

## Preface

The first edition of this treatise was selected in 1995 for a national book award by The Association of American Publishers. The first edition and its successors were each built upon the solid foundation laid by the late Henry W. Ballantine in his classic single-volume work, *Ballantine on Corporations*. It has been our aim to examine the law of corporations with care and craftsmanship equal to its predecessor. Though corporate law has undergone a sea change since Ballantine published the last edition of his work, the challenges to the corporate lawyer have not changed over the years. Corporate law is one of the areas most vital to our society, for it regulates the workings of Adam Smith's invisible hand in the allocation of resources among competing uses. Unfortunately, the importance of corporate law is not matched by clarity in its doctrines, principles and statutes. The field continues to be filled with "trite dogmas, formulas, metaphors, and legal fictions to the fundamental realities and policies of the law."<sup>1</sup>

In the volumes of this work, we provide a comprehensive analysis of all areas of corporate law and the most significant provisions of the federal securities laws. Contrasting judicial and statutory approaches are examined in both a contemporary commercial context and historical evolution of law on each subject examined. We have avoided a state-by-state review on each topic; we instead devote our energies to capturing and critiquing the significance of the differences in approaches. As evident in each of our chapters, we examine the historical fount of doctrines, their contemporary vitality, and qualifications and weaknesses in their impact. This text is not content to recite the empty metaphors and vague incantations that appear with regrettable frequency in the courts' treatment of important issues of corporate law. We emphasize the financial, political, and social considerations that appear to have guided the courts' dispositions in individual cases. Simply stated, we seek to provide a helpful and

---

<sup>1</sup> Preface, Henry W. Ballantine, *Ballantine on corporations* iii (rev. ed. 1946).

insightful treatment of the law of corporations.

Because of the broad impact on the shape of state corporate statutes of the Model Business Corporation Act, close attention is given to the Model Act throughout the text. Major non-Model Act jurisdictions, such as California, Delaware, and New York, are also emphasized in our treatment of statutes and doctrine.

James D. Cox  
Thomas Lee Hazen  
October 2024