

Comparative Business Entities

Summer 2007

Professor McDonnell

This course surveys the laws governing corporations in a variety of countries. We will mainly discuss the laws of the United States (and Delaware in particular), the U.K., Germany, Japan, and China.

Class materials. We have two short textbooks. The main one is REINIER R. KRAAKMAN *ET. AL.*, *THE ANATOMY OF CORPORATE LAW: A COMPARATIVE AND FUNCTIONAL APPROACH* (2004). That is supplemented by GUANGHUA YU, *COMPARATIVE CORPORATE GOVERNANCE IN CHINA: POLITICAL ECONOMY AND LEGAL INFRASTRUCTURE* (2007). You should also have received a computer disc which contains one article and the text of a variety of corporate and related laws from our main jurisdictions.

Grades. Your grade will be based on an open-book exam administered after the last class meeting. "Open-book" includes the textbooks, computer disc, and any other material made available in the course (e.g., PowerPoint slides), and any materials you have personally produced, either on your own or in conjunction with other members of this class. Class participation may be used to move students up or down a grade.

Assignments. Below are the assignments for the course.

Wednesday, May 30: Introduction and agency. *Anatomy*, chs. 1 & 2, pp. 1-31.

Friday, June 1: Comparative corporate governance & China. *Yu*, ch. 1, pp. 1-36.

Tuesday, June 5: Basic governance structure—shareholders & managers. *Anatomy*, ch. 3 first section, pp. 33-54.

Wednesday, June 6: Basic governance structure—minority shareholders & other constituencies. *Anatomy*, ch. Remainder, pp. 54-70.

Friday, June 8: Basic governance structure—China. *Xi* (on disc).

Tuesday, June 12: Creditors. *Anatomy*, ch. 4, pp. 71-99.

Wednesday, June 13: Related parties. *Anatomy*, ch. 5, pp. 101-30.

Thursday, June 14: Executive compensation. *Yu*, ch. 5, pp. 109-23.

Tuesday, June 19: Significant actions. *Anatomy*, ch. 6, pp. 131-55.

Wednesday, June 20: Control transactions. *Anatomy*, ch. 7, pp. 157-91.

Friday, June 22: Takeovers in China. *Yu*, ch. 2 (portion), pp. 37-54.

Tuesday, June 26: Investor protection. *Anatomy*, ch. 8, pp. 193-214; *Yu*, ch. 2 (portion), pp. 54-65.

Wednesday, June 27: Conclusion. *Anatomy*, ch. 9, pp. 215-26; *Yu*, ch. 6, pp. 124-45.