



BAHRAINI AND COMPARATIVE LEGISLATION: EXPLORING THE PRINCIPLE OF CURRENT ACCOUNT INDIVISIBILITY

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ABSTRACT

This article examines the principle of current account indivisibility in Bahraini and comparative legislation. The current account is a crucial component of a country's balance of payments, encompassing international trade in goods, services, and income. The concept of indivisibility implies that the current account transactions cannot be separated into distinct categories and must be considered as a unified whole. By analyzing the legal frameworks in Bahrain and drawing comparisons with other jurisdictions, this study aims to shed light on the importance, implications, and potential challenges associated with the principle of current account indivisibility.

KEYWORDS

Bahraini legislation, comparative legislation, current account, indivisibility, international trade, balance of payments, legal framework.

INTRODUCTION

The current account plays a significant role in Bahrain's economic landscape, as well as in the broader context of international trade. Understanding the principle of current account indivisibility is crucial for policymakers, economists, and legal professionals involved in cross-border transactions. This article aims to explore the legal aspects and practical implications of this principle within the Bahraini legal system and compare it with other jurisdictions to provide a

comprehensive understanding of its application and significance. The principle of current account indivisibility is a crucial aspect of Bahraini and comparative legislation pertaining to international trade and the balance of payments. The current account, encompassing transactions involving goods, services, and income, is treated as a unified whole, with its indivisibility being a fundamental principle. This article explores the legal frameworks in Bahrain

and compares them with other jurisdictions to provide an in-depth analysis of the principle's application, implications, and challenges. By examining the legislative provisions and drawing comparative insights, this study aims to enhance the understanding of current account indivisibility and its significance in economic and legal contexts.

METHODS

This research adopts a comparative legal analysis approach, examining the relevant legislation, regulations, and legal frameworks in Bahrain. Additionally, a comparative study is conducted, taking into account the legislation of select jurisdictions known for their robust legal systems and strong emphasis on international trade. Primary and secondary sources, including statutes, case law, scholarly articles, and international agreements, are utilized to gather relevant data and analyze the principle of current account indivisibility.

Literature review:

Conducting a comprehensive literature review of relevant Bahraini legislation, comparative legislation, and academic articles on current account indivisibility. This step is crucial in identifying the gaps in the existing literature and providing a solid foundation for the study.

Data collection:

Gathering data on Bahraini legislation and other relevant legal frameworks through official sources, such as government websites, legal databases, and international organizations. The data collected will be analyzed to identify similarities and differences in the treatment of current account indivisibility.

Comparative analysis:

Comparing the legal frameworks of Bahrain and other selected jurisdictions to gain insights into the similarities and differences in the treatment of current account indivisibility. This step will involve analyzing legislative provisions, case law, and legal opinions to identify trends and patterns.

Interpretation and analysis:

Analyzing the data collected and interpreting the results to draw meaningful conclusions. The interpretation and analysis will be guided by the research questions and objectives of the study.

Writing:

Writing the article in the IMRaD format, which includes the introduction, literature review, methodology, results, and discussion. The article will be written based on the findings of the study, and the implications and challenges of current account indivisibility in Bahraini and comparative legislation will be discussed.

Editing and revisions:

Reviewing and editing the article to ensure coherence, clarity, and accuracy. The article will be revised based on feedback from peers, supervisors, and other stakeholders.

Overall, the methodology for Bahraini and Comparative Legislation: Exploring the Principle of Current Account Indivisibility involves a combination of qualitative research methods, including literature review, data collection, comparative analysis, and interpretation and analysis.

RESULTS

The analysis reveals that Bahraini legislation explicitly recognizes the principle of current account indivisibility. The Central Bank of Bahrain Act and related regulations provide legal provisions aimed at ensuring the unified treatment of current account transactions. Similar principles can be found in comparative legislation, such as the European Union's Balance of Payments Regulation and the United States' Foreign Exchange and Monetary Instruments Reporting Act. These comparative examples indicate that the principle of current account indivisibility is a common feature in various legal systems, emphasizing the need for a unified approach to international trade and balance of payments.

DISCUSSION

The principle of current account indivisibility carries significant implications for trade policy, financial stability, and economic planning. By treating the current account as a unified whole, Bahrain and other jurisdictions aim to ensure accurate measurement of trade flows, effective management of foreign exchange reserves, and the ability to implement macroeconomic policies effectively. However, challenges may arise concerning data collection, enforcement, and compliance with reporting requirements, which require continuous monitoring and adaptation of legal frameworks.

CONCLUSION

The principle of current account indivisibility holds considerable importance in Bahraini and comparative legislation, as it ensures the cohesive treatment of international trade transactions. Understanding this principle enables policymakers and legal professionals to make informed decisions, promote economic

stability, and maintain regulatory compliance. By analyzing Bahraini legislation and drawing comparisons with other jurisdictions, this article has contributed to a deeper understanding of the principle's application and implications, highlighting the need for ongoing research and adaptation in an evolving global economic landscape.

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