

Global Business Law

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Global Business Law

Principles and Practice of International Commerce and Investment

Second Edition

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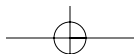
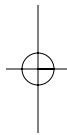
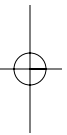
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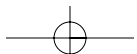
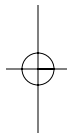
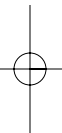
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Preface to the First Edition

by Professor Raj Bhala

Perhaps it will come as a surprise to admit that I took on this book project with an impending sense of doom, and that my excellent co-author and dear friend, Professor David Frisch, and I complete it with a sense of failure.

Global Business Law, and the accompanying documents supplement and teacher's manual, are designed for what is now a standard course in the curriculum of American, and indeed many overseas, law schools: "International Business Transactions" (frequently abbreviated as "IBT"), which sometimes is called "International Business Law." The rubric is of no consequence. The real problem is that after teaching the course two or three times, every professor should realize that it is an impossible one. Not even the best of professors with the most gifted of students can cover all aspects of international business law in one semester. There is no clear way to determine what topics should be covered, and what should be omitted. There is no obvious way to focus the course. There is no one best way to organize the voluminous subject matter. In short, teaching a second or third year law student, or LL.M. candidate, the transactional, legal, and policy aspects of global business in one semester is about as easy as explaining to a foreign guest what America is like in one hour.

Given the inherent impossibility of the course, why should I have enlisted Dave, and why should we together have started what is possibly a march of folly? We offer five reasons.

First, because we believe that whatever topics are covered, wherever the emphasis is placed, whichever organizational framework is used, the course can "globalize" law students and professors alike. In other words, as "impossible" as an IBT course is, we believe there is no simpler, more efficient, or more practical alternative. The course can make the second or third year law student, or LL.M. candidate, more conscious of the global dimensions of legal practice. She can become better able to "spot" cross-border issues, and thus be better prepared for the global economy of the 21st Century. In this respect, the course makes the notoriously parochial American legal curriculum just a little less so. That is a good thing.

In turn, this introductory survey course in international business can provide the necessary foundation for advanced courses in the specialty areas of international business law, which ought—both in a positive and normative sense—to be offered with increasing frequency in American law schools in the New Millennium. Such courses include International Trade Law, International Dispute Resolution, and International Tax Law. Using *Global Business Law* in an IBT course also can provide the foundation for

advanced classes, sometimes offered as seminars, in Foreign Direct Investment, International Banking Law, International Commercial Law, and International Negotiations.

Second, because while we believe that there are excellent course books available for use in the course, we believe we offer a distinct and attractive alternative. We very much believe in “letting 100 flowers bloom.” A large number of books in a legal field bespeaks the growing importance and continued maturation of that field. Indeed, we submit that any author of any worthwhile work who claims to be content with the status quo is either lying or engaged in self-deception. Each of us in the legal academy is motivated to write a law review article, treatise, or casebook, in part because we are profoundly dissatisfied with some of the “flowers.” That dissatisfaction is healthy, because it forms part of the basis for our passion to create, to contribute to scholarship and pedagogy, and most of all, to help.

Professor Frisch and I have enormous respect for the courageous scholars who have gone before us down the treacherous path on which we now find ourselves. But, we put ourselves on this path because we are not complacent about many of the extant course books. Many try to be all things to all readers. Many are characterized by a very large number of very short excerpts on an uncontrollably wide array of topics. Many lack vision. As regards personal finance, you would be right to invest your savings with a financial consultant who (among other virtues) has a clear perspective on global capital flows and market movements. Why be less demanding when it comes to your international business law education? You would be right to expect a book that prioritizes subject matter coverage based on a keen and articulated sense of what will be important in global business in the New Millennium. Mindful of the law and economics movement, we are idealistic (naive?) enough to believe that at least as much rational planning ought to be put into decisions about human capital growth as household wealth accumulation!

Yes, the IBT course is supposed to be a survey. But, the law student and, dare we admit, law professor ought not be left as confused as she is stimulated, as frustrated as she is enthusiastic. As lawyers, we yearn for depth, to know more and more, and thus rarely are we happy with “snippets.” Moreover, as international business lawyers, we must have a thorough understanding not only of relevant law and policy, but also—indeed first—of how the transaction at hand “works,” and what potential risks are involved. Indeed, so important are risks in particular that we would be prepared to defend the proposition that much of the practice of international business law consists of the effective identification of risks and management thereof.

We would also be prepared to defend the proposition that the multinational corporations (MNCs) are as—if not more—important actors in the global economy than all but a handful of sovereign national governments. The stark fact is that of the top 100 economies in the world, 51 are MNCs. The size of the Ford Motor Company, for example, is larger than the economy of either Saudi Arabia or Norway (both of which are major oil producing countries). You would not go to a Green Bay Packer football game to watch the food and beverage vendors (unless you were participating in a sociological experiment!). Why would you select a casebook that does not emphasize risks and risk management in the conduct of multinational corporate affairs, and that fails to grapple with the possible relationship of MNCs to corruption, human rights abuses, and environmental degradation? Put differently, in the New Millennium, understanding how the MNC is destroying traditional distinctions between business and legal judgments, and between public and private international law, is crucial—and, therefore, a theme that resonates in this Casebook.

Professor Frisch and I, therefore, have tried to prepare *Global Business Law* with the “big game” in mind. We endeavor to cover a still-impressive array of topics, but not at

the expense of depth. We strive to choose excerpts in *Global Business Law* that convey the range of legal and policy problems, and risk issues, in global business, but then edit them in a way that allows the reader to get as complete a picture as possible about these problems. Thus, we have a smaller number of challenging readings, but the average length of each reading is longer, than most other course books. We make no apologies, in particular, for not trying to teach International Trade Law, International Dispute Resolution, or substantial chunks of International Tax Law through this Casebook. Those specialties are far too rich to capture in a few weeks. Better to leave them to a full course of its own, and target *Global Business Law* on the principles and practice of the most important types of wealth-generating, wealth-spreading transactions known to the global economy. Whatever trade, dispute resolution, or tax issues the student of *Global Business Law* misses, she certainly makes up for with a profound knowledge—and thus a keen ability to “issue spot”—with respect to exporting, foreign direct investment, and attendant regulatory matters.

Third, and closely related to the second, because we believe that exporting and foreign direct investment (FDI) are the essential foundations of contemporary international business. Here, then, is the vision: the most essential global business transactions a law student must understand are exporting and FDI. These two transactions are the “big game” in global business (excluding finance). Indeed, they reflect the life-cycle of many companies. A firm begins to sell its product or offer its services in a domestic market, and thereafter realizes there are ready, willing, and able buyers in overseas locations. Indeed, many prospective consumers are likely to be in newly industrializing and less developed countries of the non-western world. So, the company commences exporting. Later, the exporter finds that making its goods in overseas locations, or offering its services with a base in those locations, is desirable for an array of economic, political, and cultural reasons. Therefore, the exporter sets up operations in one or more other countries, hence becoming an MNC.

...

Fourth, because we believe our alternative is user-friendly. . . . Most law school academic semesters are fourteen weeks. We have constructed *Global Business Law* so that most of the Chapters are of roughly equal length and difficulty, and thus can be covered in one week's worth of classes (i.e., assuming a three-credit course, two 75 minute classes, or three 50-minute classes, per week). This plan leaves two weeks, to be used at the discretion of the professor. . . .

Of course, there is more to being user-friendly than organizing a casebook in a way that fits naturally with the academic calendar. We—and our friends at Carolina Academic Press—have done our best to minimize errors, which obviously annoy us all and, to a certain degree, are inevitable. But, we also have taken a few editing liberties to make the excerpts in *Global Business Law* and the accompanying *Documents Supplement* easier on the eye to read. It is a wonder what bold, italics, and small caps can do for the naked eye, especially late the night before class. Tab sets, indenting, and centering also can be a fillip that enhances learning to simplify by clarifying a text, and we have used these devices when appropriate.

Fifth, because we believe our alternative is a uniquely cosmopolitan one. The word “global” in the title of this Casebook is no accident. This is not simply a book for Americans who are interested in “going international,” any more than it is a book for a law student—or again, dare we say, law professor—who does not want to take the time to read learn about exporting, FDI, and related regulatory issues in depth. *Global Business Law*

aims at the present or aspiring world citizens who are going to practice, and world law professors who are going to teach, in an increasingly borderless business world.... *Global Business Law* tries to provide differences across legal cultures without providing the reader with a false sense of certainty. To the contrary, perhaps the most valuable pedagogical contribution *Global Business Law* can make is to leave the student and teacher alike with a higher level of comfort with, and a greater understanding of, uncertainty.

...

So, if, for these five reasons, we believe sincerely in the course and are proud of the alternative we offer you, then why do we confess a sense of failure? Because we know from researching and writing *Global Business Law* how vast international business law is, how there is no end to detail, and—most importantly—how there are legitimate competing visions. There are always those readings not included, those organizational frameworks not selected, and those themes not highlighted, that give us pause, indeed doubt, about our own work. In brief, we know that our choices are not necessarily “right,” and that in truth it is impossible for anyone to get it “right.” The more we learn, the more we realize that there are no right—much less easy—answers, only hard questions that cry out for exploration. Thus, we commend *Global Business Law* to you with intellectual humility.

...

Raj Bhala
Professor of Law
August 1999

Preface to the Second Edition

by John Head

In the Preface to the First Edition, Professor Bhala has offered the reader an introduction to this book, and to some key choices that he and Professor Frisch made in first creating it. Now I should briefly explain the approach I have taken in writing this Second Edition.

Unlike Professor Bhala and Professor Frisch, I did not undertake this project with a sense of doom or complete it with a sense of failure. After all, my job is substantially easier than theirs, and it is not only a blessing but also a privilege for me to be able to build on the strong foundation that they have laid in their First Edition. In nearly all respects, I concur in the choices that the first authors have taken. Although I have made many changes—some of these are highlighted below—I have done so in an attempt merely to make an already good thing a little better.

My own experience in teaching courses in international business transactions and a range of other courses in the larger field of “international economic law” has led me to place great emphasis on clarity of presentation. For many students, much of the content of this book will be completely new material, taking them into areas of business and law with which they have very little or no experience. In the face of this reality, I have attempted to enhance the clarity of the First Edition by identifying at the beginning of each chapter the key points that students should watch for in reading the material. I do this in part by posing a list of Study Questions that students should have in mind as they undertake the reading. At the same time, I have included—also at the beginning of each chapter—an outline of its contents so that the reader can see at a glance a “map” of the material presented therein. These and other elements (for example, the inclusion of numerous Illustrations in textual boxes) all have a common aim—to bring clarity by giving the reader a fairly discernable “story line” in his or her study of global business law.

In addition, this Second Edition trades away some depth for breadth. While I agree with Professor Bhala that there are benefits to long readings that permit students (and teachers) to get “inside” an important topic, I have struck the balance at a somewhat different point by omitting some of the long case decisions that were found in the First Edition. In exchange, I have tried to offer more explanatory text—and especially to provide more descriptive narratives that I have written myself—for the purpose of filling in a larger portion of the landscape that I believe global business lawyers need to be prepared to traverse. Like Professors Frisch and Bhala, I thoroughly dislike the “snippet” approach that some coursebooks take (to the annoyance, I think, of students and teachers who are often left to wonder just why various “snip-

pets” were included). But I place great value in presenting a broad enough array of topics to equip a student in an introductory global business law course to recognize many issues that will likely arise in practice. Hence, while I have included shorter (and fewer) excerpts from cases and secondary materials than appear in some portions of the First Edition, this Second Edition includes much more explanatory text. It also includes more extensive references to other sources to which students can refer for further information. These references appear largely in footnotes, which I have used liberally in order (again) to maintain as clean a “story line” in the text as possible, and also in a bibliography that highlights some of the most valuable texts in the field. I have drawn extensively from innumerable authorities, and I wish to cite them not only in the interest of disclosure and attribution but also to provide authenticity to what I have written—and in doing so to emphasize to readers the importance I place on finding, and properly citing, authority for propositions made in any kind of careful legal writing.

Having identified a few respects in which this Second Edition is distinguishable from the First Edition, I should emphasize that the underlying thesis and themes remain unchanged. Allow me to highlight a few of these.

First, this book does not cover the law of international trade regulation. That should, in my opinion, be left to a separate course for reasons that Professor Bhala has already explained. A brief survey of some aspects of trade practice that are quite private-sector-specific—such as the nuts and bolts of making tariff calculations and obtaining export licenses—does appear in Chapter 6, but otherwise international trade regulation (the GATT, the WTO, antidumping duties, and the like) need separate treatment. (An excellent place to find that treatment, of course, is in Professor Bhala’s own *International Trade Law—Theory and Practice* or in his recent treatise entitled *Modern GATT Law: A Treatise on the General Agreement on Tariffs and Trade*.)

Second, this book also gives only brief attention to (or leaves aside entirely) certain other topics that, while closely related to international business, are too broad to include here—as evidenced by the fact that they often constitute the subject-matter of free-standing courses. One such topic is dispute resolution; aside from some brief references to it (in various chapters) in the context of offering guidance about drafting governing-law and dispute-resolution provisions in international business contracts, I have devoted only a small section to dispute resolution in the next-to-last chapter.

Third, this book follows the logical substantive progression that Professor Bhala noted in his Preface to the First Edition. That is, it proceeds from exports to licensing of production abroad and then to foreign direct investment (“FDI”), a progression that many businesses do in fact follow as they “go international.” The logic of this progression is aided, I believe, by my addition of two introductory chapters summarizing the methods and special challenges of global business and of “getting oriented” in a foreign legal and cultural landscape.

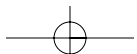
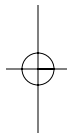
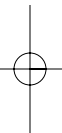
Fourth, as Professor Bhala eloquently expressed it, “[t]his is not simply a book for *Americans* who are interested in ‘going international,’ . . . *Global Business Law* aims at the present or aspiring world citizens who are going to practice, and world law professors who are going to teach, in an increasingly borderless business world.” In preparing this Second Edition, I have attempted to go even further than the First Edition did in speaking from a global (not American) point of view, to a global audience. Hence, where the text refers to US law, I have tried to emphasize that the reference is intended to be representative, not restrictive.

Fifth, I have also tried in this Second Edition to focus mainly on the practicalities of global business law, leaving aside most excursions into policy issues—tempting as it is to take such excursions—unless doing so is essential to an understanding of the practicalities. Likewise, I have taken a decidedly “nuts and bolts” approach to the subject of public international law, confining the treatment of that subject (largely in Chapter 1) to those bare fundamentals that a practitioner must know in order to be minimally conversant with and competent in this larger context in which private-sector business transactions take place.

Finally, I have also updated and revised the documentary supplement, now called the *Handbook for Global Business Law*. The title intentionally carries two possible meanings. First, the documentary supplement is a “handbook” for the course in global business law that this text envisions; and indeed numerous cross-references to the *Handbook* appear throughout these pages. Second, the documentary supplement is a “handbook” in its own right—that is, completely separate from the course—in the sense that it contains numerous documents that a practitioner of global business law should have at ready reference in providing advice to his or her clients.

I would greatly appreciate receiving comments, criticisms, even condemnations, of this Second Edition, in hopes of learning from my readers and from my mistakes and thereby becoming a better lawyer and teacher myself. All of us—that is, students, teachers, and practitioners of global business law—are embarked on a path that both demands and deserves our best efforts. Indeed, it is on that rather philosophical point that I wish to close these prefatory remarks, having largely resisted the temptation to dwell on it in the pages that follow. In my view, there are few areas of human endeavor more worthy of our personal efforts in today’s world than that of bridging cultural divides in order to create an Earth of better understanding and hence better cooperation. And, being a believer in the old credo of “world peace through world trade,” I regard the conduct of international commerce and investment not just as a means to financial return but also as a means to that greater end. I would like to think that my contribution to the teaching and learning of global business law can at least indirectly serve that greater end.

John W. Head
May 2006



Acknowledgments

I find it more difficult to compose an “Acknowledgments” page for this book than for other books I have written because in this case nearly all the inspiration and insights and incentives for my work have come from hundreds of individual students. Over the past sixteen years, the men and women who have paid me the compliment of coming to my classes in international business law have made a great contribution to my understanding of the subjects covered in this book. Many of those students have asked interesting and provocative questions, prompting me to dig deeper in my own study and research; some of them have shared their own experiences, thereby bringing to life this or that topic being discussed in class; and nearly all of them have brought an enthusiasm to the study of international business law that has fueled my own efforts to give them at least the basic tools with which to build a successful career as international business lawyers were they to choose that direction for their professional lives.

It would be impractical to try to name all those students, or even to pinpoint the ones whose contributions were greatest, and so I will simply offer this general acknowledgment and expression of gratitude to them. I am deeply indebted to my students, and I hope they will regard this book as a tangible manifestation of what I learned from them.

My acknowledgments do not stop there, however, for several other people have made important contributions that have made this book possible, or at least easier to complete. Obviously, I owe a great deal to the authors of the first edition of this book, and in particular to Raj Bhala, who encouraged Carolina Academic Press to allow me to attempt this second edition. To the editors and other staff at Carolina Academic Press who gave guidance and showed patience, I also issue a “thank you” for another successful and enjoyable venture.

In addition, I offer an acknowledgment and a note of appreciation to the “big names” who have written coursebooks and treatises from which I have drawn so liberally—both in terms of detailed material and in terms of inspiration and perspective—in composing this book. I would mention in particular the scholars whose names are familiar to lawyers throughout the USA who took law school courses in international business transactions since the late 1980s: Folsom, Gordon, and Spanogle. Although he does not know this, I took John Spanogle’s course in International Business Transactions in early 1990, when I was still working at the International Monetary Fund before starting my academic career. Ever since then, I have relied heavily—as have all of us in this field—on the work that he and his co-authors have done. Other “big names” whose work I have found especially helpful in preparing this book are these: John Murphy (my former colleague here at the University of Kansas) and his co-author Alan Swan; Ron Brand; and Paul Vishny. I have also benefitted greatly from the work of Jan Ramberg, James Klotz and John Barrett, and Jerold Friedland, whose writings empha-

size a practitioner's perspective. And where would we be without the contributors to the work of the International Chamber of Commerce and to the practical guides published by Business Laws Inc.? Where I have excerpted long enough passages from the work of these and other experts to warrant seeking reprint permission from the copyright holders, the permissions have been generously given (see below for a list of such "Reprint Permissions"). But the value I have gained from the work of many authors, and that I have tried here to organize logically and present clearly (with attribution, of course), is what has made this book possible. Hence, whatever contribution this book makes in the understanding of global business law is truly a collective enterprise.

A big note of gratitude also goes to several research assistants who have provided such valuable help to me in the work that culminated in this book. They include in particular Jack Brooks, Carrie Coulson, David Dean, and Alexandra Lasley English. Support from the University of Kansas General Research Fund is also gratefully acknowledged. And lastly, as usual, I thank my wife Lucia Orth, who remains my most trusted and stalwart critic and conscience.

J. W. H.

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Raj Bhala, *Risk Trade-Offs in the Foreign Exchange Spot, Forward and Derivative Markets*, 1 THE FINANCIER 34–49 (August 1994) [Reading #11.7; also in first edition]

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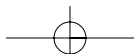
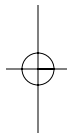
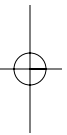
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About the Author

John Head is a professor of international and comparative law at the University of Kansas. He holds an English law degree from Oxford University (1977) and a US law degree from the University of Virginia (1979). Before starting an academic career, he worked in the Washington, D.C. office of Cleary, Gottlieb, Steen & Hamilton (1980–1983), at the Asian Development Bank in Manila (1983–1988), and at the International Monetary Fund in Washington (1988–1990). Both his teaching and his published works concentrate on the areas of international business and finance, public international law, and comparative law, with a special focus on dynastic Chinese law. He has taught in Austria, China, Hong Kong, Jordan, Mexico, Mongolia, Turkey, and the United Kingdom and has undertaken special assignments in numerous locations in Asia, the Pacific, Africa, and the Middle East for international financial institutions and development agencies. Mr. Head is married to Lucia Orth. He and his wife live in the quiet wooded countryside southwest of Lawrence, Kansas.



Acronyms, Styles, and Usages

Acronyms

The study of global business law involves gaining a command of many acronyms. The Study Questions that appear at the beginning of the chapters of this book refer to many such acronyms, as well as to numerous specialized terms. The following list provides a fairly comprehensive list of the acronyms and their meanings.

AAA	American Arbitration Association
BIT	bilateral investment treaty
CCC	Commodity Credit Corporation (of the US Department of Agriculture)
CIF	cost, insurance, and freight [in Incoterms or other, nation-specific usage]
CIP	carriage and insurance paid to (under Incoterms)
CISG	UN Convention on Contracts for the International Sale of Goods (Vienna Sales Convention)
COGSA	Carriage of Goods by Sea Act (USA, 1936)
DDP	delivery duty paid (under Incoterms)
EAA	(US) Export Administration Act (1979)
EAR	(US) Export Administration Regulations
E-SIGN Act	(US) Electronic Signatures in Global and National Commerce Act (2000)
ETC	(US) Export Trading Company
EU	European Union
EXIMBANK	Export-Import Bank of the United States (USA)
EXW	ex works (under Incoterms)
FCPA	(US) Foreign Corrupt Practices Act (1977)
FDI	foreign direct investment
FOB	free on board (in Incoterms or in other, nation-specific usage)
FSC	Foreign Sales Corporation (USA)
FTZ	free trade zone (or, in USA, foreign trade zone)
G-7	Group of Seven — USA, UK, France, Germany, Japan, Canada, Italy
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product (one measurement of national income)
HTSUS	Harmonized Tariff Schedules of the United States
ICC	International Chamber of Commerce
ICJ	International Court of Justice
ICSID	International Centre for the Settlement of Investment Disputes

IFIs	international financial institutions (MDBs and the IMF)
ILM	International Legal Materials (by American Society of International Law)
IMF	International Monetary Fund
Incoterms	international commercial terms, as published by the ICC
JV	joint venture
LCIA	London Court of International Arbitration
LDC	less (economically) developed country
MAI	Multilateral Agreement on Investment (proposed)
MDBs	multilateral development banks
MIGA	Multilateral Investment Guarantee Agency
MNEs	multinational enterprises
NAFTA	North American Free Trade Agreement
NGOs	non-government organizations
OECD	Organization for Economic Cooperation and Development
OPIC	(US) Overseas Private Investment Corporation
PRC	People's Republic of China
SEC	(US) Securities and Exchange Commission
TRIMs	(Agreement on) Trade-Related Investment Measures
TRIPs	(Agreement on) Trade-Related Intellectual Property Rights
UCC	(US) Uniform Commercial Code
UCP	Uniform Customs and Practice for Documentary Credits
UETA	(US) Uniform Electronic Transactions Act (1999)
UFMJRA	(US) Uniform Foreign Money Judgments Recognition Act
UK	United Kingdom
UN	United Nations
UNCITRAL	United Nations Commission on International Trade Law
UNCTAD	UN Conference on Trade and Development
UNIDROIT	International Institute for the Unification of Private Law
US	United States (used as an adjective)
USA	United States of America (used as a noun)
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

Styles and Usages

As noted in the Preface, this book tries to take a global perspective on global business law, rather than a purely American view. (Although many examples are drawn from US law and practice, they are intended usually as illustrations of how one relatively sophisticated legal and economic system handles certain topics.) This perspective has some implications for the styles and usages found in the following pages. One minor implication is that references are sometimes made to US\$, not just \$, given the fact that several countries use dollars as the name (or at least “\$” as the sign) for their currencies; likewise, the acronym noun “USA” is often used in this book in preference to the longer noun “United States,” inasmuch as there are other countries (such as Mexico) with the title “United States” in their official names. (However, the term “US” has been retained

for use as an adjective referring to something of or from the United States, such as “US legislation” or “US states.”)¹

For the most part, citations here to books, articles, treaties, and other legal materials appear in a less abbreviated style than that used by US law journals. I believe the heavily abbreviated style used in US law journals can be so unfamiliar to a student audience (and obviously to a more general audience) as to create confusion or uncertainty. In addition, in the case of books, I have departed from the practice of putting the authors’ names in all capital letters. Instead, authors’ names for all works—books and articles and other items—appear in regular upper case and lower case letters; then titles of books appear in large and small capitals and titles of other works appear in italics or, in a few cases depending on the nature of the work, in regular font with quotation marks.

As also noted in the Preface, citations included in materials that have been excerpted in the Readings and other quoted passages have, for the most part, been omitted in this book. I have done this largely in the interests of brevity but also because my choice of the excerpts for inclusion here should itself be regarded as an assertion on my part that they provide adequate substantiation to be trustworthy.

1. In this book I have opted for the use of “US” and “USA” without periods, as this seems to be the more modern trend and also follows the usage found in acronyms for other political entities such as the United Nations (UN) and the People’s Republic of China (PRC). Naturally, I have not changed “U.S.” to “US” in any quoted material or official citations.