

BOOK REVIEWS

expressly waives such payment, and even if the termination is strictly in accordance with the provisions of that agreement.

Despite these and a few other reservations, I found the book a highly useful tool. Bibliographies are elaborate, and suggested agreement provisions are frequently provided. The styles, though varied, are generally clear and no less readable than most law review articles. If one can find a message in such a diversified reference volume, it is that the American lawyer cannot hope to be expert enough to know all the answers in the field of international business, but he can, with the aid of books such as the *Guide*, determine what are the important and relevant questions, and where the answers may be found.

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Doing Business Abroad. Edited by Henry Landau: Practising Law Institute, 1962, \$30.00, pp.731 in Two Volumes.

With the ever increasing involvement of many medium and small size corporate clients in foreign business ventures, the lawyer in general corporate practice will be called upon more and more to have at least a basic understanding of problems involved in doing business abroad. The two volume publication, *Doing Business Abroad*, edited by Mr. Henry Landau, should serve as an excellent introduction. These volumes were published by the Practising Law Institute in 1962 and represent the contribution of twenty-three legal and tax experts.

While these volumes should be part of the library of any lawyer having an interest in international business law, they must be used with some care. Unfortunately the books were published shortly before the sweeping changes in the Internal Revenue Code occasioned by the 1962 Amendments relating to foreign operations of United States taxpayers. Thus much of the United States tax planning commentary in the books is already out of date. The comments, for example, with respect to the use of a branch of a domestic subsidiary which was clearly out of favor at the time the contributions to these volumes were prepared, ought to be carefully re-examined in light of the 1962 Internal Revenue Code legislation.

Not all the United States tax commentary, however, has been outmoded by the 1962 Amendments to the Internal Revenue Code. Of particular interest is the discussion on Western Hemisphere Trading Corporations and foreign tax credits. Even with respect to the 1962 Amendments there are some general comments concerning that legislation which, at the time of publication of these volumes, was pending before Congress. For those who may become involved in litigation involving the United States taxation of foreign income, the selected legislative history, contained in the second volume, of taxation proposals submitted to Congress periodically since 1953 will be of interest

since it includes references to the congressional hearings, committee reports, and debates concerning those proposals.

One further cautionary remark should be made. The foreign antitrust discussions contained in the volumes as related to the European Common Market came too early to afford the reader much assistance. Italy, at the time the chapter relating to foreign antitrust laws was written, had not yet joined the European Economic Community, nor had any registrations been made under the Common Market antitrust regulations.

Nevertheless, with those limitations, these volumes provide a readily available source of information concerning problems of doing business abroad in quite readable form. The book grew out of a two-day forum conducted by the Practising Law Institute in 1962 together with several additional articles not included as part of that forum. In submitting their contributions to these volumes the speakers at that forum supplemented their talks with much additional material. The general format of these two volumes, as well as the background out of which they developed, made it difficult to some extent to avoid a certain degree of overlapping of the articles. The discussions of local forms of business organizations become somewhat repetitive in instances where the author has covered topics that others have discussed in earlier chapters. On the other hand, this very defect is compensated by the fact that each article on a particular country tends to stand on its own without cross-referencing. Such an advantage is apparent, for example, when one is attempting to find a quick summary of a particular country's corporate or tax structure.

An additional support for the various articles is an excellent bibliography of further international business law materials catalogued on a country-by-country basis as well as by general topics, such as taxation, foreign litigation and foreign licensing. Also of some very immediate aid to any practitioner is the detailed check list prepared by the editor, Mr. Landau, of questions to be considered in any foreign undertaking.

The first volume deals primarily with incentives and obstacles to foreign investments, both generally and on a country-by-country basis, with the contributions in many cases by members of the Bar of the country under discussion. The countries covered include the major Latin American countries, Germany, Italy, Switzerland, Sweden, the United Kingdom and Japan. The article by Mr. George Yamaoka relating to the Japanese import, export, and exchange regulations is particularly excellent.

Since a majority of our foreign trade and investment is either with civil law countries or countries who either are or were members of the British Commonwealth of Nations, an understanding of the characteristics of corporate civil law and of the British private and public companies is mandatory. The several articles discussing the forms of business organizations go a long way toward giving one an understanding of both the British and civil law concepts. Some of the forms of business organizations and concepts are so different from our corporate concepts that it is of real assistance to have those forms which are common, for example, to the civil law countries discussed by a number of different practitioners. Their differences in articulating such concepts tend to make them much more understandable. The chapters of

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the first volume relating to the forms of business organizations are the least likely to be outdated, except to the extent that national policy might cause a country to change its provisions relating to nationality of directors or the permitted percentage of foreign investor stock ownership.

The second volume is largely restricted to tax discussions, both United States tax matters, about which comment has been made, and the tax structure of a number of other countries. The chapter dealing with the German tax code is exceptionally well organized and presented.

These volumes also cover a number of other subjects including foreign labor problems, foreign and domestic antitrust laws, foreign licensing and comments on arbitration and foreign litigation.

While it would be dangerous to rely on these volumes as a standard reference work, they will be of great assistance in providing the lawyer with an awareness of problems and alternatives in doing business abroad, the existence of which he might not otherwise recognize.

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