CORPORATE GOVERNANCE IN THE COMMON-LAW WORLD

The corporate governance systems of Australia, Canada, the United Kingdom, and the United States are often characterized as a single “Anglo-American” system prioritizing shareholders’ interests over those of other corporate stakeholders. Such generalizations, however, obscure substantial differences across the common-law world. Contrary to popular belief, shareholders in the United Kingdom and jurisdictions following its lead are far more powerful and central to the aims of the corporation than are shareholders in the United States.

This book presents a new comparative theory to explain this divergence and explores the theory’s ramifications for law and public policy. Christopher M. Bruner argues that regulatory structures affecting other stakeholders’ interests – notably differing degrees of social welfare protection for employees – have decisively impacted the degree of political opposition to shareholder-centric policies across the common-law world. These dynamics remain powerful forces today, and understanding them will be vital as postcrisis reforms continue to take shape.

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Corporate Governance in the Common-Law World

The Political Foundations of Shareholder Power

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Washington and Lee University School of Law
For Lia, Cullen, and Claire
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- *The Enduring Ambivalence of Corporate Law*, 59 Ala. L. Rev. 1385 (2008), where I developed the argument that U.S. corporate law remains fundamentally ambivalent regarding the role of shareholders in corporate governance and the consistency of their interests and incentives with the public good;

- *Managing Corporate Federalism: The Least-Bad Approach to the Shareholder Bylaw Debate*, 36 Del. J. Corp. L. 1 (2011), where I applied this argument to the debate regarding the scope of the shareholders' authority to enact, amend, and repeal corporate bylaws;

- *Power and Purpose in the “Anglo-American” Corporation*, 50 Va. J. Int’l L. 579 (2010), where I developed the U.K.–U.S. comparative argument linking their differing degrees of shareholder-centrism to differences in the degrees of extra-corporate social welfare protection available to employees in each country; and


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