

SHAW, WOLFE, & SALBU
THE STRUCTURE
OF THE LEGAL
ENVIRONMENT
OF BUSINESS

— THIRD EDITION —

THE STRUCTURE OF THE LEGAL ENVIRONMENT OF BUSINESS

❧ THIRD EDITION ❧

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Preface

The third edition of *The Structure of the Legal Environment of Business* offers three new chapters—Chapter 5, Business Crimes, Chapter 6, Private Property, Law, and the Control of Economic Power, Chapter 14, Employment Law: Discrimination and Equal Opportunity—updated and timely new cases, and the addition of a new author, Steven Salbu, to our team. The basic premise of the book, however, remains unchanged. We provide a broad view of the complex legal issues and questions that affect business with the hope that students learn more than simply a set of rules to follow; rather, students learn how to perceive, discuss, and reflect upon the ambiguous nature of our legal environment. This understanding of not just legal rules, but the structure of the legal environment of business, including its legal rules, ethical principles, and business practices, is essential for success in business.

The Structure of the Legal Environment of Business contains a mixture of three types of material. First, we provide in our own textual material a discussion of the law as we see it. Second, we include excerpts from relevant court decisions, in the language of the court, in which judges define and apply the rules of our legal system. Third, we collect the best writings we know of addressing law and public policy. These include excerpts from law review articles, various opinion pieces from national journals (e.g., the Harvard Business Review), a classic parable from Kafka, and essays that address the problems of the structural biases in our legal system.

These sources are arranged to explore the three major themes of this text. First, we start the study of law with a discussion of the rules that form the basis of our legal system.

However, a list of rules to memorize is not sufficient. Students need to understand how these rules are applied. Thus, we provide an explicit treatment of the nature of our moral and ethical values and the methods of discourse that underpin and surround the application of these rules. Material on ethics is found in all chapters and in a variety of forms.

Finally, students must understand why these rules arise in the first place. Rules and ethical ideas are not created from, nor are they applied in, a social vacuum. We present a realistic picture of the legal environment of business and the circumstances to which these rules and ideas are a response. Some of these circumstances are identifiable as the underlying structures that shape our business society. The most powerful of these are the large business corporation and the federal government.

In short, we represent in this book our own view of legal education. We distinguish education from training, which is the process of narrowing one's perspective to accomplish a specific task. Rather, we show students the broad legal, ethical, and social structures in which business operates. We cannot provide obvious and easy solutions to the problems that these structures impose. Simply, there are none. In many areas we explain and then challenge the legal and commercial patterns often established by nothing more than the raw use of power or the conditioning of unthinking experience. Rather, we teach students how to become active and effective participants in the legal environment of business.

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Dedications

BILL SHAW	To my students, my family, and my new grandson Willie.
ART WOLFE	To the memory of my father, Allen H. Wolfe.
STEVE SALBU	To my parents with love and thanks.

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