

LAWS70134 Comparative Corporate Governance

Credit Points:	12.50
Level:	7 (Graduate/Postgraduate)
Dates & Locations:	2012, Parkville This subject commences in the following study period/s: March, Parkville - Taught on campus.
Time Commitment:	Contact Hours: The total class time is between 24 and 26 hours. Total Time Commitment: Not available
Prerequisites:	None.
Corequisites:	None.
Recommended Background Knowledge:	Applicants without legal qualifications should note that subjects are offered in the discipline of law at an advanced graduate level. While every effort will be made to meet the needs of students trained in other fields, concessions will not be made in the general level of instruction or assessment. Most subjects assume the knowledge usually acquired in a degree in law (LLB, JD or equivalent). Applicants should note that admission to some subjects in the Melbourne Law Masters will be dependent upon the individual applicant's educational background and professional experience.
Non Allowed Subjects:	None.
Core Participation Requirements:	The Melbourne Law Masters welcomes applications from students with disabilities. The inherent academic requirements for study in the Melbourne Law Masters are: The ability to attend a minimum of 75% of classes and actively engage in the analysis of complex materials and debate; The ability to read, analyse and comprehend complex written legal materials and complex interdisciplinary materials; The ability to clearly and independently communicate in writing a knowledge and application of legal principles and interdisciplinary materials and critically evaluate these; The ability to clearly and independently communicate orally a knowledge and application of legal principles and interdisciplinary materials and critically evaluate these; The ability to work independently and as a part of a group; The ability to present orally and in writing legal analysis to a professional standard. Students who feel their disability will inhibit them from meeting these inherent academic requirements are encouraged to contact the Disability Liaison Unit: www.services.unimelb.edu.au/disability/
Contact:	For more information, contact the Melbourne Law Masters office. Email law-masters@unimelb.edu.au (mailto:law-masters@unimelb.edu.au) or phone +61 3 8344 6190. Alternatively, visit our website: www.law.unimelb.edu.au/masters (http://www.law.unimelb.edu.au/masters)
Subject Overview:	This subject considers the different tools used by corporate law to, on the one hand, enable the corporate form to provide an efficient and effective means of generating value and, on the other hand, to regulate the agency problems generated by carrying out business activity through the corporate form. In particular, the subject will consider: the distribution of power within the corporation; directors' duties and their enforcement; the use and abuse of executive compensation; the role of the market for corporate control in holding directors to account; and minority shareholder protection. The subject takes an explicitly comparative approach, with a primary focus on the United Kingdom and the United States, and to a lesser extent on Germany. Principal topics will include: # The economic tensions of the corporate form: Authority versus responsibility, the economic agency cost problem, managerial agency costs and controlling shareholder agency costs # The regulatory strategies available to address these tensions # Shareholder primacy versus director primacy/the balance of power in the corporation: Appointment and removal rights, initiation rights and decisions rights

	<ul style="list-style-type: none"> # Directors' duties: # Duty of care, business judgment rule and duty of care liability waivers # Duty of loyalty and self-dealing, conflicted transactions and corporate opportunities # Duty to promote the success of the company and stakeholder interests, enlightened shareholder value versus pluralism, the costs of decision making and stakeholder interests # Board structure and composition: Composition themes, committee structures, composition and corporate performance # Corporate governance and gatekeeper regulation: The role of the auditor as independent gatekeeper, the impact of Enron and United States corporate and audit failures and auditor independence regulation # Executive compensation: Agency cost solution or cost problem and regulatory approaches to executive compensation # The market for corporate control: As agency cost control, the pros and cons of takeover defences and models of takeover defence regulation # Corporate ownership structures and convergence: Blockholding versus widely held companies, the controlling shareholder agency problem, efficient versus inefficient blockholding and the scope for convergence.
Objectives:	<p>A student who has successfully completed this subject should understand:</p> <ul style="list-style-type: none"> # Understand the meaning of the agency problem in the context of the modern corporation # Understand the tension between authority and responsibility in corporate legal regulation # Understand the types of regulatory strategy that can be deployed to address the identified agency problems # Understand the different approaches of different jurisdictions to effecting these regulatory strategies (jurisdictions include Australian, US, UK and certain continental European jurisdictions) # Understand governance regimes as systems that deploy different combinations of regulatory strategies that complement and fit with each other # Understand the scope or lack thereof for regulatory transplantation # Understand the debate about the scope for and likely outcome of corporate legal convergence process.
Assessment:	Take-home examination (100%) (12 pm 11 May to 5 pm 14 May)
Prescribed Texts:	Core subject materials will be provided free of charge to all students. Some subjects require further texts to be purchased. Visit the Melbourne Law Masters website for more information about this subject.
Breadth Options:	This subject is not available as a breadth subject.
Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees
Links to further information:	http://www.law.unimelb.edu.au/masters/courses-and-subjects/subject-details/sid/5148