

## ABSTRACT

In recent years, Merger and Acquisitions by foreign investors have become a main mode of foreign direct investments around the world. In China, M&A has been booming, too. Fast development of cross-border M&A draws the attention of many countries in consideration of the national security protection. Concept of national security has been expanding after World War II, and national economic security has become new and important consideration of every country when they absorb foreign investment.

How cross-border M&A will influence national security of a host country? The thesis provides a rational assessment to cross-border M&A. Cross-border M&A is a sword with two sides. Positively it could facilitate economic development of host countries, but negatively it could threaten national security of host countries.

How to regulate cross-border M&A with legal weapons in order to make the best benefit and get the least risk? The thesis examines traditional measures like industrial policy, competition legal system, direct investment restriction, etc and the newly rising means like national security review, the objectives, legality, reasonability and necessity of national security review system, etc.

How does national security review system work? How is China's national security review system established and whether it works well? The thesis comparatively studies national security review systems on cross-border M&A in different countries. Especially, systems of the U.S., Canada and Japan have been compared in detail. The thesis introduces regulatory system on cross-border M&A concerning national security in China. National security review system of China has been analyzed from three aspects: review object, review standard and review procedures. Problems in present legal system have been summarized.

To complete national security review system of China, principle of economic sovereignty, principle of economic development and principle of state moderate intervention should be followed as theoretical basis. Improvements of legal framework and institutional frame work have been discussed and the core problems, clarification of the definition of national security as standard of national security review system, were emphasized.

In addition to discuss the improvement of national legal system of China in the future establishing a balanced framework at bilateral, multilateral and international levels has been proposed.