

THE REGULATION OF INSIDER TRADING. By BARRY RIDER & LEIGH
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including index. Hardcover £50.00]

Much as insider trading is a phenomenon common to most of the capital markets around the world, an attempt comprehensively to document all the law and self-regulating practice is a formidable task. The writers have attempted such a task with a great degree of accuracy and attempt to keep the volume periodically updated, utilizing for this purpose the organizational structure of the British Institute of Securities Law. A quick reference to the vast territory covered indicates an attempt to include every country with a securities market and some form of regulation from the United States to Saudi Arabia, the only major exceptions being South and Central America. Such a task has invariably to focus on the United States, Australia and the United Kingdom, which comprise the paradigm models from which all other systems are ultimately designed, and this volume does indeed reflect this unavoidable focus. The depth or lack of depth in

the coverage of each country appears to vary directly with the availability of local legal literature and the existence of law directly governing insider trading: thus extensive coverage is observed in most of the major countries of the common law legal world, and brief coverage to the extent of a one line reference appears in the case of Kenya.

Not everyone will agree with the value of such a study as opposed to independent and separate country studies. Even if one were to concede, as some would not, that in today's international investment industry, the practitioner needs to be apprised of insider regulation in Dubai or Hong Kong, the detailed and accurate documentation of the law in the books is at best of limited utility. It is to be wondered, whatever the similarity or divergence of the laws on the books, whether they reflect the underlying reality. For example a look at the Corporate Disclosure Policies of the New York and Singapore Stock Exchanges, reveals a close identity of the two. To infer from this, as one would naturally do, that the two systems operate identically, is to miss a great deal in the underlying reality. To their credit, the authors attempt, where possible, to consider local cases, which serves to generate a flavour of the climate and reality of regulation. Further, in their concluding chapter they pose the perennial problem of enforcement of insider trading *viz.* detection and investigation, the effectiveness of legal and extra-legal sanctions and the extra-territorial application of securities law.

P. PILLAI