

Call for Papers: The Rule of Law Under Pressure – Implications for Investors and the Financial World

The *rule of law* forms an essential foundation for the functioning of society, the economy, and equally the financial markets. Investors rely on predictable laws and regulations, independent judiciary, and consistent enforcement of contracts and property rights of investments, including physical assets such as infrastructure and real estate. Without this foundation, uncertainty increases, risk premiums rise, and capital may be allocated less efficiently—or not at all.

Increasingly, the rule of law appears to be under pressure worldwide. Political and geopolitical tensions are leading to direct and indirect government interventions—such as threats of levies, withdrawal of government contracts, etc. These interventions affect citizens, companies, and financial markets. They also influence investors' allocation decisions and put pressure on the separation between public interests and fiduciary responsibilities. Examples include U.S. government market interventions, the UK's call for pension funds to invest domestically, and the recent divestments of pension funds from U.S. asset managers due to changes in ESG policies. These developments directly affect investment practices and the stability of the financial sector.

Authors are strongly encouraged to also present counterarguments. Perhaps the threat is less severe, and the impact more limited, than often assumed?

Possible topics include:

- **Stranded assets and legal certainty**
What role does a predictable legal framework play in managing the risk that investments (e.g., in fossil energy) rapidly decline in value?
- **Infrastructure investments and government interference**
The demand for more capital for (digital) infrastructure is high. How can investors deal with the risk that governments, through directives or regulation, exert direct influence on individual investments in a country and even more broadly on allocation decisions?
- **Fiduciary duties versus political agendas**
How do the fiduciary duties of institutional investors relate to government pressure to invest domestically or in specific sectors, such as defense or the energy transition?
What are the consequences for diversification, returns, and risk?
- **Rule of law and market access**
How does erosion of the rule of law affect international investors' willingness to enter new markets, and what are the broader implications for financial stability? To what extent does this limit investors in achieving their ESG ambitions?
- **Comparative perspectives**
What lessons can be learned from countries where the rule of law has been weakened?
How did markets, regulators, and investors respond?
- **Legal protection**
What legal remedies exist in different jurisdictions to protect assets against violations

of the rule of law? How effective are these in helping investors lawfully preserve and manage their investments?

Criteria for Acceptance

- Originality and relevance to the theme
- Depth of analysis and substantiation
- Practical implications for professionals in the sector
- Clarity and accessibility of presentation
- Limited use of Artificial Intelligence; the content must be the original work of the author(s)

We encourage both academics and industry professionals to contribute.

Interested authors are requested to submit a short summary of their contribution to the editorial team (irma.willemsen@cfasociety.nl) no later than **November 1**. Submissions must be original and not previously published elsewhere. Articles may be submitted in either English or Dutch.

For more information on author guidelines and examples of previous publications, please visit our website: <https://cfasociety.nl/en/vbajournaal>. This also includes the new policy on the (very) limited use of AI in any publication.