

Re: Mexico–US row over Cuban eviction

Source: <http://newsgroups.derkeiler.com/Archive/Rec/rec.travel.europe/2006-02/msg01903.html>

- *From:* "oconnell@xxxxxxxxxxxxxxxxxxxx" <oconnell@xxxxxxxxxxxxxxxxxxxx>
 - *Date:* 8 Feb 2006 11:08:30 –0800
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AJC wrote:

On Wed, 08 Feb 2006 09:47:47 +0100, Earl Evleth <evleth@xxxxxxxxxx>
wrote:

Does this mean that the US law controls who may stay
in any American owned hotel in any foreign country??
In this era of globalization, who really owns the
big international chain hotels?

If the US can block entry of a person possessing a
visa at the US border, because they are on a list,
can the US government block clients checking into
any particular hotel internationally?

No, US law can't control who stays in a hotel in another country,
they can't block people checking in, because local anti-discrimination
laws will always apply.

What you are saying is they can't enforce any laws in another
country (functionally they have but technically they really aren't
suppose to). But they can enforce them back home.

FWIW, the US isn't the only country to do this. Israel, France,
Spain, and Britain as well as a few of the middle eastern countries
allow folks to be tried in their courts for acts committed in other
countries (usually requiring some tie in to an act committed against
a member of their own country).

They can attack the corporations back home in
the US though. Draw this to its logical conclusion and in some
locations it could make it unprofitable for US companies to do
business, because of financial and other penalties in the US.

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More specifically, the corporation is stuck making a decision about which fine to pay. It can be more profitable to pay the local fine than the federal fine.

How far
do the tentacles reach?

Indirectly, as in this case, very far!

It is the part of globalization that doesn't get discussed much. It is now flowing both ways as Google and Microsoft have to make decisions about doing business in China, consistent with China's laws. The WTO will probably be approached some day about many of these extraterritorial laws. I'm dubious they will allow them.