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# Table of Contents

Chapter One: Introduction ................................................................................................................. 13  
Existing Research into Corporations ................................................................................................. 15  
Methodological Limitations .................................................................................................................. 18  
Patterns of Corporate Activity as Patterns of Dominance ................................................................. 21  
Economic Patterns ............................................................................................................................... 25  
Legal Patterns ....................................................................................................................................... 28  
  Theories of the Corporation ................................................................................................................ 31  
  Corporate Liability Laws .................................................................................................................... 34  
Section and Chapter Outlines ............................................................................................................ 36  

Section One: Patterns of Corporate Activity as Patterns of Corporate Dominance ................................. 43  

Chapter Two: Legal, Organisational, and Economic Features of Corporations ........................................... 45  
Legal Definition of a Corporation .......................................................................................................... 47  
Organisational Structure of Corporations .............................................................................................. 51  
  Corporate Management: The Board, Managers, Shareholders ....................................................... 52  
  Ownership and Management of Contemporary Corporations ...................................................... 57  
Patterns of Industry Concentration in Australia ................................................................................... 59  
  The Insurance Industry in Australia .................................................................................................. 64  
  Insurance Australia Group .................................................................................................................. 65  
  Schumpeter and the Potential Positivity of Monopoly and Oligopoly ......................................... 66  
Corporations and Profit: Indications of Organisational Complexity ................................................ 71  
Conclusion ........................................................................................................................................... 74  

Chapter Three: Representations of Corporate Dominance in Insidious Injuries ........................................ 77  
Asbestos Use in Australia ....................................................................................................................... 78  
The Continuing Significance of Asbestos to Australia ......................................................................... 79  
Corporations and Asbestos in Australia ............................................................................................... 83  
  James Hardie’s History of Knowledge .............................................................................................. 84  
  James Hardie’s Corporate Structure ................................................................................................. 89  
  Separation of Parent and Subsidiaries with Asbestos Liabilities: 2001 ....................................... 90  
  Legal and Extra-Legal Pressures on James Hardie to Negotiate a Compensation Deal ............... 94  
  James Hardie’s Response ................................................................................................................. 98  
  Subsequent Legislative Action ........................................................................................................... 102  
Asbestos and the State .......................................................................................................................... 103  
James Hardie: A Case Study in the Effects of Corporate Activity .................................................... 105  
Conclusion ........................................................................................................................................... 107
Section Two

The Legal Basis of Corporate Dominance .......................................................... 109

Chapter Four: History of the Corporation ......................................................... 111
  The Early Corporate Form .............................................................................. 113
  Government Control of the Corporation ....................................................... 114
  Corporations in the Early American Republic ............................................. 117
    Public/Private Characteristics of the Corporation ....................................... 118
  Limited Liability ............................................................................................ 122
  Shareholder Rights ......................................................................................... 124
  Corporate Personhood ................................................................................... 128
    Corporate Criminal Personality ................................................................. 130
  Conclusion .................................................................................................... 133

Chapter Five: Legal Individualism and Corporate Personhood ....................... 137
  Liberalism, Individualism and Corporate Personhood .................................... 138
    Individualism ............................................................................................... 138
    The Collective in Liberal Theory ................................................................. 139
  The Impersonality of the Market and its Relation to Commodification ........ 141
  Pashukanis: Commodity and Subject ............................................................ 142
  Legal Equality - A Prop for Individualism ..................................................... 145
  Liberalism and the Corporation: Points of Departure .................................... 146
  Conclusion .................................................................................................... 149

Chapter Six: Theories of the Corporation ......................................................... 151
  Fictionalism ................................................................................................... 154
  The Corporation as a Fellowship ................................................................... 157
  The Rise of Natural Entity Theory ................................................................. 161
  The Managerial Corporation ......................................................................... 164
    Berle and Means' Approach to Regulating Corporations ............................ 169
    Putting Berle and Means in Context ............................................................ 172
  The New Economic Theory of the Corporation: Contractarianism ............ 176
    The Contractarian Perspective on Law ....................................................... 178
    The History of Implicit and Explicit Corporate Contracts ......................... 180
    Regulation through the Market .................................................................. 183
  Conclusion: The Current Legal Perspective on Corporate Personality ....... 185

Chapter Seven: The Legal Regulation of Corps: Corporate Liability Laws ........ 187
  Law as a Social Control .................................................................................. 190
  What is Legal Regulation Hoping to Accomplish? ....................................... 192
  The Application of Criminal Liability to Corporations: Assimilation ............ 196
    The Investigation, Prosecution and Punishment of Workplace Deaths in NSW
        under the Criminal Law Regime .............................................................. 201
  The Application of Criminal Liability to Corporations: Differentiation ......... 204
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Investigation, Prosecution and Punishment of Workplace Deaths in NSW under Occupational Health and Safety Legislation</td>
<td>205</td>
</tr>
<tr>
<td>The Divorce of OHS Law from the General Criminal Law</td>
<td>206</td>
</tr>
<tr>
<td>Jurisdictional Variations in OHS Legislation</td>
<td>206</td>
</tr>
<tr>
<td>The Nature of the Offence: Removal of Concepts of Harm in OHS Law</td>
<td>208</td>
</tr>
<tr>
<td>The Investigation of Breaches</td>
<td>209</td>
</tr>
<tr>
<td>Administrative Differences: Court Processes, Liability, Onus of Proof</td>
<td>213</td>
</tr>
<tr>
<td>Punishment Regimes: Fines and Imprisonment</td>
<td>214</td>
</tr>
<tr>
<td>Industrial Manslaughter Legislation</td>
<td>223</td>
</tr>
<tr>
<td>Industrial Manslaughter Legislation in the Australian Capital Territory</td>
<td>225</td>
</tr>
<tr>
<td>Conclusion</td>
<td>227</td>
</tr>
<tr>
<td>Chapter Eight: Conclusion</td>
<td>231</td>
</tr>
<tr>
<td>Alternative Critiques of Corporate Regulation: Resisting Anthropomorphisation and Affirming the Individual</td>
<td>233</td>
</tr>
<tr>
<td>Beyond Legal Definitions of Wrong-Doing</td>
<td>237</td>
</tr>
<tr>
<td>Concluding Thoughts and Direction for Future Research</td>
<td>239</td>
</tr>
<tr>
<td>Appendix: Extracts of Relevant Legislation</td>
<td>241</td>
</tr>
<tr>
<td>Bibliography</td>
<td>273</td>
</tr>
<tr>
<td>Legislation</td>
<td>294</td>
</tr>
<tr>
<td>Cases</td>
<td>295</td>
</tr>
</tbody>
</table>
Abstract

Keywords: corporations, law, legal individualism, workplace deaths, asbestos.

Corporations are no longer simply a type of business structure; they are dominant social institutions. As institutions, corporations are archetypes of contemporary complex social organisation and should, therefore, be a central concern for sociology. Yet with few notable exceptions, sociologists have failed to address their increasingly dominant position in contemporary societies. In this thesis I argue the importance of a renewed sociological interest in corporations. This must acknowledge, but go beyond, the political-economic outcomes of corporations to address the profound consequences of the legal foundations of the corporate form. Corporations are created and regulated by legal doctrine; it is only with a legal mandate that corporations are able to act as employers, suppliers and investors. On this basis, I claim that any understanding of corporate dominance and its effects must commence with an appreciation of the laws that enable the corporation to exist and operate.

While contributing significantly to wealth creation, corporate dominance also increases the potential for harm to occur to individuals and communities who fall within a corporation’s scope. The contemporary proliferation of industrial illnesses is a prime example of this and is examined through a case study of the operations of an Australian asbestos corporation, James Hardie. This case study is timely and unique in its specification of the link between corporate activity and law in contemporary society.

I argue that corporate activity such as that in the case study is enhanced and legitimated by the legal description of the corporation that assigns to it the capacities of a human individual through corporate legal personhood. Corporate personhood is examined as an example of the legal individualism endorsed in liberal common law countries. By exploring accounts of corporate structure, decision-making and work processes, I explain how the individualised description of the corporation is at odds with its collective realities; the largest and most successful corporations are collectives of human and monetary resources.

In light of this, I question the extent to which the effective regulation of corporations can be achieved within existing legal frameworks. Building upon research into workplace health and safety in the United Kingdom, the regulation of workplace deaths in Australia is examined to demonstrate the various approaches to regulating corporations and to identify their shortcomings. This is a striking example of the problems law faces in regulating corporations by virtue of its individualistic design.

The thesis concludes with an affirmation that sociology needs to grapple with issues of corporate activity and that an understanding of the legal basis of the corporation is the foundation of such studies.
Statement of Candidate

I certify that the work in this thesis entitled “More Nearly Social Institutions: Legal Regulation and the Sociology of Corporations” has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree to any other university or institution other than Macquarie University. I also certify that the thesis is an original piece of research and it has been written by me. Any help and assistance that I have received in my research work and the preparation of the thesis itself have been appropriately acknowledged. In addition, I certify that all information sources and literature used are indicated in the thesis. The research presented in this thesis was approved by Macquarie University Ethics Review Committee, reference number: HE28OCT2005-D04341 on 28 October 2005.

Christina Jarron (30674042)

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This thesis is dedicated to those who have suffered from asbestos related diseases and who fought to receive compensation for their injuries from James Hardie. I want to acknowledge the injustice of your circumstances and the bravery of your battles. These individuals, and the trade unions that supported them, have been inspirational to this study and to me personally.