



Utilization of Constitutive Elements in Unjust Legal Actions

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Abstract: The system that deals with unfairness in civil transactions in China has been continuously improved as a result of the dynamic nature of the market economy. The objective is to deter inequitable conditions and transactions in civil exchanges, guaranteeing that contractual parties participate in commerce founded on principles of equity and free will. This paper examines the fundamental components of unjust legal actions as outlined in the Chinese Civil Code. It investigates how these elements are applied and evolved in legal practice, and draws comparisons with similar legal systems worldwide, particularly the approaches taken in Germany and France. The aim is to offer insights that can contribute to enhancing the Chinese legal system. Hence, the study suggests practical uses for the fundamental components of unjust legal activities, such as improving the objective factors, broadening the subjective factors, and incorporating the dynamic system theory to tackle identification challenges in the field of judiciary. The suggestions propose the creation of a precise and adaptable legal framework to quantify unequal exchanges and consider transactional backgrounds as objective factors. They also recommend expanding three subjective elements: "a notable deficiency in the determination of the party", "manipulation by the party in power" and "violation of the genuine intention of the party". Additionally, they suggest managing the relationship between the constitutive conditions of unfairness in a flexible manner based on the specific circumstances of each case. These measures aim to achieve judicial fairness and improve judicial efficiency.

Keywords: inequity, objective elements, subjective elements, theory of dynamic systems

1. Introduction

Grossly unjust legal actions are a fundamental aspect of China's civil legal system, designed to uphold the fairness of contracts and the integrity of market transactions. As the market economy has progressed, the system for addressing egregious unfairness has been continuously improved, becoming an essential instrument for resolving evident injustices in civic interactions. The objective of this system is to guarantee that the parties involved in a contract participate in lawful activities that are fair and voluntary. It aims to facilitate seamless transactional processes and encourage individuals to uphold standards of integrity and reliability in their civic interactions. The approach permits the modification or invalidation of unjust agreements based on certain criteria, such as defects in one party's declaration of intention, so upholding the equitable standing of parties in commercial transactions. Although this approach does place limitations on the freedom to create contracts, its primary objective is to promote significant contractual freedom and ensure fairness among the parties.

The Chinese Civil Code has clearly delineated the primary components of highly unjust civil legal acts, categorizing them into three fundamental aspects: "state of distress", "lack of judgment capacity", and "substantial difference between the performance and counter-performance". These components embody the imperative need to integrate both subjective and objective elements ^[1]. Nevertheless, the implementation of this idea encounters various obstacles, such as the need to harmonize old judicial customs with contemporary legal standards and a lack of expertise in discerning subjective components in judicial proceedings.

This study aims to delineate the criteria for identifying the objective components of highly unjust civil legal actions, broaden the range for subjective assessment, and integrate the knowledge gained from Chinese court practice on "quasi-usurious actions" into the current legal framework. The objective of this endeavor is to adhere to the regulations outlined in the Civil Code and facilitate the efficient execution of the existing mechanism for addressing severe inequities in judicial proceedings.

2. Literature Review and Study Methodology

2.1 Literature Review

This study conducts a thorough examination of current literature to enhance comprehension of the fundamental components of egregiously unjust judicial actions and presents specific recommendations to improve China's legal system. This study demonstrates the universality and adaptability of the components of gross unfairness by examining sample literature. It also investigates the potential use of dynamic system theory in this domain, thereby improving the

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practicality and equity of the legislation. The current body of literature extensively examines the fundamental components of extremely unfair legal actions, encompassing legal theory, practical implementation, and comparative law research. It provides diverse viewpoints and recommendations for comprehending and enhancing such grossly unjust legal actions.

The research highlights the broad applicability and adaptability of the very unjust aspects and promotes the assessment through dynamic system theory [2]. Another article examines the simultaneous presence of single and dual standards in China's legal system concerning extreme unfairness, emphasizing the differentiation between usurious and quasi-usurious behaviors [3]. Another article regards the severely unjust system as an addition and rectification to the principle of self-determination, highlighting its aim to prevent the exploitation of vulnerabilities in negotiations rather than fully embodying the idea of equal trade [4]. Another analysis, from the perspective of comparative law, examines the structural placement of the very unjust system. It argues for classifying it as a distinct provision separate from the concept of public order and good morals, and advocates for the application of dynamic system thinking in interpretation [5]. The final paper provides a thorough evaluation of the existing highly unjust system, suggesting the implementation of a two-tier system that incorporates both objective and subjective factors [6]. This can be achieved through precise judicial interpretations and the publication of guiding cases. Additionally, it recommends refining the temporal aspects and broadening the criteria for recognizing subjective elements. The ultimate goal is to facilitate a harmonious integration of both objective and subjective elements. To summarize, it is necessary to broaden the criteria for identifying the subjective aspects of very unfair civil legal acts in the practice of the judiciary. Additionally, objective standards should be further developed, and scholars propose incorporating dynamic system theory into this framework.

2.2 Study Methodology

This work employs a rigorous research technique to guarantee the dependability and precision of its findings. At first, a comprehensive literature analysis is carried out, collecting and assessing scholarly works from both local and international sources on highly unfair legal actions and their essential components. This encompasses articles sourced from legal journals, legal commentaries, case studies, as well as pertinent legal statutes and judicial interpretations, guaranteeing a robust and all-encompassing theoretical basis. Using comparative legal research methods, the study thoroughly examines the approaches and practices of nations such as Germany and France in addressing similar legal concerns, with particular attention to the development and specific methodologies of their legal systems. This is done to benefit from advanced international experiences and enhance the theoretical perspective.

Furthermore, there is a strong emphasis on the significance of case studies, particularly in the collection and analysis of representative instances of very unjust legal proceedings from Chinese legal databases like the China Judgments Online. These case analyses enhance comprehension regarding how courts interpret and implement the fundamental components of gross unfairness, as well as the consequences of these readings and implementations on the rights of the parties concerned. Simultaneously, a qualitative study is performed, integrating the legal statutes and judicial practices, encompassing textual interpretations of legislation, logical reasoning in judicial interpretations, and the implementation of these elements in real situations. By employing these approaches, this paper thoroughly examines the fundamental components of very unfair legal acts in the Chinese Civil Code, offering theoretical backing and practical direction for legal professionals and academics.

3. Progression of Laws and Shifts in Judicial Practice

3.1 Progression of Laws

Profoundly unjust legal acts play a crucial role in the advancement of China's civil law. Following the formation of the People's Republic of China, this system has experienced various phases of development and restructuring. This study seeks to examine the evolutionary trajectory of this system inside the Chinese legal framework, specifically highlighting the influence and advancements brought about by the "General Principles of Civil Law", "Contract Law", "General Provisions of Civil Law", and the most recent "Civil Code". This study aims to examine the progression of very unjust legal actions in China by analyzing the legislative provisions and practical implementations at each stage. It seeks to uncover the legal reasoning behind the formation of the system and its significant influence on civil transaction practices.

3.1.1 Periods of "General Principles of Civil Law" and "Contract Law"

After the establishment of the People's Republic of China, the efforts to remedy significant inequities mostly focused on the formulation and implementation of the "General Principles of Civil Law" and "Contract Law". These rules established clear regulations for the system, mainly adopting a "objective elements-based" approach to define quasi-usurious conduct.

The enactment of the "General Principles of Civil Law" signified the autonomous treatment of exploiting someone's vulnerability and flagrant injustice, ascribing distinct legal consequences to each. Exploiting someone's suffering mostly entails one party capitalizing on the other's emergency situation or lack of knowledge, resulting in highly inequitable contractual conditions. Conversely, excessive unfairness refers to situations when there are objectively uneven exchanges, meaning there is a noticeable imbalance between the performance and counter-performance in

contracts. In addition, legal interpretations have addressed cases where one party took advantage of the other's grief in order to acquire unfair advantages and violated the rules of equivalent compensation by leveraging their superior position.

The implementation of the "Contract Law" marked a substantial change in the framework addressing egregious inequity. The "Contract Law" modified the framework set forth in the "General Principles of Civil Law" by consolidating "egregious inequity" and "exploitation of someone's vulnerability" into legally adjustable or reversible consequences, so streamlining the handling of such circumstances^[7]. The modification demonstrated the legal system's prioritization on the measurable aspects of highly unjust behaviors, particularly centered around determining if there was a substantial disparity in the real worth of the performance and counter-performance in contractual agreements. In actuality, courts started to give greater consideration to whether the terms of a contract accurately represented the genuine intentions and interests of both parties, as well as if there was a noticeable imbalance of interests.

The legal norms and judicial practices during these two periods were crucial in shaping China's system to address significant inequities. Their demonstration highlighted China's legal system's dedication to impartiality and equity in civil transactions, as well as the development of Chinese law in response to the market economy and safeguarding the lawful rights and interests of those involved.

3.1.2 Period of "General Provisions of Civil Law"

The promulgation of the "General Provisions of Civil Law" in 2017 had a significant influence on the advancement of the Chinese legal system, namely in relation to the framework dealing with egregious inequities. The "General Provisions of Civil Law" offered a more elaborate and all-encompassing explanation of egregiously unjust legal actions, pointing towards the need for the system's improvement in terms of increased adaptability and flexibility. This laid a strong groundwork for the later regulations in the "Civil Code".

The "General Provisions of Civil Law" clearly categorized the factors used to determine excessive unfairness into subjective and objective elements, so improving the legal accuracy in dealing with unfair transactions. The subjective factors encompassed one party exploiting the other's vulnerable state or impaired decision-making ability, so emphasizing the unequal position of the parties participating in the contract creation process. This law expanded the criteria for establishing gross unfairness, encompassing not only unequal results in transactions but also emphasizing inequities that occur within the transaction process. Concurrently, the definition of objective elements underwent further refinement. The "General Provisions of Civil Law" establish the criteria for the disparity between the fulfillment of obligations and the reciprocal fulfillment, which includes not only differences in actual worth but also disparities in services, rights, and other intangible characteristics. The law's thorough evaluation demonstrated its profound commitment to ensuring equitable contractual practices, with the goal of upholding fairness and justice in commercial dealings.

Nevertheless, the presence of preexisting legislation such as the "Contract Law" resulted in inadequate implementation of the new system in real-world scenarios. In the field of law, judges and legal professionals were faced with the task of reconciling the existing legal system with the "General Provisions of Civil Law", resulting in heightened intricacy and difficulties in the implementation of legal principles.

3.1.3 Period of "Civil Code"

China transitioned into a new legal era in addressing very unjust legal acts with the implementation of the "Civil Code". The "Civil Code" not only retained the fundamental structure of significant injustice from the "General Provisions of Civil Law", but it also established a more consolidated and conclusive legal foundation for addressing egregiously unjust legal actions by eliminating the pertinent articles of the "Contract Law"^[8]. This move indicated the progress of the Chinese legal system towards a more developed and organized phase in dealing with very unjust transactions.

The inclusion of rules pertaining to egregiously unjust legal actions in Chapter Six of the "Civil Code" showcased a novel legislative framework and legal ideology. The revised regulations have streamlined the legal criteria for gross unfairness while simultaneously enhancing the law's adaptability and scope.

The components that contribute to significant unfairness were further elucidated and enhanced, with a greater emphasis on evaluating the specific circumstances of the parties involved in the transaction and considering various factors, including the parties' negotiation skills, the level of information equality, and the contextual factors present during the transaction.

The new provisions of the "Civil Code" necessitated judges and legal practitioners to carefully consider the particular circumstances of the case when determining gross unfairness, instead of simply applying legal regulations without thought. Judicial practitioners are required to possess not only a profound comprehension of legal texts but also the capacity to adeptly manage intricate cases. However, the new laws have also created opportunities for more research and enhancement of highly unjust judicial acts, namely through the use of dynamic system theory and the adoption of international legal standards. The inclusion of provisions from the "Civil Code" demonstrates the Chinese legal system's receptiveness and eagerness to adopt international legal principles. The provisions of the "Civil Code" attempted to establish legal remedies fit for Chinese society and market conditions by examining and incorporating overseas experiences in dealing with similar challenges, such as Germany's "usurious actions" and France's "contract damage rules".

3.2 Shifts in Judicial Practice

The notion of "manifestly unjust legal acts", which is a fundamental element of China's civil legal system, has experienced several phases of legal development. Beginning with initial investigations during the period of "General Principles of Civil Law", advancing to greater uniformity in "Contract Law", and culminating in contemporary revisions in both "General Provisions of Civil Law" and "Civil Code", the framework of evident inequity has developed from simplicity to intricacy, and from a solitary criterion to a dual-factor prerequisite. This examination examines the application and evolution of the legal system in China's judicial practice, emphasizing its distinctive features and challenges at various historical periods. The objective is to offer insights and considerations for future legislation and judicial practice.

3.2.1 Practical Implementation during the Age of "General Principles of Civil Law" and "Contract Law"

Under the "General Principles of Civil Law" era, Chinese courts generally concentrated on evaluating the objective aspects of contracts when dealing with cases of clearly unjust legal actions. This evaluation specifically emphasized the substantial disparity between the performance and counter-performance. Decisions made during this period were mostly based on the structure and details of contracts, with a focus on measurable and instinctive indicators of inequality, such as variations in prices and disparities in the value of services. Nevertheless, this method frequently failed to include the subjective aspects associated with contracts, such as whether one party took advantage of the other's vulnerability or impaired decision-making.

The enactment of the "Contract Law" perpetuated this trend in judicial practice. Despite the theoretical expansion of the definition of obvious unfairness in the "Contract Law", courts predominantly continued to base their rulings on the assessment of objective factors inside contracts. When dealing with matters of evident injustice, judges commonly scrutinize the economic provisions of contracts meticulously, including the assessment of the transaction price vs the market value, as well as the equilibrium of rights and obligations for both parties involved^[9]. Throughout this process, insufficient attention was given to subjective factors, such as the intentions, cognitive abilities, or pressures experienced by one party, particularly in unique circumstances. The current judicial practice also demonstrated the disparity between legal theory and practical implementation. While there existed a broader comprehension of seeming injustice in theory, judges typically relied on particular, measurable criteria when evaluating the existence of apparent injustice in actual rulings. This emphasis on objective factors may result in disregarding the intricate circumstances surrounding contracts, such as imbalanced bargaining power or knowledge asymmetry during transactions. Furthermore, the current judicial practice has brought attention to the lack of uniformity in the criteria used to identify blatantly unjust legal actions. Owing to the absence of a standardized and unambiguous legal interpretation, courts in different jurisdictions may employ diverse criteria and approaches when dealing with comparable cases.

To summarize, during the period of "General Principles of Civil Law" and "Contract Law", the judicial practice displayed evident unfairness in its legal acts. While there was some improvement in examining objective factors, there were still significant shortcomings in considering subjective factors and ensuring consistency in the application of the law. The lessons learned from this period were crucial for the reform and improvement of the constituent aspects of clearly unjust legal acts in the following "Civil Code".

3.2.2 An Analysis of the Application and Constraints of the "General Provisions of Civil Law"

The "General Provisions of Civil Law" initially introduced the "dual-factor theory" of blatant inequity, aiming to provide a more thorough definition and approach to the concept of blatant inequity in legal theory. The provisions concerning the system of blatant inequity in the "General Provisions of Civil Law" were designed to accommodate the evolving socio-economic landscape and the varied nature of civil transactions by including more intricate and extensive legal ideas. The objective of this reform was to integrate subjective factors (such as distress and impaired judgment) with objective factors (such as the disparity between performance and compensation) in order to attain a more precise and equitable assessment of blatant injustice^[10].

While the "General Provisions of Civil Law" theoretically offered a more comprehensive and equitable approach to addressing clearly unjust legal actions, the practical implementation of these novel legal notions in judicial proceedings continued to be a persistent matter requiring further investigation and improvement^[11]. Based on statistics from China assessments Online, notwithstanding the implementation of the "General Principles of Civil Law", courts in China continue to rely on the provisions of the "Contract Law" when dealing with situations involving clear unfairness. This reliance is mostly based on assessments of objective components. This phenomenon exposed the disparity between legislative reform and judicial practice, as well as the inconsistency between legal theory and judicial implementation^[12].

Multiple factors contributed to the failure of law provisions to be fully applied in judicial practice. Initially, becoming acquainted with and adjusting to novel regulations in the field of law need a significant amount of time. Judges and lawyers often depend on established legal provisions and interpretations that they are more acquainted with, particularly in situations where new legal regulations have not yet established definitive interpretations and guiding principles. Furthermore, the "dual-factor theory" outlined in the "General Provisions of Civil Law" is notably intricate in its implementation, necessitating judges to take into account a greater number of variables and evidence when making decisions. This consequently amplifies the challenge and unpredictability associated with judicial rulings.

3.2.3 Emerging Challenges and Problems in Implementation Since the enactment of the "Civil Code"

The enactment of the "Civil Code" represents a notable advancement in China's civil law system with regards to overtly unjust legal actions, although it also presents a multitude of fresh obstacles and practical concerns. The enforcement of this legislation necessitates a more profound and all-encompassing comprehension of blatantly unjust legal actions, while also requiring court practitioners to adjust and implement the new rules. Nevertheless, the data from China Decisions Online indicates that the occurrence of decisions characterized by evident injustice has been relatively low following the enforcement of the "Civil Code". This may indicate the hesitancy and cautious approach in legal proceedings towards the newly implemented regulations.

A significant obstacle that judges encounter when dealing with cases of blatant injustice is determining how to precisely comprehend and implement the subjective and objective components. While the "Civil Code" offers comprehensive guidelines on blatant injustice, judges are nevertheless need to exercise their judgment based on both subjective and objective factors in individual circumstances. This necessitates a combination of profound legal acumen from judges and astute discernment of the particulars of cases. Judges must carefully consider practical matters such as defining "distress" and "lack of judgment", as well as determining the extent of inequality between performance and counter-performance.

It is crucial to study and gain knowledge from global experiences and conduct in-depth theoretical research while dealing with these problems. Germany's "usurious actions" and France's "contractual damage rules" offer distinct viewpoints and approaches to addressing comparable legal matters. Studying the judicial methods and theoretical study of these nations can assist Chinese legal practitioners in comprehending and implementing the regulations about blatant injustice. Furthermore, in order to enhance the equity and uniformity of judicial rulings, it is imperative for China to build a more extensive framework for legal interpretation and case advice pertaining to subjective factors.

4. Relevant Systems Overseas and Their Implications for China

4.1 "Usurious Acts" as Defined by German Civil Law

The German legal system has exerted a substantial influence on China in terms of the study and implementation of legally unjust actions. The laws regarding "usurious acts" in the German Civil Code offer valuable guidance and knowledge for Chinese law when addressing unfair dealings^[13]. An in-depth comprehension of the legal development and obstacles in China concerning unjust legal actions can be attained by examining the legal structure of "usurious acts" in Germany, pertinent case studies in legal practice, and their significant influence on Chinese legislation. This material will examine the influence of German law on China's system of inequity, specifically addressing three aspects: the legal structure, analysis of case studies, and direct impact on Chinese legislation.

4.1.1 Legal Definition of "Usurious Acts"

The German Civil Code, established in 1896, includes explicit regulations regarding "usurious acts". The legislative goal of this is to uphold social equity and to impose certain restrictions on contractual autonomy^[14]. The components of this system adhere to the "dual requirement theory" which incorporates both objective and subjective factors.

The system's mission is to thoroughly evaluate the fairness of transactions. The crucial factor in determining "usurious acts" is the notable disparity in the performances of the parties involved in the transaction, when seen objectively. In accordance with German legislation, there must be a distinct disparity in value between the contributions made by each party involved. This disparity arises not solely from a straightforward comparison of monetary figures, but also encompasses a more comprehensive evaluation of market and intrinsic worth. For instance, if a transaction price deviates greatly from the prevailing market standard, it may be regarded as an objective indication of "usurious acts". Price disparities alone do not inherently qualify as usurious actions; the comprehensive context and circumstances of the transaction must also be taken into account.

German law prioritizes the exploitation of the other party's disadvantaged condition as a crucial element in defining "usurious acts" from a subjective standpoint. Possible drawbacks encompass financial hardship, imprudence, inexperience, or inadequate understanding. For example, if one party takes advantage of the other's financial crises or information imbalance to achieve an unfair advantage, it might be considered as the subjective component of "usurious acts". This condition guarantees that the law considers not only the objective disparities in price, but also takes into account the specific circumstances and intents of the persons involved in the transaction. Consequently, the identification of usurious actions is contingent upon both the presence of an imbalanced exchange and the intention to exploit the disadvantaged party.

Furthermore, the identification of "usurious acts" in German legal practice is not entirely inflexible. When making decisions, courts take into account multiple variables, including the method by which the contract was formed, the bargaining power of the parties, market conditions, and the economic and social circumstances of the parties involved. This thorough analysis permits a certain degree of flexibility and practicality in deciding acts that are considered usurious. In relation to the legal ramifications of "usurious acts", the German Civil Code confers a considerable level of judicial discretion upon judges. Judges have the authority to determine whether to modify or invalidate a transaction based on the particular circumstances of the case. This strategy highlights a focus on ensuring fair transactions while also showcasing the ability to adjust to real-life circumstances within the boundaries of the law.

In the German legal system, the definition and classification of "usurious acts" is an intricate and sophisticated notion. It encompasses both a quantitative examination of transaction values and a profound comprehension of the subjective

states of the transaction participants. The objective of the extensive evaluation conducted by German legislation is to uphold equity and rationality in transactions, so avoiding any form of improper exploitation and market abuse.

4.1.2 Analysis of Cases in the German Legal System

The treatment of instances involving "usurious acts" in German legal practice demonstrates a profound comprehension and intricacy of this legal notion. The case law of German courts is crucial in this context, since it not only exemplifies the implementation of legal theory in real-world scenarios but also mirrors the flexibility in legal interpretation and application. For instance, the Higher Regional Court of Stuttgart applied the "Sand Heap Principle" while dealing with cases involving usurious activities. The essence of this idea lies in the reciprocal integration of objective and subjective components^[15]. The "Sand Heap Principle" states that when there is a clear difference in performance between the parties involved in a transaction, the subjective factor can be given less importance. The objective of this strategy is to uphold the adaptability of the legal system, enabling prompt intervention in instances of evident injustice.

Nevertheless, the Federal Court of Justice of Germany did not endorse this verdict. The Federal Court's ruling underscored the significance of conforming to legal standards, namely, judges should firmly base their conclusions on legal rules, rather than relying on a specific principle or empirical rule. Within the German legal system, there exists a degree of flexibility in the interpretation of laws, nevertheless, the fundamental concept is still the respect to legal rules^[16]. Put simply, even when addressing instances of perceived injustice or exploitative behavior, it is crucial to acknowledge the significance of subjective considerations and thoroughly evaluate all relevant aspects.

This dispute exemplifies the profound and intricate comprehension of "usurious acts" in the field of law. It encompasses not only the literal analysis of legal provisions but also a profound comprehension of the essence and intention of the law. Judges must strike a balance between the explicit provisions and the fundamental legal principles while interpreting and implementing the law, guaranteeing that legal decisions are both valid and rational. This not only offers crucial points of reference for the legal procedures of other nations but also underscores the necessity for equilibrium and adaptability in the implementation of the law. By examining these situations, one can get a more profound comprehension of how to strike a harmonious equilibrium between safeguarding the underprivileged and upholding the integrity of market transactions.

4.1.3 Influence on Chinese Legislation

The meticulous treatment of "usurious acts" in German law, particularly its thorough examination of both objective and subjective factors, has significantly influenced the regulations pertaining to legally unjust acts in the Chinese legal framework. The regulations on unfairness in China's Civil Code have integrated several fundamental aspects of German law, namely in regards to the equilibrium between objective and subjective factors. In China, unfairness is characterized by both the objective disparity in performance between the parties involved in a transaction and the subjective disadvantage experienced by these parties.

China had associated issues when it adopted the dual requirement theory from Germany. This method necessitates legal practitioners to not only examine the superficial aspects of a contract but also thoroughly investigate the potentially underlying disparate motivations. For example, a party may engage in an imbalanced transaction as a result of being in a condition of distress or lacking the required capacity for sound judgment. However, this approach also poses the issue of striking the right balance between strict adherence to the law and real-life circumstances. Moreover, the adaptability and individualized guiding principles demonstrated in German legal practice when dealing with issues of injustice present fresh insights for Chinese law in addressing comparable cases. Chinese courts can benefit from the expertise of German courts when it comes to dealing with intricate situations under the Civil Code. This is particularly relevant in terms of effectively taking into account the unique aspects of each case while upholding the integrity and impartiality of the legal system.

German law has exerted a substantial impact on the legislative and judicial handling of conduct deemed legally unjust in China. This impact is evident not only in the creation of legal documents but also in the implementation and scholarly investigation of the law. China's legal development will benefit from the ongoing progress and expansion of its legal profession, with rich ideas and references drawn from the experiences of German law.

4.2 "Contract Damage Rules" as defined by French Civil Law

The "Contract Damage Rules" of France provide an illuminating example when examining the worldwide viewpoint of legally unjust actions. This system not only elucidates the methods for addressing substantial disparities in contractual interests, but also presents an alternative solution to China's inequitable system. By comprehensively studying the evolution of the French legal system and conducting a comparative analysis with the Chinese system, valuable insights can be gained for the reform of Chinese law. This will provide a fresh viewpoint and innovative ideas for comprehending and improving instances of legal injustice in China.

4.2.1 Evolution of "Contract Damage Rules"

The "Contract Damage Rules" in France have its origins in the Roman law concept of "exceptional loss rules". These rules were primarily designed to address significant inequalities of interests between parties involved in contractual transactions. Initially, the attention was directed towards the significant losses experienced by one side as a result of the other party's disproportionate advantages. Over time, this rule underwent changes to prioritize the perceived disparity of interests between the parties, particularly after 1970, when France considerably broadened the application of the

"Contract Damage Rules" to encompass a wider array of scenarios, including legally protected adults and adults with managed properties.

The "Contract Damage Rules" of France similarly prioritize the concepts of good faith and reasonableness in contracts, mandating judges to adopt a thorough and prudent approach when assessing the fairness of contracts. When assessing the fairness of a contract, judges must evaluate both the presence of a substantial imbalance in the rights and obligations of the parties involved, as well as the compliance of the contract's formation and execution with the principles of good faith and reasonableness. In addition, the "Contract Damage Rules" of France not only safeguard the interests of the more vulnerable party in the contract but also prioritize the sound growth of market transactions. Their goal is to achieve a harmonious equilibrium between safeguarding individual rights and fostering market efficiency, employing legal modifications to tackle any potential inequities in the market economy^[17].

4.2.2 An analysis and contemplation of the legal systems of France and China

The disparities between France's "contractual unfairness rule" and China's approach to addressing blatantly unjust legal acts mostly arise from their differing levels of focus on objective and subjective factors. In France, the "contractual unfairness rule" prioritizes objective factors, particularly the evident disparity of interests between the parties engaged in the transaction, while giving relatively less weight to subjective factors. The essence of this resides in assessing the substantial equity of the transaction's result, even in the absence of evident ill will or exploitation of the other party's disadvantage. As long as there is a notable disparity of interests from an objective standpoint, the contract may be considered unfair.

China's strategy to addressing blatantly unjust law acts often entails a thorough evaluation of both objective and subjective factors. Under China's legal system, determining unfairness involves considering both objective discrepancies in payment and treatment, as well as subjective factors such as whether one party exploited the other's vulnerable position or lack of discernment. China's approach focuses on the subjective intents and conduct of both parties when forming and carrying out a contract, especially when determining if there are circumstances that put one side at a disadvantage^[18].

The French model offers China valuable information by demonstrating a streamlined and pragmatic approach, especially in specific circumstances. According to the French model, a contract can be considered unfair even if it is not possible to definitively prove that one party participated in exploitative behavior against the other. As long as there is a clear and significant difference in the parties' interests, the contract may still be judged unfair. This technique diminishes the dependence on establishing subjective aspects, hence streamlining the complexity of judicial decisions, particularly in circumstances when the verification of subjective factors is arduous. Nevertheless, it should be noted that the French model may not be totally compatible with China's legal framework. The legal system and cultural backdrop of China and France exhibit substantial disparities. The legal practice in China places importance on maintaining a delicate equilibrium between objective and subjective factors, which is a reflection of the balance between contract freedom and distributive justice. Although the French model may provide certain conveniences, it may not completely align with China's intricate and ever-changing socio-economic landscape and regulatory requirements. China has the ability to further improve and advance its legal system while preserving its distinct qualities, by incorporating relevant international practices.

Firstly, the implementation of more objective criteria can streamline court proceedings. In France, the assessment of manifest unfairness is primarily based on objective factors, such as the evident disparity of interests between the parties concerned. In order to enhance the efficiency of judgments and assure legal predictability and consistency, China can implement this strategy by setting up precise and measurable criteria, such as market value, transaction environment, and backdrop, to quantify instances of unequal exchanges. Furthermore, broadening the range of evident inequity can improve the relevance and adaptability of the legal system. In China, the ongoing judicial proceedings against evident injustice mostly focus on particular categories of civil transactions, such as sales and leases in the field of contract law. By expanding the use of this concept to encompass a wider range of transactions, such as internet transactions and international commercial contracts, China can enhance its ability to adjust to the changing market and societal demands. Moreover, China might gain insights from France's experience in efficiently harmonizing contract autonomy with transaction equity. The French legal system prioritizes safeguarding the lawful rights and interests of all parties involved in a transaction, while also maintaining the transaction's overall equity. To combat unfair transaction practices, China can enhance the safeguarding of vulnerable parties in transactions while maintaining the principles of a market economy and the freedom of contracts.

Ultimately, the legal processes of Germany and France provide useful lessons to China when it comes to addressing blatantly unjust legal acts. Germany's concept of "unjust enrichment" and France's "contractual unfairness rule" exemplify distinct legal methodologies for addressing blatant inequity. The German approach prioritizes achieving equilibrium between objective and subjective factors, necessitating the acknowledgment of both objective disparities in compensation and the utilization of a disadvantaged party's vulnerable position. Conversely, France prioritizes objective factors and does not place as much importance on subjective factors. The Civil Code of China integrates elements from both models, seeking to achieve a harmonious equilibrium between subjective and objective criteria in order to accommodate the diverse requirements of the domestic market economy. In cases of clear unfairness, China should consider adopting a more adaptable and dynamic approach. This would involve adjusting the balance between

subjective and objective factors, taking into account the strictness of contract terms. By doing so, China can enhance judicial efficiency while ensuring fairness for both parties involved.

5. Recommendations for the Improvement of Components of Grossly Unfair Legal Acts

In order to maintain the effectiveness and fairness of the law, it is necessary to make adjustments and expansions to the constituent elements of legal actions that address manifest unfairness. This is because social and economic relations are becoming more complex and diverse, and technological advancements are significantly influencing human behavior and transaction patterns. This debate will thoroughly examine and analyze the key components of legal activities that exhibit clear and unjust bias. It will focus on three aspects: the exact definition of objective elements, the broadening of subjective factors, and the incorporation of a dynamic system theory.

5.1 Definition of Objective Elements with Precision

The tangible components of blatant injustice Legal actions arise from the apparent disparity between the benefits provided and received by both parties involved in a contractual agreement. In order to ensure that the law is applicable and fair, it is necessary to establish a well-defined, precise, and adaptable legal framework to address the objective aspects of clear injustice. In the context of legal proceedings, this often entails two primary elements: assessing the extent of imbalanced transactions and taking into account the circumstances surrounding the transaction.

5.1.1 Quantification of Imbalanced Transactions

The quantification of imbalanced transactions is fundamental to the objective aspects of blatant injustice. In order to ensure that judicial decisions are uniform and foreseeable, it is necessary to establish a specific and pragmatic set of criteria for determining when a transaction qualifies as a substantial and imbalanced trade. These standards should take into account several aspects, including the monetary worth of the rights and responsibilities of both parties, prevailing market conditions at the establishment of the contract, the bargaining power of both parties, and additional considerations. Market value can be estimated by comparing the customary transaction prices of comparable items or services in an unrestricted market. This should encompass not just the explicit expenses associated with the products, but also considerations such as industry benchmarks, product quality, brand reputation, and other relevant aspects. When evaluating transaction histories, particular attention may be necessary for contracts established during emergency situations or in exceptional market conditions. During emergencies or extraordinary conditions, the accuracy of market value as a metric may be compromised due to the potential distortion of normal market functioning.

5.1.2 Examining of Transaction Backgrounds

Examining the transaction backgrounds is essential for identifying evident inequity. Contracts are shaped and carried out by a combination of economic, social, cultural, and contextual influences. For instance, an individual compelled to buy medication at an inflated price due to an urgent medical necessity could be deemed to have engaged in a transaction characterized by unequal conditions. Furthermore, it is crucial to take into account the imbalance of information between the parties. If a party exploits their informational superiority to engage in a contract that puts the other party at a severe disadvantage, this might be considered blatant injustice. However, if both parties have a comprehensive comprehension of the circumstances and the associated risks, the transaction may not be considered manifestly unjust, even if there is some disparity in value.

5.1.3 Other factors

The examination of tangible factors should take into account the broader context of the transaction. Consequently, judges must take into account not only the particular circumstances surrounding the transaction, but also the complete process of creating the contract, encompassing the conduct exhibited during discussions and the true intents of both parties involved. Under certain circumstances, a substantial disparity between what is provided and what is received may not be considered blatant unfairness, particularly where there are exceptional factors at play, such as a unique relationship between the people involved or distinct reasons for the transaction.

Moreover, the tangible aspects of blatant injustice should not be understood excessively inflexibly. Judges should possess a certain level of discretion in particular instances in order to exercise rational judgments. Expert evidence is often necessary to determine obvious injustice in practice. When assessing the market worth of a specific product or service, it may be necessary to seek the input of industry experts. Expert testimony can enhance judges' comprehension of the fundamental nature of the transaction and the diverse elements that exert influence, so resulting in more precise and equitable decisions. The legal components that define evident unfairness are intended to maintain the equity of transactions, prohibit unjust exploitation, and discourage unreasonable market practices, without impeding legitimate market activities or infringing upon economic freedom. Hence, it is imperative for legal interpretation and application to uphold stringent limitations on unjust transactions while refraining from unwarranted intervention in acceptable, consensual market transactions.

5.2 Expansion of Subjective Elements

Presently, Chinese legislation predominantly emphasizes "fragile states" and "deficiency in discernment ability" as the subjective factors in instances of evident injustice. Nevertheless, this definition is excessively limited and does not encompass all possible occurrences of inequitable transactions. Furthermore, the inclusion of the term "etc." in the original legislation allows for the potential inclusion of subjective components. Hence, it is both valid and imperative

to broaden the definition and extent of subjective components. This article proposes the inclusion of three additional components: "a notable deficiency in the determination of the party", "manipulation by the party in power" and "violation of the genuine intention of the party".

5.2.1 "a notable deficiency in the determination of the party"

The phrase "a notable deficiency in the determination of the party" underscores the need of assessing the determination and discipline of the individuals participating in the transaction. For instance, when someone is addicted to online gaming or alcohol, their capacity for self-control may be diminished, rendering them more vulnerable to unjust contractual conditions.

It is crucial to differentiate between "profound deficiency in volition" and "absence of cognitive ability to make sound judgments". Although both encompass matters pertaining to cognitive and decision-making processes, they possess separate legal ramifications. The concept of "significant weakness in the will" pertains to an individual's recurring patterns of conduct and determination, particularly when they willingly partake in such action despite being cognizant of its characteristics and legal ramifications. On the other hand, "lack of judgment capacity" refers to an individual's cognitive capability in a particular civil legal case, where they are unable to understand the nature of their conduct and the legal repercussions. Thus, when judges evaluate instances of "significant weakness in the will", they must ascertain that the individual in question possesses the ability to make sound choices and understand their acts, but only exhibits a diminished strength of will. The differentiation between fair and unfair transactions is of utmost importance in preventing the exploitation of individuals with diminished self-control, especially in cases when businesses use addictive habits (such as online gaming or alcohol addiction) for their own unjust advantage ^[19]. By precisely delineating and implementing these components, the legal system can enhance its ability to safeguard individuals who may face detrimental consequences in exceptional situations, thereby upholding the principles of equitable transactions and societal equity.

5.2.2 "manipulation by the party in power"

The term "manipulation by the party in power" refers to the situation where the acting party takes advantage of their superior position in a civil legal act, resulting in a significant imbalance between the benefits given and received by the parties involved. The level of exploitation varies between the person engaging in the act and the party in a vulnerable condition.

The term "manipulation by the party in power" refers to situations where one party takes advantage of another party. This can occur in two ways: through overall advantages, such as differences in information or professional knowledge between parties like operators and consumers, or through individual advantages, such as unequal status within a community or one party having more specialization or negotiation power in certain situations. The presence of a manifestly unfair system is not designed to eradicate all disparities between the parties, but rather to avert significant imbalances in the exchange of value. When there are "overall advantages" in a situation, where one side has a significant position of power, it may be necessary to make factual assumptions in order to identify the subjective aspects of clear unfairness. Conversely, when it comes to "individual advantages", these benefits are typically less apparent and may be viewed as a typical aspect of market transactions. As a result, factual assumptions are generally not made. To ensure fairness, it is crucial to meticulously identify the specific benefits that each individual possesses, in order to prevent any compromise on one party's independence and any unjust favoritism towards the other.

5.2.3 "violation of the genuine intention of the party"

When a transaction takes place under coercion or deceit, it is important to assess if this violates the genuine intention of the parties involved. Ensuring the legitimacy of a contract requires the presence of genuine intent. Regarding the regulation of civil legal acts including fraud or coercion, as stated in the Civil Code, the law specifically mandates that there must be a violation of the real intention of the party involved. Nevertheless, the law fails to explicitly address situations where the real intention of a party is violated when determining instances of blatant injustice. This prompts the question: Is it not essential for blatant injustice to occur in order for there to be a violation of the genuine intention of the party involved? In practical legal rulings, when the opposing party is coerced into accepting unequal terms as a result of considerations such as diminished volition or a precarious circumstance, their intention is frequently undermined. The abolished "Opinions on Civil Law" specifically stated that "taking advantage of one's peril" was directly linked to contravening the real aim and was deemed a significant legal component ^[20]. In addition, experts have suggested the inclusion of the "defect of intent element" to address clear instances of unfairness. Nevertheless, it is important to highlight that the Civil Code, although influenced by legal practices in Germany and the Taiwan portion of China regarding acts of undue enrichment, did not introduce a necessity to demonstrate a violation of the real intention of the party as an extra requirement. The German Civil Code, while addressing cases of undue enrichment, solely necessitates the fulfillment of both subjective and objective criteria, without laying more stress on the genuine intention of the other party. When it comes to apparent unfairness, it may be more challenging to establish that the other party violated their real intention, especially when compared to cases involving fraud and coercion, where the absence of free will is more evident. Placing the responsibility of proving a violation of their genuine intentions on the other party could result in a significant gap in the enforcement of laws against clear unfairness. Ultimately, with the official enactment of the Civil Code, there is no need for further evidence to demonstrate a violation of the actual

intention of the party when determining certain instances of obvious injustice. This is more in line with the legislator's original objectives and the overarching essence of the law.

5.3 Practical Implementation of Dynamic System Theory

Dynamic system theory harmonizes the inflexibility of legal regulations with the adaptability of case-specific details through the organic coordination and integration of pertinent legal components. The fundamental concept is around the interplay of different components within a particular legal domain, encompassing its amount and intensity, which jointly shape the understanding and justification of legal principles or outcomes^[21].

The application of dynamic system theory in Chinese jurisprudence can benefit from valuable insights derived from international legal practices. Instances of dynamic system theory being applied in real-world scenarios include the implementation of the "sliding scale principle" in the United States and the utilization of the "heap theory" in Germany. These worldwide examples demonstrate that the combination of subjective and objective aspects is a prevailing global pattern in legal progress. The fundamental tenets of dynamic system theory have also permeated other domains of Chinese judicial practice, successfully departing from the conventional binary method in evaluating legal prerequisites. For example, in circumstances where there are infringements on personality rights, judges take into account the characteristics, severity of the illegal act, and the degree of injury suffered by the victim in order to establish the suitable legal repercussions. The implementation of the plainly unjust system via dynamic system theory does not indicate a loosening of stringent legal prerequisites. However, its implementation requires judges to exercise increased prudence and conduct thorough evaluations while issuing judgments^[22]. Hence, this study proposes the incorporation of dynamic system theory in the management of civil legal actions characterized by evident injustice, enabling a more adaptable assessment of specific case conditions while upholding the gravity of legal criteria.

6. Conclusion

The Chinese legal system has made steady improvements and developments in addressing the constituent aspects of legal acts that display clear injustice. This progress has been observed from the General Principles of Civil Law, Contract Law, General Provisions of the Civil Law, and now to the Civil Code. The continual quest of legal justice and efficacy involves exploring and refining the fundamental elements of legal acts that display obvious inequity.

This essay offers useful insights for the ongoing development of legal acts that display clear unfairness in China, taking inspiration from Germany's "act of undue enrichment" and France's "contractual damage rules" from an international comparative perspective. Expanding on this, the article presents three suggestions for utilizing the different parts of legal acts that display obvious unfairness. These recommendations include precisely defining the objective elements, broadening and intensifying the subjective elements, and introducing and implementing dynamic system theory. The purpose of these proposals is to develop a strong legal framework that promotes a more equitable and prosperous society. The goal is for the Chinese court system to move away from a tight adherence to strict legal standards and instead prioritize justice and efficiency.

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