California persists in integrating social justice considerations into its endorsement of arbitration—at least in domestic matters involving consumers. Recently enacted legislation limits the financial liability of consumer for the costs of arbitration. In effect, low-income consumers are exempted from the consequences of “loser pays” provisions. (Story on page 315.)

The California State Bar Association is about to propose a change in California law that would permit non-U.S. attorneys to represent clients in arbitrations held in California that do not involve the application of state law. The measure is in keeping with the standard that now applies to non-California U.S. lawyers who participate in arbitrations held in California. (Story on page 315.)

The U.S. Court of Appeals for the Ninth Circuit has confirmed a CIETAC arbitral award even though it involved proceedings in two separate venues done by two separate arbitral tribunals. Because the parties’ agreement did not contain any requirements relating to the venue for arbitration, the court held that the administering agency had complete discretion over the matter. (Story on page 316.)

In a case summarized in the Baker & McKenzie Newsletter on International Litigation and Arbitration, the U.S. Court of Appeals for the Fifth Circuit has held that the ground of “arbitrary and capriciousness” is not a viable basis for the vacatur of awards in the Fifth Circuit. In so holding, the court emphasized that it will continue to afford great deference to arbitrator determinations. (Story on page 316.)

The Fifth Circuit also has held that the New York Arbitration Convention applies to a dispute between two U.S. nationals arising from an injury off the coast of Nigeria (summary on p. 326) and that an arbitral clause that permits one of the parties to have judicial recourse and denies that type of relief to the other is unenforceable under Louisiana law (summary on p. 327.)

Finally, in a Perspectives article, Markham Ball, Director of the Alternative Dispute Resolution Center, International Law Institute, provides a rigorous and insightful assessment of the new IBA Guidelines on arbitrator disclosure and conflicts of interest. Despite a number of misgivings and the view that they are a “work in progress” Mr. Ball states that “the Guidelines make an important contribution toward the analysis and solution of the problems they address...[and] will be of significant assistance to arbitrators, arbitration lawyers, and institutions, and probably also to many courts and legislators as well, in the future.” (The Perspectives section begins on p. 333.)
IN THIS ISSUE

NEWS AT HOME

California Proposal to Allow Non-U.S. Attorneys at Arbitrations...........315
The “Great Society” Reaches Consumer Arbitration in California...........315
Fifth Circuit Stays Litigation Pending Arbitration............................315
Ninth Circuit Confirms a CIETAC Award That Involved a Hybrid Venue..............................................................316
“Arbitrary and Capricious” not a Ground for Vacatur in the Fifth Circuit.........................................................................316
National Arbitration Forum (NAF) Case Abstracts.............................317

INTERNATIONAL NEWS

Dismissal of a Motion to Compel Arbitration in a Transborder Setting.................................................................................325
Current Trends in International Arbitration Affecting In-House Counsel Decision-Making..............................................................326
Dubai Arbitration Conference...........................................................................326

JUDICIAL DECISIONS

Fifth Circuit Rules on the Definition of “Customer” Under the NASD Code of Arbitration.................................................................326
Fifth Circuit Compels Jones Act Claims to Arbitration Under the New York Arbitration Convention......................................................327
Fifth Circuit Strikes Down Phone Company’s One-Sided Arbitration Clause.....................................................................................328
Bankruptcy Court Compels Arbitration of Debtors’ Claims....................329
Court Holds That a Party Seeking to Vacate an Arbitral Award has the Burden of Proof .................................................................329
U.S. District Court Compels TILA Claims to Arbitration.....................331

STATE JUDICIAL DECISIONS

Ohio State Appellate Court Compels Contract Assignees to Arbitrate.........................................................................................332

PERSPECTIVES

Probity Deconstructed—How Helpful, Really, are the New International Bar Association Guidelines on Conflicts of Interest in International Arbitration? by Markham Ball..................................................333

BIBLIOGRAPHIC RESOURCES

by Kimberly Koko.....................................................................................342

CALENDAR..............................................................................................345