

Chapter 1 Basics of the Law

Source: Bohlman/Dundas, The Legal, Ethical & International Environment of Business.

Ethical Considerations

- Legal Standard
- Ethical Standard
- Appropriate Managerial Standard

Source: Bohlman/Dundas, The Legal, Ethical & International Environment of Business.

What Is Law?

- Law consists of rules that regulate the conduct of individuals, businesses, and other organizations within society. It is intended to protect persons and their property from unwanted interference from others

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Sources of American Law

- Constitutions
- Treaties
- Statutes and ordinances
- Executive powers
- Administrative rules and regulations
- Case law

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Common Law Writs

- *Habeas corpus*
- *Mandamus*
- *Quo warranto*
- *Replevin*
- *Certioari*

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Stare Decisis

- Based on the common law tradition, past court decisions become precedent for deciding future cases
- Precedent is a rule of law established in a court decision. Lower courts must follow the precedent established by higher courts
- *Stare decisis*—Latin for “to stand by the decision”—means adherence to precedent

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Plessy v. Ferguson

Landmark Case

- Upheld individual states' rights to require separate but equal facilities based solely on race
- Legitimized an era of racial segregation in which the facilities were always separate, but never equal

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Brown v. Board of Education

Landmark Case

- Held that separate but equal public school facilities were inherently unconstitutional when the segregation was based on race
- Laid a foundation for desegregation of all public facilities

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Cases of First Impression

- Use similar precedent
- Consider social expectations & develop a policy
- Balance the interests of the parties to the lawsuit

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Classifications of the Law

- Substantive vs. Procedural
- Public Law vs. Private Law
- Civil law vs. Criminal law

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Courts of Law and Courts of Equity

- Courts of Law
 - Grant judgments
 - A jury is allowed
 - Time limitations set by statutes of limitation
 - Awards monetary damages
- Courts of equity
 - Grant remedies
 - A judge makes the decision
 - Person is required to sue within a reasonable time
 - Grant relief other than monetary damages, e.g., specific performance

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Locating the Law

- Court decisions
 - Official reporters
 - National reporter system
 - Case citations
- Statutes
- Administrative agency regulations

Source: Bohlman/Dundas, The Legal, Ethical & International Environment of Business.

Case Brief Elements

- Case name and citation
- Facts
- Issue
- Holding or decision
- Reason

Source: Bohlman/Dundas, The Legal, Ethical & International Environment of Business.

International Considerations

- Treaties
- Conventions
- Agreements

Source: Bohlman/Dundas, The Legal, Ethical & International Environment of Business.

Manager's Role in Preventive Law

- Clear contracts
- Plain English
- Documentation procedures

Source: Bohlman/Dundas, The Legal, Ethical & International Environment of Business.

Summary

- What is Law?
- Sources of American Law
- Common Law Writs
- Stare Decisis
- Plessy v. Ferguson
- Brown v. Board of Education
- Classifications of the Law
- Courts of Law and Courts of Equity
- Locating the Law
- Case Brief Elements
- International Considerations
- Manager's role

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