for regulating social behaviors that are predicated on notions of **goodness, truth, wisdom, and fundamental respect for the dignity of others**. Great statesmen must be “philosopher-kings,” who are schooled in the broad-based humanities, and who lead the body politic with wisdom, courage, integrity, honor, and virtue.

Here, in Central Asia, we would be remiss if we did not defer to the classical Roman political philosophers who had such a powerful influence on the regional systems of law. Cato promulgated the notion that the ideal state is based on love for the homeland, patriotism, family, and obtaining practical wisdom—all of which leads to virtue. This brings societies together in constructive ways. Cicero formulated a theory of **natural law** based on the notion that every aspect of the universe is governed by **divine reason**. True law means that the civil law of men must conform with natural universal principles of divine law. Thus, the state must uphold laws that are in harmony with these immutable laws of nature. Cicero noted that “if a state does not uphold right reason, in agreement with nature, it is not truly a state.”

Similarly, the great poet and philosopher, Abai Kunanbaev, told us we are all imbued with the divine gifts of **reason**, and a **loving soul**. And these gifts allow us to perceive the harmony of the laws of nature, and to comprehend the mysterious beauty in the human condition. (It should be noted that the significance of German and Russian influences on Central Asian jurisprudence is substantial, but is beyond the scope of this paper, and deserves separate analysis.)

If we subscribe to the theory that the human condition necessitates acknowledgement of a **spark of divinity**, whether predicated in theological, mystical, or agnostic orientations, then **our laws and business practices** must reflect the universal principles that were celebrated by the wisdom of the ages. In short, a true state requires **ethical substance**.

Public policy should empower and encourage legal institutions to reach across jurisdictional boundaries to create structures that foster efficient and fair commercial practices. This can be done through the development of model codes, treaties, strategic alliances, joint ventures, memoranda of understanding, and other vehicles designed to facilitate commerce, and to ensure access to justice. Legislative, regulatory, and enforcement bodies should devise legal frameworks to ensure that commercial affairs are conducted with integrity, transparency, fairness, and in accordance with ethical standards. Compliance must be strictly enforced. As Cicero noted, as a fundamental rule: "Let the welfare of the people be the ultimate law."

**EDUCATION.** This leads us to our final topic of the role of **education**. The globalization of business, and the challenges created by international trade, have redefined the knowledge and skills that modern lawyers need to effectively advise and represent their clients.

But here is the **challenge**. There are gaps in traditional legal education. As a general proposition, law schools prepare students to become qualified lawyers in the specific jurisdiction where the law school is located. Higher education regulatory bodies, and public bodies that license lawyers, typically recognize only the academic degrees, and a curriculum of study, based on the laws, procedures, and practical skills that are appropriate to that particular jurisdiction. Academic programs are based on either civil law or common law traditions, and virtually no law school provides systematic cross-training.

So, what is our **strategic response**? Legal education must prepare lawyers for the new realities of international commercial law practice. A new **competencies framework** for

lawyers is required. Accordingly, I propose a **new model** of legal education that enables law students to develop those competencies. This would be a world-class, unique program, designed as a symbol of national pride, and intended to serve the Republic's vision of a "knowledge economy" based on human capital development. International commercial lawyers must have knowledge and skills in fundamental business principles, the common law and civil law traditions, and an appreciation for international law, comparative law principles, geopolitical sensitivities, and public administration.

This law school of the future would be designed to foster legal system excellence, and to encourage the establishment of the global rule of law. It would feature the collaboration of market-leading universities and other institutions. In this consortium, each participant would provide its global brand, and international best practices, in the area of its particular core competencies. The law school would include best-in-class institutions representing common law and civil law traditions. It would also include MBA-level studies in subjects like economics, finance, and marketing; courses in the arts and humanities would be required, such as history, philosophy, political science, and ethics; legal practical skills would be taught in workshops, covering areas like research, writing, advocacy, mediation, and negotiating with foreign governments. Creating the law school of the future would require the participation, and formal approval, of higher-education accreditation bodies, and professional regulatory institutions.

**CONCLUSION.** Now, let's review what we covered today. We identified challenges relating to business, law, and education, and we offered potential strategic responses.

First, we talked about **business**. The outcome of enlightened business is the improvement of public welfare. Business should be conducted in view of humanistic values for improving societies, fostering peaceable geopolitical relations, and advancing international civil affairs. Public policy must support business development, because business always gets it right. ***The AIFC international financial center is well-positioned as a robust capital markets platform to drive investment in the***

***infrastructure projects that are the foundation of the Republic's vision of economic reform.***

Second, we talked about **law**. Legal institutions must collaborate and cooperate to streamline transactional practice, ensure fairness, and enable access to justice. Regulatory frameworks, and codes of professional responsibility must be based on reason and notions of universal ethics. Public policy must ensure institutional and individual compliance with these guidelines. ***The AIFC legal framework is comprised of progressive commercial laws and dispute resolution institutions that reflect international best practices. Parties may choose AIFC laws to govern their commercial contracts, and they may agree to the jurisdiction of the Courts or International Arbitration Center to resolve disputes.***

Third, we talked about **education**. For every challenge that we face in business or in law, education must be part of our strategic response. As Socrates noted, education is like a life-long journey from the darkness of a cave to the light of wisdom. The ongoing acquisition of knowledge is our most noble quest. New professional competencies are required for success in an international commercial environment. Public policy must support new models of education. ***The AIFC Academy of Law provides legal education services to prepare lawyers for international commercial law practice. The Academy is well-positioned to establish a unique academic model, with a curriculum designed to provide regional and international students with legal education that has global value.***

Now, let us tie it all together. Let us operationalize the wisdom of history's greatest political philosophers. Let us consider the nature and purpose of our institutions. Our **political, legal, business, and educational structures** should take inspiration from the theory of **natural law**, which says that human beings possess **intrinsic values** that govern our reasoning and behavior. Thus, our institutions should be built on the **universal truths** originating from our most **noble impulses**. They should represent what is **best** in the human spirit. Like timeless art, may our institutions represent the tangible

manifestations of truth and goodness. In the words of English poet, William Butler Yeats, may our institutions stand eternal—as ***monuments to the soul's magnificence***.

With that, I would like to offer one more **challenge that we face in the 21<sup>st</sup> century**—to you, today's audience, this esteemed fellowship of business professionals, lawyers, and educators.

It has been said that ***Great moments are borne from great opportunity***. Through your hard work, talent, and dedication to public welfare, each of you has earned the right to be here. Each of you has been called to greatness. This is an historic time. I look forward to celebrating the magnificence of **YOUR strategic response**.

Thank you.

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