

HAHLO'S CASEBOOK ON COMPANY LAW. By H. R. HAHLO & M. J. TREBILCOCK. Second Edition. [London: Sweet & Maxwell. 1977. xxxvi+712 pp. (with index) Paperback £12 net]

Like the first edition of this work, the second edition has arrived ahead of any other comparable work and therefore secures for itself a headstart. When the first edition appeared in 1970, there was a prior absence of "any book of cases and other materials comparable, say to Smith and Thomas on Contract which can be used as a basic text for those teaching by the case-book system and as a supplementary tool by those adopting methods more traditional in our Law Schools" (Professor L.C.B. Gower in his Foreword). The second edition is again the first major casebook to incorporate the significant changes and developments of the mid-1970s especially those wrought by the European Communities Act of 1972.

Three new features have been incorporated in this edition: a Chapter each on partnerships, multinational companies and winding up. The author's justification for including partnerships is that it is usually taught in business organisations courses and if not it is inevitably used to contrast features of company law. More interestingly, the chapter on Crossing Borders deals with currently vital questions relating to comparative company law, E.E.C. Harmonisation of Company Law, the European Company and multinational companies. A lacunae however appears to be in the absence of treatment of the "overseas company" (or the "foreign company" in Singapore), *i.e.* foreign incorporated companies which carry on business within the U.K. The chapter on winding up now focuses on the grounds for winding up, the liquidator, and the distribution of assets amongst creditors.

The technique of providing case extracts is governed by the "assumption that it is better to have too many cases rather than too

few". Also included are non-judicial textual extracts from key works ranging from Berle and Means, through Galbraith and Vaghts. The basic statutory reference used is the U.K. Companies Act 1948 and references to Canadian, American, Australian and New Zealand cases are made where they cover areas untouched by U.K. cases or where they suggest alternative approaches to problems. Indeed even greater use is now being made of American cases and the now familiar *Bar Chris* 283 Fed. Supp. 643 (5 DNN. 248 N.E. 2d. 910 (1969)); *Diamond v. Oreamuno* (1968); *Jones v. Ahmanson* 460 P. 2d. 464 (1969) are all extracted here. While this approach is useful, as in most Commonwealth countries company law is inspired by the U.K. model, this reviewer has a few reservations.

Firstly, when this work first appeared, it was the only one of its kind, the others being more simplistic and inadequate case compendiums. Since then however, there have emerged other casebooks with opposing objectives which include more elaborate extracts of significant cases, e.g. L.S. Sealy's *Cases and Materials in Company Law* (currently being revised). The value of brief extracts of cases exists for the purpose of the student wishing to grasp quickly the essence of the cases. As the authors suggest the object of such a casebook is to supplement the textbook and not to replace it. For caseclass teaching, however, it is most wanting as the detailed reasoning process is as important as the conclusions reached. To their credit however, the authors have used longer extracts for significant doctrinal cases like *Selangor United Rubber Estates Ltd. v. Craddock (No. 3)* [1968] 1 W.L.R. 1555, than for the more principal significant cases where a few lines would suffice.

Secondly, within the author's stated use of Commonwealth cases, the following gaps are significant. In the area of construction of objects clauses for ultra vires analysis *Stephenson v. Gillanders* [1931] 45 C.L.R. 476 is unique as it suggests a method of analysis lacking in existing U.K. cases; whether an outsider may be accountable to a company as constructive trustee for knowingly aiding a breach of fiduciary duty in an issue considered by *Selangor United Rubber Estates Ltd.* but settled by *Canada Safeway Ltd. v. Thompson* (1951) 3 D.L.R. 295. While one cannot accuse the authors of being parochial or insular in their selection of materials one can suggest that it is perhaps desirable in certain areas that attention be paid to developments in other Commonwealth countries particularly in areas which are thus more developed. For example, in the area of insider trading and takeovers, the Singapore and Hong Kong experience in legislation and cases cover unique grounds. The Slater Walker/Haw Par/Pernas continuing saga which spans directors' duties, insider trading, takeover problems and investigations proves highly instructive. In the context of oppression of minority shareholders and s.210 of the U.K. Companies Act, the controversial Malaysian decision of *Re Khong Thai Sawmills (Miri) Sdn. Bhd.* [1976] 1 M.L.J. 59 presents useful insights into the enforcement of directors' duties via the oppression remedy.

While it remains a valuable "mini-library for those denied access to alternative sources of information" a more serious and demanding student of company law will have to rely additionally on more elaborate casebooks which will inevitably appear later.