Index

ABB 55–6
abuse of process, as version of *forum non conveniens* 104–5
abusive pyramid, defined 172
access to justice 8, 105
see also justice
accountability see disclosure; transparency
accounts, UK corporate group regulation and 162
Action Plan on Modernizing Company Law (EU)
control theory demise and 215
corporate group regulation and 169
corporate liability and 170–73
directors’ disclosure and 221
economic realities/legal principles
conflict as corporate group liability problem and 88
general or detailed regulation and 256
jurisdictional problems and 249
liability complexity and 183
see also company law; EU
Addo, M. 227
administrative burden, jurisdictional problems and 115, 116
Africa 27
see also individually-named states
agency
arbitration and 192
common law doctrine, veil piercing
case law 151–3
domicile and 102
parent-subsidiary relationship and 42–3, 49
single economic unit compared 155–6
veil piercing and 146
see also branch; ‘sufficient contact’
alter ego see veil piercing
America see Latin America; USA
antitrust see competition
arbitration 192–9, 215
Asia 27, 30, 222
see also individually-named states
assessment criteria, *forum non conveniens* 110–16
ATCA (Alien Tort Claims Act) (USA)
corporate torts and 7
CSR coupled with efficient liability regimes and 234
jurisdictional problems and 18, 99, 124–31, 133, 249–50
vicarious liability and 142
see also legislation
ATCA litigation 126–7, 128, 129–30, 134
see also litigation
audit, UK corporate group regulation and 162
Australia 27, 122–3, 146
Autokran 187, 188
bankruptcy, 171, 172, 176–7
see also insolvency
Bartlett, C.A. 43, 44, 55–6
Bayer 57–8, 59, 93
see also Germany
Bhopal
ATCA and 126–7
*forum non conveniens* and 104, 109–10, 112, 113, 115, 116,
limited liability and 84
veil-lifting and 138
see also India
Blumberg, P.I. 87, 151, 155–6
Born, G.A. 197
branch, jurisdictional rules 100
see also agency; subsidiary company
Britain see UK
Burma 127

see also Asia; Myanmar

business actors, CSR and 225–6, 227, 228

business organizations

future, based on liability 261–5

global management structure and

common group policy 62–4

historical development 45–50

horizontal structure 50–60, 68–9

MNEs as 42–5

networked enterprises, relationships between firms under different ownership 64–7

regional structure 60–61

see also company

Canada 29

capacity to control test, CERCLA 200, 201, 203

see also control

Cape Industries

agency and 153

case study 138–40

forum non conveniens and 112, 113–14, 116

fraud doctrine and 150

jurisdictional problems and 98, 102, 107

liability options beyond corporate liability and 219

limited liability and 84, 86

see also South Africa

capital creation centre, company as, economic growth and 2

capital market efficiency, limited liability economic analysis and 82, 83–4

case law

corporate groups, vicarious liability in 140–44

corporate veil, piercing 144–7

abandonment of 156–8

agency, common law doctrine 151–3

fraud doctrine 148–51

single economic unit doctrine 153–6

future 253

MNE liability 135–40

see also litigation; statute law

Chandler, A.D. 48

characteristics

corporate group, EU Action Plan and 173

horizontal structure 53, 54–5

less-hierarchical structure 53–4

MNE 71–2, 239

ChevronTexaco 129, 133

choice of law, jurisdictional problems and 115, 131–2

Citibank 56

codes of conduct 7

commercial law, options other than corporate liability within 217–22

see also company law

common group policy 62–4, 171, 172, 183–4, 191

see also corporate group

common law 101, 103, 120, 151–3

communications 25, 112, 118

Companies Act 2006 (UK)


corporate liability and 161–2

directors’ duties and 219–20

limited liability and 76, 79, 88

Turkish company law and 213

see also legislation

company 2, 36, 37, 39–40, 254–5

see also business organizations;
corporate liability; directors;
parent company; shares;
subsidiary company

company law

corporate group regulation and 160

corporate torts and 6

EU 168–78

failure to reflect new structural organization 91–2, 93–4

failure to regulate MNEs 92–3

legal problem identification and 8, 9

MNE concept and 4–5

options other than corporate liability within 217–22

separate legal personality, based on 70

UK 163–8

see also Action Plan on Modernizing Company Law; commercial law; Forum Europeaum
index

company law review steering group
(UK) 164–7
compensation maximization, future liability and 240
competition
corporate group regulation and 160
FDI and 26
horizontal structure and 44, 50
MNEs as globalized profit seeking organizations and 38
multinational investment theories and 37
networked enterprises and 65
regional structure and 49
vertical structure and 44
competition litigation, EU, corporate group as single economic unit and 179–82
complexity 72, 97, 182–4
corporate group
arbitration, in, corporate liability and 192–9
agency and 152, 153
case law 140, 145, 146, 165, 185–6, 198, 258–9
see also freedom of contract
corporate group regulation 159–60, 167–8, 208
see also regulation
corporate liability
ATCA litigation and 128
case law 135–40
compensatory laws and principles 159–61
drug theory and 12, 212–16
corporate torts and 6
England and Wales 161–8

see also capacity to control test; management; ownership
corporate group arbitration, in, corporate liability and 192–9
agency and 152, 153
case law 140–44
EU Action Plan and 173
Company Law Review Steering Group and 164
corporate group or MNE or, future 254–5
corporate group regulation and 160
control theory demise and 214
emergence of 73–5
hierarchical structure and 45, 46
horizontal structure and 69
independence theory and 70–71
jurisdictional problems 98, 111–12, 134
jurisdictional rules and 100
MNE concept and 2, 5
qualified de facto, Germany 187–9, 190–91
risks and problems, limited liability and 85–9
separate legal personality and 72
single economic unit, as 154–5, 179–82
Turkish company law and 210, 211
veil piercing and 145, 146, 147, 157, 158
vicarious liability in, case law 140–44
Winter Report and 171
see also common group policy; Forum Europeaum; group of companies doctrine; MNEs
corporate group regulation 159–60, 167–8, 208
see also regulation
corporate liability
corporate group regulation and 160
FDI and 26
horizontal structure and 44, 50
MNEs as globalized profit seeking organizations and 38
multinational investment theories and 37
networked enterprises and 65
regional structure and 49
vertical structure and 44
competition litigation, EU, corporate group as single economic unit and 179–82
complexity 72, 97, 182–4
corporate group
arbitration, in, corporate liability and 192–9
agency and 152, 153
case law 140, 145, 146, 165, 185–6, 198, 258–9
see also freedom of contract
corporate group regulation 159–60, 167–8, 208
see also regulation
corporate liability
ATCA litigation and 128
case law 135–40
compensatory laws and principles 159–61
drug theory and 12, 212–16
corporate torts and 6
England and Wales 161–8
Index

EU
adding more complexity to liability problem 182–4
company law developments 168–78
competition law litigation, corporate group as single economic unit 179–82
existing laws regarding 12–13
future 259–61
Germany, Stock Corporations Act 1965 184–92
groups in arbitration 192–9
legal problems within, origins of 9–11
MNEs as globalized profit seeking organizations and 40
options beyond 217
commercial and company law, within 217–22
corporate social responsibility (CSR) 222–35
private, ATCA and 125
problems 160–61
standards, enforcement of, vicarious liability and 143
Turkey, commercial law developments 204–12
USA, Comprehensive Environmental Responsibility and Compensation Act 199–204
see also liability; parent company; subsidiary company
corporate personality see legal personality
corporate torts 6, 7–8, 92, 238
corporate veil see veil piercing
cost minimizing, limited liability reason 80–81
creditors 89, 104, 218, 250–51
cross-ownership, horizontal structure and 69
see also ownership
CSR (corporate social responsibility)
corporate group common policy and 62, 63
enforcement problems and 7
failure to regulate MNEs and 93
legal problem identification and 9
options other than corporate liability and 222–31
efficient tort liability regimes, coupled with 232–5
vicarious liability and 142
Davies, Paul L. 163, 217
de facto problems, German Stock Corporations Act and 186–7
decision-making
control theory demise and 214–15
German Stock Corporations Act and 191
jurisdictional problems and 111, 114, 119
MNEs as business organizations and 42–3
single economic unit and 181
vicarious liability and 141
definitions
abusive pyramid 172
agency 151
cost 175
forum non conveniens 103–4
Greenfield investment 30
joint venture 67
knowable risk 245
limit of liability of shareholders 204
limited liability 76
MNE 23
owner or operator of a facility 199
qualified de facto group 187
statutory seat 99
Denning MR 153
Dent, George W. 245–6
deregulation, globalization and 31
see also regulation
development
contemporary, of MNEs, world trade globalization and 30–35
corporate group 73–5
historical see evolution
social and economic, of globalization, company law failure to reflect 91–2
see also evolution
directors 217, 219–21
see also company
disclosure, directors’, option beyond corporate liability 217, 220–21
see also transparency
dispute settlement 3, 104
doctrine of incorporation (UK), domicile and 101
Doggett, Justice 117
domicile, jurisdictional problems and 100–103
DTI (Department of Trade and Industry) (UK) 167, 168
Dunning, J.H. 37, 38, 64, 67

Easterbrook, Frank H. 81
ECJ (European Court of Justice)
domicile and 101
forum non conveniens and 98
jurisdictional problems and 107–9, 114, 133, 134, 248
single economic unit and 179–80, 181
see also EU
eclectic theory (Dunning), multinational investment theories and 37
economic growth, MNE concept and 1–2
economics 5, 81–5, 87–8, 90, 250–51
see also single economic unit; social and economic analysis
ECOSOC (UN Economic and Social Council) 142–3
see also UN
Ecuador 129
see also Latin America
efficiency 37, 82, 83–4, 113–15, 232–5
see also inefficiency
EFTA (European Free Trade Association) 101, 123
elective regime, Company Law Review Steering Group and 164–7
emergence see evolution
enforcement
ATCA litigation and 130
corporate liability standards, vicarious liability and 143
CSR and 227–8
duties, vicarious liability and 142–3
forum non conveniens assessment and 112–13
jurisdictional problems and 117
problems 7–8
witness summons, of, jurisdictional problems and 111
England and Wales see UK
Enron 219
enterprise entity doctrine, corporate liability future and 260–61
enterprises see MNEs; networked enterprises
environment law
ATCA and 127
CERCLA 199–204, 211, 214, 215, 246
control theory demise and 214
corporate torts and 6
CSR and 224, 228–9, 231
MNE concept and 3, 4
EPZs (export processing zones), MNE concept and 4
see also exports
estoppel 192, 197, 198
EU (European Union)
1960 to 1990 developments and 29–30
control as liability justification and 262
corporate liability and 19, 161
adding more complexity to problem 182–4
company law developments 168–78
competition law litigation, corporate group as single economic unit 179–82
CSR and 227, 231
domicile and 100, 101
FDI history and MNE emergence and 24, 25, 26, 27, 28
globalization and 31, 33
globalized profit-seeking organizations and 40
independence theory and 70
jurisdictional problems and 98, 123, 248–9
legal problem identification and 9
limited liability and 88
regional structure and 60
single economic unit and 155
see also individually-named Member States; Action Plan on Modernizing Company Law; ECJ; Forum Europeum
European Court of Human Rights 114
evidence, forum non conveniens assessment and 111–12
evolution
business organizations, of 45–50
FDI 24–7
limited liability 75–9
MNEs, of, social and economic
analysis 24–30
see also development
exports, inefficiency, multinational
investment theories and 36
see also EPZs

FDI (foreign direct investment)
1918 to 1960 developments and 28
1960 to 1990 developments and 29, 30
corporate group liability problem and
86–7
globalization and 31, 32, 33–4, 42
history of, social and economic
analysis of MNEs and 24–7
MNE concept and 1, 2, 3, 4, 5
MNE emergence and 26–7
MNEs as globalized profit seeking
organizations and, 38, 39–40
multinational investment theories and
35, 36, 37
see also investment
Fenton, E.M. 52–3
firms see business organizations;
company; MNEs; networked
enterprises
Fischel, D.R. 81
forum
alternative, efficiency of, forum non
conveniens assessment and
113–15
most suitable 104, 105–6, 114,
118–19, 122
Forum Europaeum 170, 174–8, 183, 211,
256
see also company law; corporate
group; EU
forum non conveniens
ATCA litigation and 129–30
domicile and 103
jurisdictional problems and 97, 98, 99,
103–10, 249
conditional 120–23
criticism of doctrine 117–20
private interest factors 110–15
public interest factors 115–16
see also common law
forum rei, jurisdictional problems and 98
forum shopping 7, 105
France 34, 127–8, 193–5, 197–8, 210,
211
see also EU; Rozenblum doctrine
fraud
agency compared 153
corporate group demise and 214
single economic unit compared 155
UK corporate group regulation and
162
veil piercing and 138–9, 145, 146,
147, 148–51, 197, 198
freedom of contract, limited liability
economic analysis and 85
see also contract
future
case or statute law 253
corporate liability 259–61
economics versus justice, liability for
MNEs or creditors 250–51
jurisdictional concerns 248–50
liability, of 239–41, 265–6
limited liability, with or without 251–3
mistakes, reasons for 241–7
ownership or business organization or
control based on liability 261–5
parent liability 259–61
personalizing MNEs 257–9
subsidiary liability 259–61
regulation 254–7
Gaillard, E. 197
GATT (General Agreement on Tariffs
and Trade) 39, 40
see also legislation; WTO
Gelb, Harvey 246–7
Germany
1918 to 1960 developments and 27
1960 to 1990 developments and 30, 34
comparative laws and principles and
19, 161, 165, 166, 176, 178, 211
control theory demise and 213, 215
future liability and 262
jurisdictional problems and 102
see also Bayer; EU; Stock
Corporations Act
Index

Ghoshal, S. 43, 44, 55–6
globalization
  business organizations’ management
    structure and common group
      policy 62–4
corporate torts and 6
FDI and 31, 32, 33–4, 42
globalized profit-seeking
  organizations, MNEs as 38–41
horizontal structure and 68
independence theory and 70–71
jurisdictional problems and 116, 248
less-hierarchical structure and 54
limited liability and 91–4
matrix structure and 49
MNE concept and 1–4
MNEs and, social and economic
  analysis 30–35
regional structure and 49
social and economic developments
  and, company law failure to
    reflect 91–2
GM (General Motors Corp.) 63
government see state
group of companies doctrine 192–3, 214
  see also corporate group
growth see economic growth
guarantee 164, 166, 217, 221

Halliburton 8
Hanatiau, B. 197
harmonization 159, 169, 174–5
horizontal structure see less-
  hierarchical structure; vertical
  structure
history see evolution
Hobbes, Thomas 2
Hofstetter, Karl 186–7
Holland see Netherlands
Hommelhoff, P. 191
horizontal structure
  case studies 55–8
CERCLA and 204
  characteristics 53, 54–5
  company law failure to regulate MNEs
    and 92
competition and 44, 50
control theory and 12, 215–16
corporate group and 69
detailed regulation and 255
EU Action Plan and 173
EU liability complexity and 183
Forum Europaeum and 178
future liability and 245, 246, 265
German Stock Corporations Act and
  189, 191
globalization and 68
groups of companies doctrine and 198
jurisdictional problems 112, 113, 119,
  133–4, 250
jurisdictional rules and 100
limited liability and 91–4
M-form and 68
matrix structure and 49
MNEs as business organizations and
  50–60, 68–9
move from vertical structure to 44, 45,
  49–50
process school and 50
regional structure and 49, 60–61
subsidiaries and 69
UK corporate group regulation and
  165, 166
veil piercing and 157, 158
vicarious liability in 144
  see also less-hierarchical structure;
    networked enterprises;
    organizational structure
HSBC 62, 69
human rights
  abuse of process and 105
  ATCA and 125, 126, 127
  CSR and 222–3, 224, 229, 230–31
  jurisdictional problems and 114
  MNE concept and 3, 4
  see also rights
IBM 63–4
ICC (International Chamber of
  Commerce) 193, 194, 195–6
ICSID (International Centre for the
  Settlement of Investment Disputes)
  3
identification
  legal problem 8–9
  wrongdoer, separate legal personality
    and 86
ILO (International Labour Organization)
  229
IMF (International Monetary Fund) 3, 34
incentives, government, FDI and 26
incorporation see doctrine of incorporation
independence theory 70–71, 91, 98 see also separate legal personality
India 84, 109–10, 113, 115, 120, 137–8 see also Asia; Bhopal
Industrial Revolution, MNE emergence and 24
industrialization, MNE emergence and 25
inefficiency, export, multinational investment theories and 36 see also efficiency
immunity, MNE concept and 4
injustice, veil piercing and 146 see also justice
insolvency 162–3, 217–18 see also bankruptcy
institutions see business organizations; international organizations; NGOs; profit-seeking organizations
insurance, as option beyond corporate liability 217, 218–19
integration problems, German Stock Corporations Act and 185
interest see private interest; public interest
interest of justice, veil piercing and 139 see also justice
international organizations, CSR and 226–7
investment
Greenfield 30, 40
private direct, globalization and 31 stimulating, limited liability reason 80 strategies, MNE concept and 2 see also FDI; multinational investment theories
Italy 107 see also EU
ITT 187
Japan 30, 34 see also Asia
joint action test, ATCA 127
joint and several liability 164–5, 185, 186 see also liability
joint ventures, networked enterprises compared 67 jurisdictional problems
Alien Tort Claims Act (ATCA) (USA) 124–31
choice of law in litigation 131–2
Company Law Review Steering Group and 166
domicile 100–103
forum non conveniens 103–10
conditional 120–23
criticism of doctrine 117–20
private interest factors 110–15
public interest factors 115–16
future 248–50
identifying 8
liability justification blocked by 97–9
overcoming 132–4 see also problems
jurisdictional rules 99–100 see also rules
justice 85, 198, 234, 250–51 see also access to justice; injustice; interest of justice
Keenan, Judge 120
knowledge-transfer, multinational investment theories and 35
labour law 4, 160, 162, 229
Latin America 27 see also individually-named states
law of nations, violations, ATCA and 124, 125–6, 127, 131
Leebron, David W. 217
legal aid, jurisdictional problems and 113–14, 117
legal personality 8, 9, 10, 11, 162, 224, 257–9 see also separate legal personality
legal principles, conflict with economic realities, corporate liability problem and 87–8, 90
legal problems 8–11 see also problems
legal structure
background 70–73
corporate groups, emergence of 73–5
limited liability 89–91
corporate groups, risks and problems in 85–9
definition of concept and historical evolution 75–9
economic analysis of 81–5
institutions 91–4
reasons for 80–81

legislation
AATUHK (Law Regarding the Procedure of Collection of the Money Owed to the State) (Turkey) 206–7, 214
Arbitration Act (UK) 196
BITs (Bilateral Investment Treaties) 3
Brussels Convention 98, 99, 100, 101, 107, 108, 109, 123
Brussels Regulations 108, 109, 133
CERCLA (Comprehensive Environmental Response, Compensation and Liability Act) (USA) 199–204, 211, 214, 215, 246
Civil Code (Turkey) 205
Civil Jurisdiction and Judgments Act (UK) 99, 100–102, 107
Commercial Code (Turkey) 204, 205
Companies Acts (UK) 1862 74, 75
2006 see Companies Act 2006
Company Law Directives (EU)
Seventh 168, 171, 174, 175, 208–9, 221
Ninth 170, 171, 178, 183
Cross-Border Merger Directive (EU) 169
Employment Rights Act (UK) 162
EU Treaty 180, 248
European Company Act 169–70, 213
European Convention on Human Rights 114
Hague Conference on Private International Law 120
Hague Convention on the Taking of Evidence Abroad in Civil and Commercial Matters 111
ICC Rules 194
Insolvency Act (UK) 162
Joint Stock Companies Act (UK) 77
Judiciary and Judicial Procedure Act (USA) 121–2
Limited Liability Act (UK) 77

Limited Liability Partnership Act (UK) 159
Lugano Convention 101, 123
Sherman Act (USA) 37, 74
see also ATCA; GATT; NAFTA; Stock Corporations Act
less-hierarchical structure 53–4, 58–60
see also horizontal structure
lex mercatoria, groups of companies doctrine and 193, 197

liability
control theory 12–13
current study
aim of 1
central discussion of 13–15
structure of 15–19
legal problems, identifying 8–9
MNE concept and 5
organizational structure, based on 264
ownership or business organization or control based on, future 261–5
see also corporate liability; joint and several liability; limited liability; vicarious liability; liability problems 182–4, 239–40
liability regimes, efficient, CSR coupled with, options other than corporate liability and 232–5
limitation, ATCA and 126
limited liability
AATUHK and 206–7
arbitration and 192
case law or statutory law and 253
CERCLA and 200
Company Law Review Steering Group and 165
corporate groups, risks and problems in 85–9
corporate liability case law 135, 140
corporate liability problems origins and 9–10, 11
defined 76
directors’ duties and 220
economic analysis of 81–5
emergence as historical accident 87, 89–91
EU Action Plan and 171
EU corporate group regulation and 168
Index

evolution 75–9
extensions of 159
future liability and 241–2, 243, 251–3
German Stock Corporations Act and 185, 190
groups of companies doctrine and 198
institutions 91–4
insurance as option beyond corporate liability and 219
jurisdictional problems and 98
legal problem identification and 8–9
MNEs as globalized profit seeking organizations and 40–41
multinational investment theories and 35
reasons for 80–81
static or dynamic regulation and 257
subsidiaries and 72, 76, 77
Turkish company law and 204, 205, 209, 211
UK corporate group regulation and 162, 163
veil piercing and 145
vicarious liability and 141
see also liability
litigation 97, 131–2, 179–82
see also ATCA litigation; case law
location, multinational investment theories and 35–6, 37
Lowry, John 75–6, 253
Lutter, M. 190–91
M-form (multi-divisional form) 44, 46, 47–9, 50, 68
see also organizational structure
management
business organizations, of, 62–4
corporate liability problems origins and 11
Forum Europaem and 176
German Stock Corporations Act and 184–5, 188, 189, 191
less-hierarchical structure and 54
MNE concept and 5
multinational investment theories and 36
Rozenblum doctrine and 175
see also common group policy; control
market efficiency, capital, limited liability economic analysis and 82, 83–4
market liberalization, MNE concept and 3
marketing, multinational investment theories and 35, 36, 37
Marshall, Judge 121
matrix structure 49, 50, 92
see also organizational structure
McBarnet, D. 227
Mexico 4
see also Latin America
misrepresentation, veil piercing and 147
mistakes, reasons for 241–7
MNEs (multinational enterprises)
company or corporate group or, future 254–5
concept 1–5, 42
defined 23
forerunners of 23–4, 27
personalizing, future 257–9
social position 39–40
see also corporate group
mobility, globalization and 31–2, 34
multinational investment theories, social and economic analysis and 35–7
see also investment
Myanmar 223
see also Asia; Burma

NAFTA (North American Free Trade Agreement) 3
see also legislation
nations see law of nations; state
Netherlands 56
see also EU; Philips
networked enterprises 64–7, 224, 234–5
see also horizontal structure
NGOs (non-governmental organizations)
ATCA and 124, 131
corporate torts and 6, 7
CSR and 223, 225, 226, 227
directors’ duties and 220
jurisdictional problems and 116
Nigeria 84, 128, 223
see also Africa; Shell
North America see USA

obstacles see problems
OECD (Organisation for Economic Co-operation and Development) 71, 229
organizational structure
globalization and 34–5
jurisdictional problems and 119
MNE concept and 2, 5
liability based on 264
need to examine 42, 43
new, company law failure to reflect 92, 93–4
new, reasons behind 43
see also horizontal structure; M-form;
matrix structure; pyramid structure; regional structure;
U-form; vertical structure
organizations see business organizations;
international organizations; NGOs;
profit-seeking organizations
Ottolenghi, S. 147
out of court settlement, enforcement problems and 7
ownership
CERCLA and 203, 204
different, relationships in networked enterprises between firms under 64–7
domicile and 102
future, based on liability 261–5
German Stock Corporations Act and 186
globalization and 31
multinational investment theories and 37
single economic unit and 181, 182
Turkish company law and 209, 211–12
veil piercing and 158
see also control; cross-ownership
Panama 102
see also Latin America
Papua New Guinea 130
Paraguay 124
see also Latin America
parent company
agency and 152–3
CERCLA and 199, 200, 201, 202–3, 204
control theory and 12–13, 214
Corporate liability case law 140
Corporate liability problems and 11, 86–7, 88, 90
corporate torts and 7
domicile and 102–3
‘elective regime’ and, Company Law Review Steering Group 164–5, 166
EU competition law and 179
EU corporate regulation and 170
EU liability complexity and 183, 184
Forum Europaem and 176, 177
fraud and 149–50
future liability 243–7, 259–61
German Stock Corporations Act and 185, 186, 187–8, 189, 190, 191
guarantee by 164, 217, 221
insurance as option beyond corporate liability and 219
jurisdictional problems 97–8, 111, 112, 117, 133–4, 250
liability under ATCA 128–9
Rozenblum doctrine and 176, 177
single economic unit and 153, 154, 155
Turkish company law and 209–10, 211–12
UK corporate group regulation and 161–3
veil piercing and 12, 136, 139, 144, 146, 157, 158
vicarious liability 140–41, 142, 143–4
see also company; corporate liability;
single economic unit; vertical structure
Parker Pen Ltd 180
partnership 65–6, 159
Peterson Farms, Inc 195–7
Pettigrew, A.M. 52–3
Philips 56, 57
policy-making, MNE concept and 4
see also common group policy
prejudice, German Stock Corporations Act and 189
Prentice, Dan D. 157
presence, domicile and 102
private interest, forum non conveniens assessment and 110–15
private international law
domicile and 101, 103
enforcement problems 7
Forum Europaem and 178
German Stock Corporations Act and 192
jurisdictional problems and 97, 120
legal problem identification and 8, 9
MNEs as globalized profit seeking
organizations and 40
privatization 3, 31
problems
contractual, German Stock
Corporations Act and 185–6
corporate group regulatory 159–60
corporate groups, in, limited liability
and 85–9
corporate liability 160–61
de facto, German Stock Corporations
Act and 186–7
enforcement 7–8
integration, German Stock Companies
Act and 185
liability 182–4, 239–40
procedural, ATCA litigation 126–7
see also jurisdictional problems; legal
problems
process school, horizontal structure and
50
production, globalization and 30–31, 32
profit-seeking organizations 38–41,
91–4
public health law, MNE concept and 3
public interest, forum non conveniens
assessment and 115–16
public policy, jurisdictional problems and
115–16
pyramid structure 171, 172
see also organizational structure
railroads (USA), corporate group
emergence and 74
reasons
limited liability, for 80–81
mistakes, for 241–7
new organizational structure, for 43
regional structure 49, 60–61, 92, 248–50,
256
see also organizational structure
regulation
company law failure 92–3
economics versus justice 250–51
EU Action Plan principle and
objectives 170–71
general or detailed, future 255–6
globalization and 34
implementation, enforcement
problems and 7
MNEs as globalized profit seeking
organizations and 40
self- see CSR
single or plural, future 254
static or dynamic, future 256–7
see also corporate group regulation;
deregulation; rules
rights, separate legal personality and 70
see also human rights
risk
corporate groups, in, limited liability
and 85–9
EU Action Plan and 171
future liability and 245
knowable, defined 245
risk shifting 11, 80, 81, 82–3, 84, 86–7
Robert Walker J 154–5
Robertson, D. 118, 121
Rozenblum doctrine
bankruptcy and 176
conditions of 174
Forum Europaeum and 175, 176, 178
parent company and 176, 177
subsidiary company and 175, 176
Turkish company law and 210, 211
see also France
rules
common law, domicile and 103
jurisdictional 99–100
see also regulation
safety law 4, 6
Savage, J. 197
Schmitthoff, C.M. 89
Schwartz, Alan 244–5
seat of corporation 99, 101–2
separate legal personality
agency and 151
arbitration and 192, 194
company holding share of another
company and 92
corporate group law based on concept of 70
corporate group and 72
corporate group limited liability and
77–9
corporate liability case law 135
domicile and 102
EU corporate group regulation and 168
Forum Europaeum and 176
fraud and 149–50, 151
future liability and 252–3, 259–61, 265
German Stock Corporations Act and 190
identifying wrongdoer and 86
independence theory and 91
MNE liability problems and 73
rights and 70
single economic unit and 153, 154–5, 180, 181
subsidiaries and 10, 72, 100
Turkish company law and 205
veil piercing and 139, 140, 146–7, 157
vicarious liability and 141
see also independence theory; legal personality
Servan-Schreiber, Jacques 29
settlement see dispute settlement; out of court settlement
shares, of another company 73–5, 77, 92
see also company
Shell 56–7, 58, 62–3, 84, 118, 128, 129
Singer Sewing Machine Company 26, 37
single economic unit
corporate group as, EU competition law litigation and 179–82
groups of companies doctrine and 192, 193, 194, 198
veil piercing and 139, 140, 153–6, 157–8
see also economics; parent company; subsidiary company
social and economic analysis
background 23–4
evolution 24–30
FDI 24–7
globalization and 30–35
globalized profit-seeking organizations, MNEs as 38–41
MNE defined 23
multinational investment theories 35–7
see also economics
South Africa 84, 106–7, 113, 138
see also Africa; Cape Industries state
corporate torts and 6–7
CSR and 224, 226–7
incentives, FDI and 26
limited liability as nothing more than historical accident and 90–91
MNE concept and 2, 3, 4, 5
MNE emergence and 27
MNEs as globalized profit seeking organizations and 38, 39–40
statute law, future 253
see also case law
Stock Corporation Act (Germany)
comparative laws and principles and 161
corporate group liability and 184–5
contractual concerns 185–6
de facto concerns 186–7
integration concerns 185
qualified de facto group 187–92
elective regime and 165, 16
European Company Act (SE) and 169–70
Rozenblum doctrine compared 176, 178
Turkish commercial law developments and 208, 209, 211
see also legislation
storage, MNE emergence and 25
structure see horizontal structure; legal structure; management; organizational structure; pyramid structure; regional structure; vertical structure
subsidiary company
1918 to 1960 developments and 27
agency and 152–3
CERCLA and 201–2, 203, 204
company law failure to regulate MNEs and 92
control theory and 12, 13, 213, 214, 215
corporate group common policy and 63–4
corporate liability case law 140
corporate liability problems and 11, 88, 90
corporate torts and 7
CSR and 223, 224
domicile and 102–3
EU competition law and 179
EU liability complexity and 183, 184
Index

Forum Europaeum and 175–6, 178
future liability 244, 245, 246, 257, 259–61
German Stock Corporations Act and
185, 186, 187–8, 189, 190, 191
groups of companies doctrine and 194
horizontal structure and 69
independence theory and 91
insurance as option beyond corporate
liability and 219
jurisdictional problems 97, 111–12,
114, 119, 133–4, 250
jurisdictional rules and 100
less-hierarchical structure and 54
limited liability and 72, 76, 77
MNE concept and 5
MNEs as globalized profit seeking
organizations and 41
multinational investment theories and
36
networked enterprises and 64–5, 66
Rozenblum doctrine and 175, 176
separate legal personality and 10, 72
single economic unit and 153, 154,
155
Turkey, German Stock Corporations
Act and 208
Turkish company law and 209, 210,
211, 212
veil piercing and 139, 144, 145,
146–7, 157, 158
see also branch; company; corporate
liability; single economic unit;
vertical structure ‘sufficient
contact’, ATCA and 127–8
see also agency
Switzerland 211
see also ABB
tariffs, FDI and 26
tax law, corporate group regulation and
160, 162
technology
globalization and 32
jurisdictional problems and 112, 118
MNE emergence and 25
multinational investment theories and
35, 36, 37
networked enterprises and 65
Texaco 129
Thompson, Robert B. 145, 217
torts see corporate torts
Total 127, 128
transparency
CSR and 227–8
EU Action Plan and 171, 172
personalizing MNEs and 259
Winter Report and 171
see also disclosure
transport
MNE emergence and 25
Turkey 5, 19, 161, 204–12, 214, 215
U-form (unitary form) 45–7, 48, 49
see also organizational structure
UK (United Kingdom)
agency and 152–3
ATCA litigation and 129
comparative laws and principles and
19, 159, 161, 178, 198
corporate group emergence and 74–5
corporate group regulation and 166
corporate liability 161–8
corporate liability case law 135, 138–9
corporate liability problems origins
and 11
CSR and 225, 226
domicile and 100, 101, 102, 103
forum non conveniens doctrine and 97,
98, 104, 105–6, 107, 108–9, 110
fraud and 148–50
groups of companies doctrine and
195–7
jurisdictional problems 112, 113–14,
116, 118, 122, 133, 134
jurisdictional rules and 99
legal structure and 70, 72, 77–9, 83
limited liability and 88
private interest and 111
single economic unit and 153–5
social and economic analysis and 25,
26, 27, 28, 29, 34
veil piercing and 145–6, 156, 157
vicarious liability and 141
wrongful trading rules 176–7
see also Companies Act 2006; EU;
HSBC
UN (United Nations), CSR and 229–30
**Index**

*see also* ECOSOC
UNCTAD (United Nations Conference on Trade and Development) *see* WIR
under-capitalization, veil-piercing and 147
unfairness, veil piercing and 145
USA (United States of America) 1918 to 1960 developments and 28, 29 1960 to 1990 developments and 29–30 agency and 152 comparative laws and principles and 19, 161 control theory demise and 214 corporate group emergence and 74 corporate liability case law 135, 137, 138 CSR and 226 domicile and 102, 103 *forum non conveniens* and 97, 98, 104, 105, 109–10, 111 fraud and 148, 150–51 future liability and 240 groups of companies doctrine and 195, 196–7 jurisdictional problems 113, 115–16, 118, 120–22, 133, 134, 249 legal structure and 70, 72, 73–4, 75–6, 79, 83 single economic unit and 155 social and economic analysis and 24, 25, 26, 27, 33, 34, 37 veil piercing and 144–5, 146, 156, 157 vicarious liability and 142
*see also* ATCA; CERCLA; Citibank; GM

**Veil piercing**

arbitration and 192
case law 144–7 abandonment of 156–8 agency, common law doctrine 151–3 fraud doctrine 148–51 single economic unit doctrine 153–6 CERCLA and 201–2, 204 control theory demise and 214 corporate group liability problem and 90
corporate group regulation and 160, 162–3 corporate liability case law 136–7, 138–9 corporate liability future and 261 enterprise entity doctrine and 260 fraud and 138–9, 145, 146, 147, 148–51, 197, 198 future liability and 245, 246–7 German Stock Corporations Act and 190, 191 groups of companies doctrine and 197, 198 jurisdictional problems 249, 253 single economic unit and 181 theory, control theory and 12–13, 158 Turkish company law and 205–6, 207 vertical structure CERCLA and 204 common group policy and 63–4 company law failure to regulate MNEs and 92 Company Law Review Steering Group and 164 competition and 44 conceptual differences between less-hierarchical structure and 58–60 control theory and 12 corporate group regulation and 161, 163 EU Action Plan and 172 EU liability complexity and 183 Forum Europaeum and 177 future liability and 265 German Stock Corporations Act and 191 included in present study 45 M-form and 44, 47–8 move to horizontal structure from 44, 45, 49–50 networked enterprises and 65 single economic unit and 180, 182 Turkish company law and 212 U-form and 46 veil piercing abandoned 157, 158 vicarious liability in 144
*see also* organizational structure; parent company; subsidiary company
vicarious liability 11, 140–44
  see also liability

West Europe see EU
Williamson, O.E. 48
Winter, Japp 170
Winter Report 170–71, 172, 173, 183
WIR (World Investment Report) 33
witnesses, *forum non conveniens*
  assessment and 111–12

Wood, Sir John 113
World Bank 3, 34
wrongdoer, identifying, separate legal
  personality and 86
wrongful trading 162–3, 176–7, 178
WTO (World Trade Organization) 3, 34,
  39
  see also GATT

Zerk, J.A. 228