



Comments on Hill, *Directors' Duties, the Courts and the Public/Private Divide*

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Basic argument:

There is a growing appreciation, or expectation, that corporations serve public functions – e.g., to avoid harms, to benefit society, to have a “positive corporate culture”

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Focus on the comparative legal treatment of director oversight for the benefit of non-owner stakeholders. Evidence of an expanding scope of such duties in the US, with explicit if under-enforced duties in the UK and Australia.

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 - a more affirmative duty to benefit (e.g., provide essential goods, allocate credit)

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- 2) If corporations have a public function, what is the scope?
 - just avoid negative externalities, or
 - a more affirmative duty to benefit (e.g., provide essential goods, allocate credit)
- 3) And regarding directors, should their duties extend to monitoring to avoid negative externalities that don't create liability for the firm or to provide social benefits

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In that case, it seems that

- the avoidance of negative externalities is imposed from outside
- the corporation's role is a matter of compliance in an otherwise private pursuit