

---

# Introduction

*Harwell Wells*

---

The chapters in this *Handbook* survey the growth of corporate and, more generally, business organization law from the Medieval era to the present day, addressing developments over time in jurisdictions around the globe. Their authors have taken a range of approaches—some focusing on the evolution of business organizations in a particular nation across a fixed span of time, others providing more fine-grained accounts of the developments of particular business forms or legal-intellectual trends within a nation and period, with still others broadening their scope to ask about developments across national borders and geographic regions. The audience for these chapters will be, this writer hopes, similarly varied; there is much here that should interest legal scholars, historians, and economists, and perhaps especially those working along the fertile borderlands of these fields. What any individual scholar will take away will, of course, depend on her individual interest; what will catch the eye of a business historian of a particular nation may well differ from what will interest a student of comparative law. It is even to be hoped that some of these chapters will speak to scholars far removed from business, economic, and legal history. To give a few examples, historians of modern European politics might be surprised to learn how fascist ideology impacted the corporate law of Germany, Italy, or Spain; students of religion may be interested in the account of how complex power relationships in traditional Islamic regimes hindered the growth of the corporate form; and theorists of the modern corporation will be intrigued to see how notions of corporate personhood took form in a Chinese legal culture steeped in Confucian beliefs, or how features of the modern corporation can be discerned in an organizational form that flourished in India in the first millennium C.E.

The overwhelming importance of giant corporations in modern economics, politics, and culture alone justifies historical study of their legal development. Because, however, this volume appears in Edward Elgar's series of *Research Handbooks in Corporate Law and Governance*, it is worthwhile pointing particularly to a few recent, major, and occasionally overlapping controversies in corporate law and governance to which

some (or all) of the chapters here, and the historical approach they take, can contribute.

Many of the chapters can be profitably read in conjunction with Kraakman et al's *Anatomy of Corporate Law*, in which an international team of corporate law scholars identify five basic legal characteristics they argue are today shared by business corporations across jurisdictions, characteristics necessary for the operation of large modern business enterprises: legal personality; limited liability; transferable shares; delegated management under a board structure; and investor ownership (Kraakman et al 2017). While this team of authors does not doubt that corporate law is not completely uniform, and takes no position in their book on whether the law is converging on a single model, its work still offers a model of present-day corporate law that emphasizes core elements shared across borders. Whether this is correct, and if so how business forms in different jurisdictions came to share these core elements, are questions whose answers can be quarried from materials presented here. So, too, one can inquire which legal characteristics (if any) were necessary, or most significant, to the development of the corporation—and whether the answer to that question changed over time. Once, limited liability for shareholders was widely heralded as the great innovation of corporate law. A century ago Nicholas Murray Butler famously identified the “limited liability corporation as the greatest single discovery of modern times” (Micklethwaite and Wooldridge 2003: xxi). Yet many have observed that shareholders in pre-20th century corporations did not always have limited liability. More recently, scholars have identified the ability of the corporate legal form to lock in financial capital (Blair 2003), or the ability of the corporation and other business organizations to shield their assets from their owners' creditors (Hansmann and Kraakman 2000), as their essential or indispensable feature.

In a related scholarly debate, a number of the chapters here can also profitably contribute to debates over the trajectory of corporate law—specifically, whether there has been over the past century convergence between different nations' corporation laws such that it makes sense to speak of a trend towards “a single, standard model” of corporation law marked by both the structural elements mentioned above and by a shared ideological commitment to “the view that corporate law should principally strive to increase long-term shareholder value” (Hansmann and Kraakman 2000: 439). The argument that corporate law is converging has drawn acclaim, but also critics, who contend that emphasis on convergence ignores path dependence and the way peculiarities of national history and political economy will continue to shape jurisdictions' corporate laws (Cabrelli and Siems 2015).

Some of the contributions here also move beyond a narrow focus on the corporation to shed light on the development of other organizational forms. Recent years have seen calls for greater attention to be paid to business forms that are *not* corporations. While the corporation has traditionally received most scholarly attention, in 2007 Guinnane et al. forcefully challenged “the idea that the spread of the corporate form of organization was a decisive factor in modern economic growth.” Their work pointed out that the corporate form carried drawbacks as well as advantages, and that more attention and study should be given to the development and spread of the more flexible private limited liability company (PLLC), a form better suited to small- and medium-sized enterprise (Guinnane et al. 2007). Several chapters here take up that challenge.

Finally, some chapters specifically address the contentious debate over “legal origins.” In a series of articles beginning in 1997, Rafael La Porta, Florencio Lopez-de-Silanes, Andrei Shleifer, and Robert Vishny, (“LLSV”) argued that different nations’ laws could usefully be categorized into legal families based on their historical origins; that legal rules protecting shareholders varied systematically among legal families; and that the laws of nations rooted in the common law not only better protected investors than those of civil-law nations—notably those of the French civil-law family—but consequentially produced better economic outcomes in several areas (La Porta et al. 1997; La Porta et al. 1998; La Porta et al. 2008). The claims of “LLSV” provoked a large literature in which their methods and conclusions were heralded, challenged, or dismissed (Spamann 2010). Several chapters here touch on these debates, particularly on the question of whether civil law legal systems have historically proven less flexible and less shareholder protective than common law systems.

## OVERVIEW

### Part I: Taking Shape

The volume opens with an account that provides a nice counterpoint to subsequent works here. *Jared Rubin*, in “Islamic Law and Economic Development,” examines how a polity evolved without anything resembling a corporation law. In the Islamic world, he explains, corporations did not develop until the mid-19th century, even though it was economically far ahead of Europe for centuries. Taking the Ottoman Empire as a case study, Rubin attributes this to a dampening effect of Islamic

law—being careful, however, to note that his argument is not that “Islam is incapable of change or it is some inherent Islamic conservatism that is at fault.” Rather, he argues, in Islamic polities rulers’ legitimacy rested heavily on the clerical establishment, and resulted in large areas of law being ceded to that establishment—including commercial law. Yet, while Islamic law provided for partnerships, those partnerships were dissolved on a partner’s death, and inheritance law provided for distribution of the partner’s assets to heirs by a fixed formula. These inflexible rules hindered the growth of large-scale partnerships similar to those that, in Europe, slowly led to joint-stock companies and then corporations. In sum, the power arrangement that left commercial law to the clerical establishment ultimately blocked the development of corporations as well as other commercial arrangements that, in Europe, helped spur economic growth.

We then turn to a form of business organization that flourished long before the dawn of the modern era. *Vikramaditya Khanna’s* chapter examines business organizations in India before the arrival of the British East India Company, focusing on the *sreni*, an organizational entity primarily engaged in business and commerce that flourished in the subcontinent for almost two millennia (800 BCE to 1000 CE). Study of the *sreni* is warranted not only because of its use across a long and understudied span of history, but because its development sheds light on factors identified as relevant to the development of European business organizations, such as increasing trade, the need to contain agency costs, and methods to engage in asset partitioning and entity shielding. The history of the *sreni* shows sophisticated attempts to address agency costs and incentive effects, as well as considerable agility in adapting to changing business conditions. And, Khanna shows, while the *sreni* faded after 1000 CE, it had lasting effects on business in the subcontinent and may have impacted Mughal institutions in ways that had important repercussions for later economic growth.

We begin to follow the development of modern organizational forms with *Yadira González de Lara’s* chapter on business organization and organizational innovation in late Medieval Italy. It examines three organizational innovations defined by contract and law: first, the variety of credit instruments, from short-term loans to exchange contracts, available to Medieval merchants; then the *commenda* contract, a form of commercial association that enabled both representation abroad and pooling of capital; and finally, the development of the *compagnia* as a modern partnership form. The chapter draws on modern economic and legal theory to argue that these developments helped set European merchants on a distinctive path of economic development that arguably explains the

later economic success of the Latin West. The tale told here is not merely historical, but shows business people in the past addressing problems still central to organizational analysis, as they sought to devise mechanisms to address moral hazard and incomplete contracting, to lock in capital, and to shield their enterprises' assets from both the owners' creditors and the state.

In his chapter, *Ron Harris* follows the transformation of the corporate form from an entity chiefly for municipal and public purposes, developed in the Medieval period, to one used for business and trade. At the center of his account are the formations at the turn of the 17th century of the English East India Company ("EIC") and the Dutch East India Company (*Verenigde Oostindische Compagnie*, "VOC")—the first publicly held business corporations and the templates for later adopters of this organizational form. In these two firms the preexisting legal institution of the corporation was put to new use, as the framers of the EIC and VOC borrowed and modified the corporate form, and married it to financial innovations related to joint-stock, to enable successful collaboration between entrepreneurs pursuing oceanic trade with Asia and investors seeking to protect their interests vis-à-vis insiders. The resulting institution met diverse needs, serving as a platform for long-term enterprise, enabling impersonal investment by a large number of investors, mitigating informational asymmetries, and spreading the high risks of oceanic trade.

## Part II: Modern Europe

We then turn to the development of modern corporation and company law, beginning with Europe. In his chapter, *John D. Turner* charts the growth of English company law from the 15th through the 19th centuries, showing how company law only slowly came to offer businesses all five of the characteristics generally identified as marking the modern company or corporation: separate legal personality; limited liability; transferable joint-stock; delegated management; and investor ownership. In this account, it is particularly notable that England went through its Industrial Revolution without freedom of incorporation and with a legal framework which actually restricted the development of business corporations. While at moments English law and politics were amenable to the corporate form, for much of the 18th and even into the 19th century statutory and common law were inhospitable to widespread incorporation, only changing in the 19th century when the rising political power of the middle classes ultimately pushed Parliament to liberalize incorporation law. *Contra* some arguments that the common law is inherently flexible and responsive to

new business opportunities, this is an account in which the common law did not facilitate growth, and in which easy access to incorporation only followed political agitation and legislative intervention.

Picking up with UK company law at the beginning of the 20th century, *Marc T. Moore* focuses more tightly on a particular aspect of UK company law, the widely accepted generalization that, in contrast to many other jurisdictions, UK company law has always given shareholders primacy. While not disagreeing with this generalization—indeed, Moore shows the collection of legal rules and principles that tend to establish it today—he argues that this primacy has been more contested than is recognized. Across the 20th century there has been a good deal of “doctrinal and ideological turbulence” in UK company law concerning who the corporation should chiefly serve. In the 1970s the UK even came close to adopting an “industrial democracy” approach which would have provided for employees’ representation on large companies’ boards—an approach thwarted, in part, by labor’s belief that it was better protected outside the corporate governance mechanism. Thus, while present UK law may embody a shareholder primacy stance, that stance has not always fitted with the nation’s broader social and political currents, and could still prove vulnerable to the consequences of economic and demographic changes.

Two chapters discuss corporation and company law in Germany. *Timothy W. Guinnane* provides an account of German company law, 1794–1897, showing both the slow adoption of German law to the corporation—a process similar to that in other countries—and, more unusually, the development of other business forms as well. To speak of “German” law is something of a misnomer for much of the century, as the German Empire only came into existence in 1871, and before (and sometimes after) then company law could vary significantly from state to state. Much of corporate law’s development in this era turned on whether would-be incorporators had to seek specific permission from the state to incorporate, and the law developed from a system in which the state granted a firm a specific charter and accompanying privileges (*Oktroi*), to a concession system in which the state issued charters in a more standardized, regularized process, as adopted in Prussia’s 1843 Corporations Act, to a liberalized, general incorporation system in which any group of entrepreneurs could have access to incorporation (1870 Corporations Act). This chapter also provides an account of business forms other than the corporation, notably the Cooperative, which played an unusually important role in the German economy, and the GmbH, a hybrid business form established near the end of the 19th century that would become widespread in the 20th.

German corporate law in the 20th century is the topic of *Thilo Kuntz's* chapter. Kuntz places the development of the law firmly in the context of Germany's tempestuous history, with turning points in the law deeply inflected by politics. The chapter focuses on the *Aktiengesellschaft*—the large corporation—which entered the 20th century with its distinctive requirement for both an executive board (now *Vorstand*) and supervisory board (*Aufsichtsrat*) already established and with shareholder power—at least in theory—paramount. In 1937, however, the confluence of long-standing attempts at corporate-law reform and Nazi ideology led to a new orientation for German corporation law, with reduced shareholder rights and a sharp separation between executive and supervisory board. The account then moves on to the postwar era, where codetermination, whose roots can be traced back to the 19th century, was adopted in stages, beginning in 1951, giving workers and shareholders equal representation on the supervisory board, initially in the mining, iron, and steel industries but later widening to all *Aktiengesellschaft* above a certain size. With this the essential structural features of present-day German corporate law were in place.

*Jean Rochat's* contribution surveys the development of the corporation in France—the *société anonyme* (“SA”)—from its initial appearance in the *Code de Commerce* of 1807 to the Act of 1867 that allowed it to be formed by simple registration. While earlier accounts have presented the appearance of the SA as a radical departure from previous business models, this chapter argues that the SA as developed in 1807 was a continuance of the older form of chartered company, a form used since the 17th century. It was between 1807 and the 1860s—while the law remained static—that the SA as an institution gradually changed from an organization chiefly intended for a limited range of activities and imbued with a public purpose, to an organizational form utilized by the businesses typical of large-scale capitalism, notably railroads. Significant legal changes in 1863 and 1867, in this telling, were largely intended to recognize in legislation the social and case-law developments that had occurred over the previous half-century. This chapter not only revises our understanding of French corporate development in the 19th century, replacing an account of radical discontinuities with one of gradual change, it also suggests that the sharp division made by some between rigid civil law, fixed in statutes, and flexible common law, developed in cases, is overblown.

In their contribution, *Marco Ventoruzzo* and *Giulio Sandrelli* examine the evolution of modern Italian corporate law by focusing on share classes and voting rights. From a variegated voting and class system in the 19th century, the authors show convergence during the late 19th and

early 20th century towards a one-share, one-vote norm, followed later in the century by a countercurrent marked by increased flexibility in voting arrangements and eventual elimination of a ban on multiple voting shares. Along the way the authors demonstrate that these developments were not only produced by internal dynamics of corporation law but by larger national and international developments—“competition among European jurisdictions, circulation of legal models internationally, ... a growing faith in market efficiency and [in] the ability of contractual freedom to adopt the most efficient solution.”

The development of corporation law in Spain is the subject of *Susana Martínez-Rodríguez's* chapter. In some ways, Spanish law was notably conducive to corporations. In 1829 Spain adopted a corporation law allowing any man to register a corporation, a departure from the rules of most other European nations which at that time required incorporators to seek special governmental approval. While this right of general incorporation was suspended in 1848, it was again made available in 1869. When Spain adopted a new Commercial Code in 1885, it was surprisingly favorable to corporations, as its relative lack of detailed requirements gave corporate organizers great flexibility to arrange the internal affairs of their firms as they saw fit. This relative flexibility continued through much the 20th century, extending to the limited liability company (*Sociedad de Responsabilidad Limitada*, or SRL), which was legalized in 1919. While Spain's company law was updated occasionally throughout the century, significant change came again at century's end when Spain's entry into the European Economic Community (EEC) required legislative reforms to bring its law in line with European directives.

Concluding this section, *Martin Gelter's* chapter examines European (EEC, EC, and EU) efforts to harmonize European company law since the establishment of the European Economic Community. He identifies two distinct periods in which harmonization between national laws was sought, periods characterized by different models of capitalism and thus different approaches to harmonization. The first period was characterized by a harmonization program outlined largely before the UK's accession to the then-EEC, one dominated by a German approach emphasizing a “coordinated” model of capitalism that did not center on shareholder value maximization. The second period, which began in the late 1990s after a lull in harmonization efforts, was in contrast more heavily influenced by the UK and centered on a more “liberal” model of capitalism focusing on shareholders and, increasingly, the stock market.

### Part III: Asia

After this come contributions discussing the evolution of corporation law in modern east and south Asia. We begin with *Teemu Ruskola's* "Corporation Law in Late Imperial China." Here Ruskola argues, against much received wisdom, that even before the introduction of Western law in China at the turn of the 20th century China had entities analogous to the business corporation in the form of "clan corporations." Developing within a Confucian tradition that looked askance at profit-seeking and saw the family, rather than the natural person, as carrying a legal personality, Clan corporations initially developed out of ancestral trusts, formed to pool property to provide for ancestral sacrifices. The ancestral trust, however, lent itself to the creation of large, for-profit business enterprises, often with unrelated investors and expert managers—enterprises clothed in a form acceptable to Chinese attitudes at the time, but with many of the characteristics of modern Western corporations. What differentiated these organizations from European or American counterparts was not, Ruskola makes clear, anything essential about their nature, but rather the "vehement *ideological* insistence on kinship as the organizing principle, even in the case of large clan corporations in which kinship was the most threadbare fiction and many of the governing relations *in fact* originated in contract, not kinship."

Modern Indian corporation law is the subject of *Umakanth Varottil's* chapter. He identifies in the development of Indian corporation law since 1850 an oscillation between stakeholder and shareholder primacy views of the corporation. Colonial India's corporate law, imposed by England, drew on English corporate law and treated the company as a private matter with little obligation to non-shareholders—a view that carried over into the early days of Indian independence. By the 1960s, however, India's embrace of socialism led to a change in its company law, as a view that the company had a public character, not just a private one, led to the addition of new protections for constituencies including employees, creditors, and consumers. This stakeholder trend was in turn reversed in the 1990s, with deregulation and adoption of new corporate governance requirements and a disclosure-based securities law regime, both targeted at protecting shareholders. In the latest twist, the Companies Act, 2013 has again moved Indian corporation law in the stakeholder direction, providing greater protection to non-shareholders and, even more striking, mandating that large companies spend at least 2 percent of average net profits on social causes. As the chapter shows, while

originating in English company law, Indian law has diverged sharply from it, driven by India's own distinctive economic and political imperatives.

*Bruce Aronson's* chapter on the evolution of Japanese corporation law challenges views relying on a stereotyped vision of Japan in which informal relationships between businesses and the state, and a cultural disposition to avoid disputes, have produced a system in which formal law does not matter. To the contrary, he argues that formal law has mattered a great deal in Japan, and provides an account of Japanese corporation law since 1868 marked by "constant, if gradual, change over time; significant experimentation with corporate law to meet businesses' needs; flexibility and choice rather than rigidity; and practical efforts to adopt over time to changing political, economic, and social circumstances." His chapter follows Japanese corporation law through two eras, each of which saw foreign models profoundly influencing Japanese legal development. The first began with the Meiji period, where European, and especially German, law shaped Japan's first comprehensive corporation law, the Commercial Code of 1899; the second commenced after World War II when US law deeply influenced many areas of Japanese law. The chapter continues by following Japanese corporate law and corporate governance through the postwar periods of Japanese triumph and stagnation, and concludes in the 21st century, where it speculates that a third era of corporation law may have appeared, as Japan increasingly pursues a multipolar model focused on growth and the importance of "soft law."

#### **Part IV: North America**

The volume's focus then moves to North America. The development of Mexican corporate law is examined in *Aurora Gomez-Galvarriato* and *Gustavo A. Del Angel's* chapter. Their account of Mexican corporate and commercial law begins with that law's origins in the regulations Spain established for governing Mexico when it was still the viceroyalty of New Spain, moving through new laws adopted after Mexican independence and up to changes made in the early 21st century. This chapter shows Mexico's law being formed by cycles of globalization, from laws originating via New Spain's role within the Spanish empire to recent legal changes spurred by Mexico's contemporary integration with the global economy and international agreements. It also shows the law's evolution as it was pulled by two sometimes-contrary policy goals, as the government sought to both play an active role in the economy and to promote economic growth.

In his account of the history of corporation law in Canada, *Fenner L. Stewart* connects the law's development to both Canada's distinctive social-economic-political development and its complicated attitude towards its neighbor to the South. Initially, Canadian corporate law and the Canadian corporation itself lagged those of the US; in particular, with the exception of disclosure requirements, where Canada was a leader, its corporate law was less developed and more fragmented than that of the US well into the 20th century. Indeed, Canadian corporate law was not thoroughly reformed until the late 1960s and early 1970s, at which time Ontario adopted a Business Corporations Act that drew heavily on US models; a Federal act, called the Canada Business Corporations Act (CBCA), followed five years' later and set the pattern for other provincial corporate laws. These acts were surprisingly shareholder-friendly given their borrowings from US models, a development Stewart explains by pointing to the larger political context, particularly the growth of Canada's robust welfare state beginning in the 1940s. In his account, Canadian stakeholders did not demand protections in corporation law because they felt well-protected by other legal frameworks. Despite these differences, Stewart concludes that in fact Canadian corporation practice has diverged little from that of the US; its more shareholder-friendly statutes, and later judicial decisions that suggested a stakeholder-friendly approach as well, have not translated into shareholder (nor stakeholder) empowerment, and "the reality is that managerial power is at least entrenched as it is in the United States."

Finally, we turn to the United States. In his contribution to the volume, *Robert E. Wright* traces the origins of both for- and non-profit corporations in the US by studying corporations in the era of "special chartering," when each corporation had to seek its charter from a state legislature. Defining the corporation as an organization with the right of perpetual succession, Wright documents that over 22,000 corporations were granted charters via special incorporation in the US between adoption of the Constitution and the Civil War, and provides data strongly indicating that as many non-profit corporations, ranging from churches to fraternal societies, were also formed during this period. If anything, he points out, his study may undercount, as his data does not include many small associations that formed under articles of incorporation and asserted corporate rights without actually seeking charters. Corporations existed in all sections of the nation, and drew in a broad spectrum of Americans as shareholders and participants. As the first American treatise on corporation law put it, "[t]here is scarcely an individual of respectable character in our community, who is not a

member of, at least, one private company or society which is incorporated.” Wright shows his readers that even early on the US was not anti-corporate but rather teeming with individuals eager to form and join corporations.

Moving forward, *Dalia T. Mitchell* traces the development of US corporate law across the 20th century by following the thread of fiduciary duties. At the beginning of the century, she shows, corporate directors were held to high legal standards, regarded by the law as trustees for shareholders (and, briefly, for the community as well)—an approach to fiduciary duties she attributes to widespread fears of corporate overreach. Over the century’s course, however, as fears of corporate power receded, judges and legal scholars lowered the standard. By mid-century directors were seen not as trustees for shareholders but as their representatives, and by the end of the century directors were regarded as agents for largely passive shareholders. At each step directors’ fiduciary mandates shrank, so that, by the 21st century, all that was required of directors was that they followed certain procedures and did not act in subjectively bad faith. Shareholders seeking protection were to look not to the law but to the markets. Here the history of modern US corporate law is a history of failure to protect shareholders and society.

Next come two chapters taking a tighter focus on the history of corporate social responsibility (CSR). *William W. Bratton* and *Michael L. Wachter*’s contribution re-interprets the *ur-texts* of modern disputes over CSR, the 1931–32 debates over corporate managers’ duties waged between Adolf A. Berle and Merrick Dodd in the pages of the *Harvard Law Review*. Today’s debates over CSR are often traced back to this exchange, with Berle seen as an early advocate of shareholder primacy and Dodd a precursor to stakeholder views of corporate law. Yet Bratton and Wachter contend that Berle and Dodd argued against a shared background of assumptions concerning corporatism—the belief that politics should be organized around a limited number of different groups to which individuals bear allegiance (e.g., labor unions or business associations), with the government setting priorities and coordinating activities among these groups. Corporatist views, alien to modern readers, united Dodd and Berle, and the ideology’s absence in today’s debates serves to distance Berle and Dodd from us, and block any easy link between them and today’s disputes in corporate law.

After this, *Lyman Johnson*’s chapter looks at the development of US corporation law in relation to larger demands for corporate social responsibility, and finds a paradox: since the late 19th century, even as the large corporation was increasingly recognized as having a distinct existence as a legal person, and came to wield increasing influence on a

range of stakeholders, from employees to communities to the environment, corporation *law* narrowed its concern to the relationship between management and shareholders. Paralleling these developments, corporate theory by the late 20th century largely disregarded the existence of a distinct corporate personality and emphasized instead a view of the corporation as simply an aggregate (“nexus”) of freely associated individuals. Following these developments, corporate social responsibility has been left to bodies of law outside corporate law, or to evolving sets of norms and practices outside the law altogether.

The final chapter in this volume steps back from specific historical accounts to discuss more sweeping models that may explain the development of modern corporate law. Despite historians’ oft-expressed resistance to theoretical models, *Amitai Aviram* argues that such models are useful in identifying both the most significant empirical facts to be discovered and which research questions should be asked. As he writes, “history (in the sense of the empirical project of representing the past) and models need each other.” He then explains how evolutionary models—models that assume the law, in this case, is “significantly determined by competition between various actors over resources”—can go far to explain aspects of the development of corporate law, taking as his example the well-known development of modern US corporate law and specifically the triumph of Delaware law. Looking at three rival evolutionary models of regulatory competition—horizontal (state v state), vertical (state v Federal government), and intrastate (between interest groups)—he concludes that a model incorporating both state-versus-Federal competition and in-state interest group competition best explains the enduring dominance of Delaware corporation law.

## REFERENCES

- Blair, Margaret. 2003. Locking in Capital: What Corporate Law Achieved for Business Organizations in the Nineteenth Century. *UCLA Law Review* 51: 387.
- Cabrelli, David, and Matthias Siems. 2015. Convergence, Legal Origins, and Transplants in Comparative Corporate Law. *American Journal of Comparative Law* 63: 109.
- Guinnane, Timothy, Ron Harris, Naomi Lamoreaux, and Jean-Laurent Rosenthal. 2007. Putting the Corporation in its Place. *Enterprise and Society* 8: 587.
- Hansmann, Henry, and Reinier Kraakman. 2000. The End of History for Corporate Law. *Georgetown Law Journal* 89: 439.
- Kraakman, Reinier, et al. 2017. *The Anatomy of Corporate Law*, 3d ed. New York: Oxford University Press.
- La Porta, Rafael, Florencia Lopez-de-Silanes, Andrei Shleifer, and Robert Vishny. 1997. Legal Determinants of External Finance. *Journal of Finance* 52: 1131.
- La Porta, Rafael, Florencia Lopez-de-Silanes, Andrei Shleifer, and Robert Vishny. 1998. Law and Finance. *Journal of Political Economy* 106: 1113.

- La Porta, Rafael, Florencia Lopez-de-Silanes, and Andrei Shleifer. 2008. The Economic Consequences of Legal Origins. *Journal of Economic Literature* 46: 285.
- Micklethwait, John, and Adrian Wooldridge. 2003. *The Company: A Short History of a Revolutionary Idea*. New York: Modern Library.
- Spamann, Holger. 2010. The 'Antidirector Rights Index' Revisited. *Review of Financial Studies* 23: 467.