Megalawyering in the global order: the cultural, social and economic transformation of global legal practice

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Introduction: the business world and globalisation

This is an essay on professional élites in the global business arena, especially legal élites, a field that has only recently attracted attention. Professional élites have an impact on, as well as respond to, their environments (Gordon, 1988; Trubeck *et al.*, 1994). They are powerful, yet they must take account of prevailing orthodoxies and heterodoxies (cf. Gramsci, 1971). They are the products of histories, culture, and economy.

Let me set the scene with two illustrations: in the first, Laurent Cohen-Tanugi, a graduate of the Ecole Normale Supérieure, Harvard Law School and a partner in the Paris office of the American law firm, Cleary Gottleib Steen & Hamilton, wrote a book entitled, *Le Droit Sans l'Etat.* In it he asked the question, why are law and lawyers so important in the United States and so unimportant in France? His answer involved analyzing the distribution of power in the state. Cohen-Tanugi concluded, "If you really want to reduce the power of the state, then you have to increase the rôle of law and lawyers" (quoted in Caplan, 1993, p. 289). The second example is a cartoon which shows a businessman standing in a New York coffeeshop where the short order cook is wearing an overall printed with the words, 'N.Y. LAW'. The businessman is ordering: "I'll have a Spanish law, double-thick English law, small German...er...a regular EU and...one, no make that two Asia-Pacific...." (in Marks, 1995).

Cohen-Tanugi's analysis, a reworking of de Tocqueville, shows that what was once considered an American phenomenon—decentralisation of the state's power

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towards local decisionmaking mediated by a free legal profession—is now becoming embedded in state-centred nations. Lawyers are both part of the state-decisionmaking apparatus, in that they manufacture law, legitimate it and process it, and yet they are separate from it by virtue of their relationship to clients (whether corporate or individual), a highly individuated activity. Moreover, it is the élite lawyers, the notables, who are in the vanguard of this move towards increased juridification (cf. Teubner, 1987). It is noteworthy that it was an élite, multinational lawyer who wrote the new de Tocqueville. The second illustration supports the tenor of the first by showing law as a commodity, that law itself may well be of minor consequence and that choice of law to govern transactions is made for purely instrumental reasons. Lawyers and their clients will select a legal régime from a menu, not because they are located in the particular jurisdiction or have an allegiance to it, but rather because it offers perceived advantages over others, such as in dispute resolution. For example, Belgium gives strong benefits to arbitration over court-based litigation insofar as parties to an international arbitration cannot appeal to the state courts for annulment of awards (Paulsson, 1986).[1] Alternatively, lawyers and business people may prefer to apply business usage through the adoption of a transnational *lex mercatoria* (Teubner, 1996).

Lawyers symbolise commercial and corporate activities throughout the world as they weave their way through expanding domestic and international regulatory schemes; lawyers are powerful, working with business and government to exploit law and to commandeer its benefits for their own and clients' advantages. Lawyers typically coordinate their activities in knowledge-based organisations whose product is the delivery of expert knowledge within 'drop-dead' deadlines. When Baring Brothers bank failed because of a rogue derivatives trader and a rescue bank had to be found at short notice, the lawyers for the administrators, Slaughter and May, were able to draft 17 partners and 30 assistants to the project in a weekend and to produce an innovative solution, with ING's lawyers, to cap ING's future liability (Deals of the Year 1996: 13; see also Walker, 1995). It is also clear—when we examine major international institutions, the World Bank, the IMF, the GATT/WTO, and the United Nations—that lawyers have taken on a grander rôle than that traditionally ascribed to them and for which their vehicle is the large law firm (cf. Sherr, 1995; Flood, 1994): Cohen-Tanugi exemplifies this rôle. Business lawyers play in the political and economic arenas as much as in the legal. They lobby, they draft laws, they move from government to practice via the revolving door, and they occupy key positions in the world's major institutions. One moment Cyrus Vance, the senior partner of Simpson Thatcher & Bartlett in New York, is mediating in Bosnia for the United Nations; in the next he is an examiner in the Olympia & York bankruptcy.

The article examines aspects of these issues and takes the following form. Firstly, I set the scene by examining the context in which corporate legal services are delivered. Secondly, I present an argument using a cultural explanation that provides a context for understanding legal globalisation. Thirdly, I analyse the landscape of the major UK law firms and their work. Fourthly, I examine the international domain and the work of the global law firm, its growth and success.

Finally, I look at the developments of multinational partnerships and multidisciplinary practices.

I should add a note about the methods I employed. Essentially, there are three: they are semi-structured interviews with legal and accounting notables, a close reading of the legal trade press, and an examination of the literature produced by professional service firms themselves. Since 1988 I have been engaged on a rolling process of interviewing corporate lawyers and accountants for a number of research projects. For this specific project I interviewed between 30 and 40 professionals. They included lawyers, accountants, judges, officials of professional associations and trade press journalists. Where I was able, I would speak with the most senior person in the organisation, be they senior partner, head of department, editor, etc. The interviews themselves lasted between a half an hour, the shortest, to up to three hours. Typically, they took an hour to one and a half hours, mostly in the form of an extended conversation about the firm, its work and its philosophy. This last point was extremely important in dealing with the cultural aspects of legal globalisation. I used a list of topics as a platform, not as an interview schedule, to pursue these points (Ostrander, 1995, p. 146; Useem, 1995, p. 10).[2]

The trade press is a most important tool in studying professional élites. In the US I would avidly read *American Lawyer* and the *National Law Journal*, which opened up Wall Street lawyers to the outsider's gaze in the late 1970s and 1980s. The UK press has been slower to catch on, but has since filled the gap. A City lawyer, in the 1980s, told me of a journal called the *International Financial Law Review*. It was unknown to me, but I found it a delightful mixture of serious articles, especially about lawyers in other countries, and gossip about the profession. Since then others have joined the field, notably, *Legal Business* and *Commercial Lawyer*.[3] One feature common to all these magazines is their identification of the leading lawyers in particular fields, e.g. international banking, securitisation, which is useful in determining potential interviewees. Accounting, too, has a flourishing trade press, especially, *Accountancy* and *Accountancy Age*. There was a time when no professional would talk to journalists, their rôle was to be self-effacing. With the intensified competitiveness of the professional service marketplace—both on behalf of clients and the firms themselves—professionals have been forced to cultivate a close, working relationship with the trade press, even to the extent of collaborating on joint seminars in such areas as law firm management and specialised areas of work. This move from discord to harmony raises problems for researchers: to what extent are professionals and press engaged in producing a common world view? One must be cautious.

Since law firms in the UK were permitted to produce self-promoting brochures in 1984, virtually all have done so. Accounting firms have been engaged in this activity for much longer. This literature falls into two main categories: self-promotional and informational. The former includes expensively produced brochures detailing the ethos of the firm, its partners, its training schemes, and its specialties. They are simultaneously detailed and vague, and each tries to distinguish one firm from another, not very successfully. Partners are ambivalent about their brochures, decrying them yet spending considerable sums of money on them. As

professional service firms have globalised and established offices in other countries, they have produced country-specific brochures. Similarly, with increased specialisation, departments within firms produce their own literature. The second category, informational, deals essentially with presenting the latest legal, tax or budget details to clients through newsletters, which often issue from particular departments. To my knowledge this literature has not really been tapped as a data source before. It has value because it gives insight into how firms perceive themselves in the marketplace, although the value is limited, of course, because its primary aim is to extol the virtues of the firm itself.

The context of corporate service delivery

The central part of my thesis is that there is an interdependence between the organisation of legal work and its cultural context. Law firms develop specific cultures which are forced to adapt to changing social and economic circumstances. This is brought into extraordinary relief in the global arena where competition is intense and lawyers and law firms are hindered by different domestic norms which apply to the substance of their work and the ways in which lawyers organise and regulate themselves.[4] Law itself is specific to particular jurisdictions. Within Great Britain there are two legal systems, English and Scottish, so multiply this throughout the world and the idea of the globalisation of law appears impossible (Shapiro, 1993). Nevertheless, lawyers have become transnational in their work and have achieved this by judicious marketing of their own legal frameworks. The result is that within the late twentieth century global business arena, two sets of legal frameworks predominate, namely, English law and New York state law.

Markets have become increasingly more globalised (McCullough, 1988; Diamond & Kollar, 1989; Robertson, 1992; Epstein *et al.*, 1993; *Economist*, 1995). As Cavusgil (1993) describes it: "Globalization of markets involves the growing interdependency among the economies of the world...[it] has led to the formation of irreversible economic linkages among countries". Structuring transactions involves longer, more detailed negotiations—frequently including representatives of state organs, whose agendas might diverge from those of the contracting parties—during which the parties have to arrive at a common understanding of what their business is to be. For example, with parties engaged in a joint venture to produce automobiles in Indonesia, the relationship is one that will endure over a number of years (Goldenberg, 1988). And as both internal and external conditions change, the parties will probably want to alter some aspects of their agreement or possibly dissolve it. Indeed, Salacuse (1988) has suggested that international business contracts—even more than national business relationships—should not be seen as single events where the parties arrange their business and then carry it out without further discussion. To the contrary:

> [t]he challenge of international business negotiations is not just 'getting to yes', but staying there. International business agreements, solemnly signed and sealed after hard bargaining, seem to break down frequently, bringing

> the parties back to the negotiating table. Indeed, many international business negotiations are in reality renegotiations of pre-existing agreements (Salacuse, 1988, p. 347).[5]

The internationalisation of markets is a function not only of capital's desire to maximise profits and extend its reach, but also of the political movements of the past decade (Picciotto, 1988; Richardson, 1991). The moves towards deregulation and reregulation and the privatisation of state industries are cases in point (Holmes, 1985; Maynard, 1988). Much of this trend arose from the international debt crisis of the early 1980s when a number of countries' debts had to be rescheduled. The 1980s saw the emergence of a global securities market and the increased intergovernmental cooperation in dealing with global issues of securities (Spencer, 1996, p. 41). The British Government's move to privatise large parts of government enterprises has stimulated an internationalisation of primary markets (Neate, 1987). The simultaneous offering of British Gas, for example, on the British, American, Canadian, and European markets required the coordination of many banks, law firms, accounting firms and the renegotiation of several sets of domestic securities laws. British Gas is one of a chain of privatisations that includes the water and electric utilities, the coal industry and the telephone industry. France, too, entered the privatisation game by repatriating the banks into private hands. And with the 'Velvet Revolution' in Eastern Europe privatisation has become an international sport.[6]

Internationalisation is also evident as corporate raiders seek investment opportunities overseas. For example, UK privatised utility companies are being sought by American and French utilities. Modern business, then, acknowledges no borders. And the professions that serve capital also are beginning to function in a global system that transcends the nation state (Sassen, 1991, p. 153). Besides geographical and political borders, professions are beginning to transcend their own disciplinary boundaries. This article is about the knocking down of walls and the crossing of borders, but these are not achieved without resistance and struggle among the combatants.

Big business needs advisers. It expects to pay high fees for expert advice that covers all contingencies. A tribute to Sir George Allen, a founding partner of Allen & Overy, on his retirement in 1952 said: "He completely identified himself with his client ... always gave himself wholeheartedly to the client's interests" (Allen & Overy, n.d., p. 2). Professional advisers to business and commerce in Great Britain command hourly rates of up to £300, or more, as stories in lawyers' trade magazines amply illustrate. And successful deals premiums, which boost the basic rates, are often the norm. The key areas of professional advice required by business are strategy consulting (Gallese, 1989), accounting (Stevens, 1991), merchant and investment banking (Hobson 1991), and lawyering (Stevens, 1987; Flood, 1991). The first aims to direct business firms towards their most desirable goals; the second establishes the means by which goals can be measured; the third provides the finance; and the fourth copes with the regulatory and legal frameworks in which business functions. My main concern is with the fourth group.

Corporate professional services are not easily and neatly divisible. Turf wars often take place over the perceived correct functions of, say, accountants and lawyers in tax work or insolvency practice (Abbott, 1988; Flood & Skordaki, 1995). Even though professional bodies' rules proscribe illicit activities by their own members and others, these proscriptions are never completely effective. Attacks on restrictive rules come from bodies' own members and from government. The Thatcher government of the 1980s led forays against the high priests of professionalism such as, university academics, lawyers, doctors, while accountants are also beginning to feel the pressure of external regulation. In a world where millions of pounds and dollars are made on international mega-deals, the expense of maintaining strict demarcations between professional spheres of work can be too high, and clients fail to understand their *raison d'être.*

Law, perhaps more than the other groups, faces problems which impose enormous constraints on its activities. Banking and accounting have developed techniques to cope with professional and territorial boundaries and many institutions exist that work to smooth their way, such as international finance markets like the Eurobond and Eurodollar market, or international accounting standards bodies. And they are particularly adept at creating institutions to exploit markets, much more than law. The creation of the corporate consulting firm is a prime example, where the accounting firms' basic auditing business has given them access to their clients' business affairs and so enabling a grand cross-selling of services (cf. Power 1994a,b). But law is almost peculiarly bound to specific jurisdictions and cultures. In fact, law contains a curious contradiction. On the one hand, it is an area of expertise that facilitates its members moving from one occupation to another, e.g. law into politics (Weber [1921] 1982, p. 85; Eulau & Sprague, 1964). On the other hand, law's very nature creates difficulties for its transportation across borders. What this tells us is that lawyers are experts at reconstructing themselves as they attempt to reconfigure the legal field. Bourdieu (1995, p. xi–xii) characterises the situation meticulously when he writes:

> To speak of a world legal field, or better still an international legal field...is immediately to escape from the dichotomy between harmonious unification or discordant divergence, and to take note of the fact of unification through competition and through struggle which accurately characterizes the field as I understand it...[The big law firms] have to reckon with resistance from national legal fields threatened by the new world legal order or, more exactly, with the power relations and the conflicts, generated within these fields, between the modernisers, who take the side of internationalism, and the traditionalists, who put their money on protectionist barriers and the maintenance of national tradition....

The next section brings cultural perspectives to bear on the field of law.

Cultural perspectives

The crucial component here that ties this together is culture;[7] the culture of the

organisation, the clients, the professional milieu, and the economy and society. In all my interviews the concept of culture was continuously invoked as a means of explaining many things. I rarely raised the subject myself, but others found it inescapable. Why should such a nebulous concept play so central a rôle at the folk and analytic levels?[8] One reason is that culture has at least a dual rôle. On the one hand it is integrative, it binds people together in common values: its internal perspective. On the other hand, it fragments, so that people from different cultural milieux find it difficult to understand each other: its external perspective.

Another dichotomy to highlight is that between the culture of work and the culture of organisation.[9] Law firms, as organisations, were originally built to function within particular societies with particular mores. Now they transplant themselves across borders where the same principles and mores do not necessarily obtain. Inevitably there are strains. The demands of international work can demand different structural approaches from the organisation: such alternative approaches can be seen to undermine the legacy of the 'core' organisational culture. So, for example, fears emerge about international aspects of work, such as the 'Americanisation' of legal practice. For non-Americans such fears are often experienced in the form of questions: Does international work involve particular form of aggressiveness? Is it a distinct type of thinking? Is it an addiction to formalism, juridification or hyperlexis? And so on.

It is necessary to unpack the concept of culture. Culture, as Geertz writes, 'Though ideational ... does not exist in someone's head; though unphysical ... is not an occult entity.... Culture is public because meaning is' (1973, pp. 10, 12). To explain adequately this public element of culture, two related concepts are necessary, namely, context and ideology. For social analysis, culture is not transcendental; it depends on context for meaning. So we may, for example, discuss Japanese culture versus American culture in the context of trade relations (Smith, 1989; Rosecrance, 1993). We can also refer to the context in which professional work takes place, the firm, the multidisciplinary practice, or the multinational practice, or even the corporation. The context has important effects on the manner in which work is accomplished. Ideology, the ideas that arise from a particular set of interests, can be interpreted here as the substratum of culture (Williams, 1976, p. 129). It operates at the unconscious level and thus saturates everyday life (Hebdige, 1979). For example, a law firm may often consider itself quintessentially English or European without clearly articulating this. The study of ideology in relation to culture points us in the direction of asking which groups are dominating, exercising influence, organising meaning, and making rules (Lukes, 1974; Clegg, 1989). For example, in most large firms a policy committee determines the agenda of the organisation, but the committee itself is not a permanent stable entity. Moreover, lawyers and law firms are subjected to the constraining injunctions of local and international bar associations and government regulation through international agreements, e.g. GATS.

Culture, in the context of the practice of law, is reflexive, especially in international law: work and organisation continuously interplay.[10] The beliefs, myths, habits, norms and ideas are constitutive of the structures and constituted by them

(Silbey, 1992). Those lawyers interviewed consistently invoked the concept as an explanatory folk principle for what they or their firms were doing. For example, in discussing their firms' rapid growth, they would express concern about distorting the 'culture' of the organisation. Should growth be purely organic? Would mergers (and demergers) pollute the culture, the integrity, of the firm? Similarly in talking of international work, they would comment on the different 'cultures' they were operating in. And here is where the two intersect and the reflexivity enters. Stability and change are of necessity in conflict, but to expand, to globalise, require that the players indulge in risk-taking of a high order. Trying to maintain the 'best' of what an organisation has and yet managing the uncertainty of change has become a moral endeavour as traditional and modernising values interact. Beck alluded to the fact that coping with risk "can include a *reorganization of power and authority*" (1992, p. 24).

One can take three broad views on the transnational practice of business law: first, to export one's own domestic law; second, to adopt the local law of the jurisdiction one is in; and third, to create or to deploy norms not connected to any particular state, e.g. *lex mercatoria* (Teubner, 1996). This can be seen as the supply side of legal services; the demand side is when clients insist their law firms have a presence in another country.

Most large law firms believe they must have a presence in some foreign countries. If they are ambivalent on this point, then their clients may insist. Big clients often want a local presence. The law firm is a creature of normative structures, both formal (e.g. law of partnership) and informal (e.g. internal modes of hierarchy). Both are bound or constrained by cultural factors and the state. Thus both the form of organisation and forms of work are subject to normative and cultural boundaries. If a law firm wants to practise in Germany, it has a choice. It could establish its own office as part of the parent organisation, yet subject to local rules; or it could form an alliance with an established local firm, which would not interfere with the 'purity' of the parent (Marks, 1995; Pykett, 1995). All this is compounded when law firms from different cultures coexist in a single milieu, such as London, Brussels or New York. Of course, how the work is carried out is affected by these decisions with the results that choices would have to be made among the three I outlined above. So the contexts of the firm and the work intersect and affect each other considerably. Such choices have profound effects.

In the next two sections I look at the institutional context in which legal work takes place and the work itself.

The law firm population and structure

In order to understand what sort of organisations are being analysed here it would help to describe the population. Aside from the statistical data which are taken from various sources, the substance of the article derives from interviews I carried out with senior and managing partners, and directors of marketing of large law firms, accountants from the Big Six accounting firms, and legal journalists; there is now an

active trade press that follows the activities of global business and its diverse advisers.

There are about 9,855 law firms in England and Wales (Jenkins & Lewis, 1995, p. 19). They range in size from sole practitioners to firms with over a 1,000 fee earners.[11] Since the focus of this essay is international practice, I am referring to law firms which essentially must be of a certain size to sustain overseas or international offices. However, according to one commentator, the smallest firm with an overseas office had a mere eight partners.[12] The great majority of the firms with overseas offices are London firms. Unlike say the United States or Germany, Great Britain is tightly centralised in its commercial and political affairs. Virtually all institutions of influence are concentrated in London, e.g. the Stock Exchange, the Bank of England, Lloyds, Parliament. The City of London, in particular, contains 20 per cent of all solicitors in England and Wales (Jenkins & Lewis, 1995, p. 23). The firms with substantial overseas representation are essentially clustered in the top 20 law firms, which are the key players in the élite legal field in the UK. In discussing legal practice that involves transborder work, it is necessary to concentrate on the élite of the legal profession, the group that services mainly corporations rather than individuals.[13]

What are these élite law firms? In spite of the simplicity of this question, the answer is complex. I will offer several interpretations of how we may examine this, mainly by comparing the English milieu to that of the American.

The corporate law firm

The basic structure of the British large law firm is not significantly different from the American (Abel, 1988, 1989; Flood, 1989; Galanter & Palay, 1991; Nelson, 1988). There are essentially the same two grades of lawyers, partners and assistants (associates). There is, also however, a third category, not found in American firms, that of trainee solicitors. The two year training period is a form of indentured apprenticeship imposed on all entrants to the solicitors' profession. Nevertheless, such trainees are classified as fee earners.[14] In the large firms the partnership track takes roughly eight to ten years to full equity partnership.

Most American law firms have a basic binary divide between salaried associates and the equity partners. In such cities as Chicago—and increasingly New York—the large firms have traditionally operated a two-tier partnership system. Incongruous as it appears, the associate is promoted to a salaried partnership for a period of up to four years, and then perhaps promoted to a full partnership. Fundamentally, the two-tier system is a means of extending the partnership track, but since the value of partnership is being devalued, expectations might not be severely dented.

In the UK the two-tier partnership is common, although not every City firm uses it.[15] Four of the top five firms, namely, Clifford Chance, Linklaters & Paines, Slaughter and May, and Freshfields, have purely equity partnerships. One senior partner who expressed dissatisfaction with the idea of salaried partnerships,told me how junior partners, however, must *buy into the capital.* This charge is subtracted from the first four years' earnings as partner then returned when the capital is sold

back to the firm on retirement (Dobkin, 1986a,b). The upshot is that one way or another entry into partnership incurs penalties or costs that favour the senior members: in other words a junior partner has to pay her dues.

Furthermore, most UK large law firms use a *'lockstep'* system of partner remuneration rather than the American *'eat what you kill'* method. Lockstep rewards seniority and longevity without accounting for client-getting (Carr, 1991): 'eat what you kill' benefits those lawyers who bring in the most clients, without regard to seniority (Stewart, 1983). The argument is that 'lockstep' fosters collegiality whereas 'eat what you kill' promotes intense competition that could lead to the partnership rupturing (Brill, 1990). As a not uncommon view by a senior partner from a large UK law firm put it: "I don't like 'eat what you kill'; it ruins the *esprit de corps*. It just isn't feasible here."

Unfortunately, data for analyzing law firms are less plentiful and less reliable in the UK than in the US. *The Legal 500* criticises the pure statistical approach to evaluating firms as inadequate because it lacks an interpretive focus that considers 'name' and reputation (*Legal 500*, 1992, p. A-212).[16] Despite this criticism, with which I largely agree, it is of some value to examine some measures.[17] The most obvious are size, wealth and power which are usually associated. Table 1 shows the 20 largest law firms in London.[18] The figure for total fee earners includes, besides partners and assistant solicitors, trainee solicitors and paralegals. So, for example, Clifford Chance, the largest law firm in the UK has 1237 fee earners of which 224 are partners, the owners of the firm. Theodore Goddard, the firm at position number 20 has 224 fee earners, of which 62 are partners. English law firms are now reaching comparable size to their American counterparts.

In the early part of the twentieth century, the American press had already coined the term 'law factory' for corporate law firms and one Julius Henry Cohen published in 1916 a book titled, *Law: Business or Profession?* (Flood, 1985, p. 14). American law firms resulted from the confluence of certain forces: among them were the rapid growth of capital between 1870 and 1920 (Friedman, 1985; Hobson, 1984), the development of the case method in law schools (Stevens, 1983),[19] and the creation of the bipartite structure of associates and partners by Paul Cravath (Swaine, 1948). Thus the megalaw firms of today, such as Jones Day Reavis & Pogue with over 1,000 lawyers and Shearman & Sterling, with just over 500 lawyers, were fostered in this ferment. Later the New Deal entrenched American lawyers firmly in the regulation of commerce and finance, not always to the delight of those who produced these lawyers (Llewellyn, 1933).[20]

English firms were also heavily involved in the development and distribution of capital at home and abroad (Slinn, 1983; Sugarman, 1991). But the ancillary structures of the law school and the Cravath method for organising law firms never evolved in a similar fashion in the UK (Swaine, 1946). Professional firms remained small and until the passing of the Companies Act of 1967, partnerships could not exceed twenty persons (Flood, 1989). Even after World War II, 'there were seven partners [in Freshfields], fewer than at least two of the other leading City firms, Linklaters & Paines, and Slaughter and May, each of whom had twelve partners' (Slinn, 1983, p. 159). But during the 1970s and 1980s, nurtured by the

Table 1. *Twenty largest London law firms based on number of fee earners for 1994*

Firm	Total fee earners	Partners	Public limited companies	Rank by number
1. Clifford Chance	1237	224	103	3
2. Linklaters & Paines	797	154	115	2
3. Freshfields	707	141	57	7
4. Lovell White Durrant	643	143	37	12 =
5. Allen & Overy	595	123	48	10
6. Slaughter and May	568	102	147	1
7. Simmons & Simmons	476	122	53	8
8. Herbert Smith	464	105	92	5
9. Norton Rose	450	99	66	6
10. Denton Hall	408	100	18	14
11. Nabarro Nathanson	395	102	37	12 =
12. McKenna & Co	300	61	51	9
13. Cameron Markby Hewitt	292	79	13	16
14. Richards Butler	291	69	7	17
15. Wilde Sapte	280	62	5	18 =
16. Ashurst Morris Crisp	278	61	99	4
17. Clyde & Co	265	94	5	18 =
18. Stephenson Harwood	264	72	30	13
19. Frere Cholmeley Bischoff	259	66	15	15
20. Theodore Goddard	224	62	44	11

Source: The Legal 500 (1994, p. A202), *Crawfords Directory of City Connections*, 1994.

Big Bang in the City of London, the large English law firms flourished. One American technique the English law firms have borrowed is the merger. Clifford Chance, Lovell White Durrant, Norton Rose, and Denton Hall, for example, have all grown through mergers with other firms. A partner from a top 10 London firm claimed that, 'Law firm mergers only started because Clifford Chance did it. Everyone got scared'. The desire has been to grow rapidly to compete in the international legal marketplace, especially with the American firms.[21] Indeed, a former senior partner of Clifford Chance was reputed to have claimed the reason for the merger between Coward Chance and Clifford-Turner was so that Clifford Chance would be big enough to merge with one of the big accounting firms.[22] Most of the other firms in the top 20 have fuelled their growth internally and organically.

There are dangers attached to merging, however, and the following example is one such cautionary tale. In the late 1980s the then American firm of Finley Kumble Wagner Heine Underberg Manley Myerson & Casey, which had grown extremely rapidly by cherry-picking lawyers and entire departments from other law firms, was casting about for a London outpost. Berwin Leighton had just associated itself with the American firm when Finley Kumble imploded and disintegrated (Flood, 1989; Eisler, 1991). It was an embarrassing time for the English firm, as Finley Kumble was shown to have engaged in dubious and unethical practices about which many partners had no knowledge although they had to suffer the liability. The litigation between the partners continues still. One result of this debacle is that in conversa-

Table 2. *Ratio of plc's to total fee earners for top 20 law firms based on number of plc's for 1994*

Firm rank by number of plc's	Ratio of plc/tfe	Firm rank by ratio
1. Slaughter & May	0.25	2
2. Linklaters & Paines	0.14	6
3. Clifford Chance	0.08	9 =
4. Ashurst Morris Crisp	0.36	1
5. Herbert Smith	0.20	3
6. Norton Rose	0.15	5
7. Freshfields	0.08	9 =
8. Simmons & Simmons	0.11	7 =
9. Mckenna & Co.	0.17	4
10. Allen & Overy	0.08	9 =
11. = Nabarro Nathanson	0.06	8
= Lovell White Durrant	0.06	11
13. Stephenson Harwood	0.11	7 =
14. Denton Hall Burgin Warrens	0.04	12 =
15. Frere Chomley Bichoff	0.06	11
16. Cameron Markby Hewitt	0.04	12 =
17. Richards Butler	0.02	13 =
18. = Clyde & Co	0.02	13 =
= Wilde Sapte	0.02	13 =

Source: The Legal 500 (1994, p. A202), *Crawfords Directory of City Connections*, 1994.

tions among lawyers about firm mergers, the name of Finley Kumble is often raised in strong cautionary tones.

Finally, although size could stand as a proxy for levels of activity, it lacks refinement and subtlety for such a task. Instead, we can look to involvement with clients and work.

The last decade was one of enormous activity in corporate acquisitions and restructuring, known as M&A work (Hirsch, 1986), e.g. the Guinness bid for Distillers (Hobson, 1991), and deals often financed with junk bonds (Bruck, 1988; Burrough & Helyar, 1990), requiring the extensive involvement of lawyers (Hermann, 1989), who were sometimes depicted as entrepreneurial as their clients (Auchincloss, 1986). One proposal for identifying involvement with clients and gauging a law firm's attractiveness or demand function is to count the number of public limited companies (plc's) that indicate a particular law firm as adviser in *Crawford's Directory of City Connections*. Table 1 shows how many plc's each of the 20 largest London law firms has as clients. The numbers of plc clients do not comport precisely with the size of the firm as measured by the number of fee earners. The figures in the far right column of Table 1 show the ranking according to plc's instead of firm size. Even though the rankings have changed, we are still involved with approximately the same top 20 firms. There are surprises: firms such as Ashurst Morris Crisp, which is ranked number 16 by size, moves to number 4 when ranked

Table 3. *Top 20 law firms in London by profits per partner in 1994*

Firm	Profits per partner £thous
1. Allen & Overy	377
2. Slaughter & May	333
3. Linklaters & Paines	322
4. Freshfields	302
5. Ashurst Morris Crisp	284
6. MacFarlanes	268
7. Lovell White Durrant	260
8. Clifford Chance	256
9. Herbert Smith	249
10. Davies Arnold Cooper	237
11. Wilde Sapte	223
12. Simmons & Simmond	222
13. Hammond Suddards	219
15. = Norton Rose	218
= Baker MacKenzie	218
17. Holman Fenwick & Willan	209
18. = Cameron Markby Hewitt	202
= Masons	202
20. = McKenna & Co	200
= Dibb Lupton Broomhead	200

Source: The Legal 500 (1994, pp. A7, A8)

by plc's; Slaughter and May moves from 6 to 1. These rankings would suggest that such firms are more intensively involved with corporate Britain than others and so reinforcing the concept of the two hemispheres of law, corporate and personal plight (Heinz & Laumann, 1982). The firms with fewer than five plc's on their roster tend to be specialist firms in such areas as shipping or insurance.[23]

The *American Lawyer*, in its ratings of law firms in the US, attempts to construct an index for productivity and I carried out a similar calculation, creating a ratio of plc's to total fee earners. Those firms with the highest ratios could be classified as maximising their corporate practice. Table 2 illustrates the results of the exercise and the resulting ranking of the firms. Here the rankings move more dramatically than in Table 1. Ashurst Morris Crisp is clearly the front runner with a ratio of 0.36, compared to Clifford Chance which ties at number 9 with Allen & Overy and Freshfields with a ratio of 0.08.[24] The results of Table 2 are probably at best suggestive, because, at bottom, *Crawford's Directory*, fails to inform us how actively involved various plc's are with their advisers, that is, the rate at which work is generated.

Table 3 presents findings on profits per partner for the top 20 UK law firms. Profits per partner indicate levels of activity in law firms that demonstrate the value of the partners' human capital (Galanter & Palay, 1991).[25] Table 3 reinforces the patterns established by other indicators.[26]

No single statistic is comprehensive in its descriptive power. What the data tell us is that today's City law firms are big institutions—though not as large as the big accounting firms—which engage in transactions where large sums of money, billions of pounds, are at stake, where each fee earner generates between £1m to almost £2m a year, and where the partners can earn beyond £750,000 a year.[27] The tables indicate there is a strong status hierarchy among law firms, based on size, history, and perceived strength in the marketplace. Some of them are almost 'Brahmins' in the legal world. Law firms' business is satisfying the demands of the international corporate marketplace. These demands too in turn impose further demands on the means of delivering professional services. In addition to the structural aspects of law firms we need to understand what is involved in lawyers' work, as it is what they do that is significant.

Lawyers' work in city firms

Corporate clients consume a wide range of services from their lawyers, not all of which involves legal work (e.g. international and domestic banking and finance, securities issues, mergers and acquisitions, general corporate and commercial advice, intellectual property, litigation and arbitration, shipping and international trade, aviation, financial services regulation, information technology and telecommunications, insurance, natural resources, property, taxation, environmental and EU law). Clients also request information about the types of services which law firms might deliver, for which firms put together 'proposals for legal services', especially for clients who are thinking of appointing a law firm as its legal adviser on retainer. These are less glossy, more elaborate and detailed than the firms' brochures and include such information as billing rates. Such information is demanded, for example, when a firm wants to participate in a 'beauty parade', i.e. to tender for a project.[28] During the 1980s there was intense competition among the City firms for government privatisation work. A senior partner of one of the top five firms said:[29]

> The work has particular problems. First, there is a beauty parade when a budget has to be given, the [government] department wants to know how many partners will be involved, who they will be, how many assistants. The work is not so well paid as ordinary private work, but the prestige is enormous. We must be doing a good job otherwise they wouldn't keep coming back to us.
>
> We don't like having to fix a budget because one doesn't know what it will cost until its done. But we are pretty good at getting the range right. There has to be an appreciation of costs, knowing what is the right amount of effort to invest in a matter—a question of judgement.[30]

Without doubt the largest departments in the City firms are the company/corporate and commercial departments—sometimes known as 'CoCo' work (*Legal 500*, 1991, p. 139); this is the core of their expertise.[31] For example, in 1991 out of 856 lawyers based in London in Clifford Chance, over half were involved in the corporate department (Clifford Chance, 1991). In this area, the firms take pains to

try to distinguish themselves from other firms when describing their work and philosophy, and in attempting to do so provide insight into what it is they do. When describing the company/commercial area the Allen & Overy brochure wrote of the firm:

> In broad terms, our work can be seen as falling into three principal categories: corporate finance, banking (including restructuring and insolvency work) and international capital markets...Recent years have seen remarkable and exciting developments in the corporate finance area. Not only has there been an extraordinary amount of new legislation and regulation but there have been radical changes in the types of businesses and transactions carried on by our clients. Our corporate finance practice involves advising on take-over bids, Stock Exchange flotations, governmental privatisations and private company acquisitions and disposals. We have been particularly pleased by the continued expansion of our mergers and acquisitions and new issue work and there has been dramatic growth in the demand for our special skills in relation to management and leveraged buy-outs, which have included many complex transnational buy-outs (n.d., p. 14).[32]

In the areas of international finance and banking, Herbert Smith said: "Our...service is driven by the philosophy that lateral thinking is the key to helping our clients find solutions for difficult and complex propositions; commonsense and simplicity are our aim in the express ion of these solutions" (n.d.a, p. 1).

Corporate and finance work have to a large extent provided a stable core of work for the large law firms and their structures have developed to accommodate this. Rapid developments in technology and international finance have, however, begun to alter traditional divisions of labour with the result that new areas of work have emerged. Denton Hall said of its communications group:

> Communications are developing with breath-taking speed...We...have been at the forefront of...[technological] changes...[We] have prepared submissions to the European Commission...on a range of telecommunications matters including the INTELSTAT, INMARSAT AND EUTELSTAT Treaties...We were involved in lobbying during the progress of the 1990 Broadcasting Bill through Parliament, and have advised a number of clients on its implications...Our experience includes advising one of the five successful applicants for UK mobile data licences....(n.d.a, pp. 1–6).

Besides the influence of technology on change in work practices there are changes in the political topography of the world. The transformation of Eastern Europe into nations of fledgling democracies has altered the ways professional services are delivered for corporate clients. Theodore Goddard, for example, joined with one of the big accounting firms, Ernst & Young, and an investment bank, Midland Montagu, to form an investment advisory service for clients who want to do business in Russia. In effect, they have created a multidisciplinary practice (MDP). They put forward a list of questions they can answer for their potential clients:

How do we start in this new market?
What laws govern foreign investment?
What procedures need to be followed?
What taxes apply to profits earned locally and remitted overseas?
How can roubles be exchanged for hard currency?
What sources of finance exist?
What new culture do we need to learn? (Midland Bank, n.d.)

Together the advisers constructed a planning stage, charged at a fixed rate, followed by an implementation stage (charged at a variable rate) if the deal went through. It is not only the culture of Russia and the CIS that is new and strange, but also the culture of the deliverer, the MDP. City lawyers are on the whole ambivalent about this concept, believing it to be a subterfuge for the accounting firms to be able to takeover law firms.

Another area of work in which boundary disputes have been common with accountants is corporate tax. All corporate transactions, national and international, have tax ramifications (Picciotto, 1993). Freshfields described itself as giving advice on:

- the taxation of domestic and international groups of companies, partnerships, joint ventures and financial institutions, their directors and employees;
- the tax implications of financing, leasing and property transactions;
- the structuring of mergers, acquisitions and company flotations and reorganisations (Freshfields, n.d.).

Tax departments are usually the smallest in the constellation of law firm departments (cf. Page 1991).

Commercial property transactions have also been a staple of City lawyers' work for some time because buildings, plant, and land form large parts of companies' assets. And these are areas where several kinds of expertise need to be coordinated. Ashurst Morris Crisp pointed out in a proposal for legal services for a prospective client: 'the issues facing the property industry have become increasingly more complex, requiring the integration of separate specialist skills to provide planning, construction, environmental and tax advice in support of general property advice' (Ashurst Morris Crisp, 1991, p. 19). A firm like Ashursts, according to *Crawford's Directory of City Connections*, lists itself as adviser to developers, such as Trafalgar House, major space users, such as Allied-Lyons plc, funding institutions, such as British Airways Pension Fund, and public authorities, such as the London Docklands Development Corporation and the Cardiff Bay Development Corporation.[33]

Property work has given rise to subspecialties. Two particular ones are development and construction, and environmental law. Herbert Smith noted: "Major construction projects, whether relating to commercial, industrial or public works—and particularly those with an international element—give rise to increasingly complex and sophisticated legal and financial issues" (Herbert Smith, n.d.b, p. 1). Simmons & Simmons wrote:

The Development and Construction Law Group includes specialists on all

> aspects of a development including tax planning and funding, planning and environmental matters, site acquisition and assembly, development, construction and engineering agreements, professional appointments, warranties, insurance, dispute resolution...(Simmons & Simmons, n.d.b).

Environmental issues relatively recently added a new dimension to the property lawyer's work. Simmons & Simmons said: "During the 1990s no business will be able to afford the luxury of ignoring the environmental aspects of its operations" (Simmons & Simmons, n.d.b).[34] Both of these subspecialties cross over into the area of dispute resolution because neither exists without the potential for conflict.

The types of tasks outlined here are essentially facilitative, that is, they are concerned with the creation and implementation of transactions. This constitutes the bulk of City lawyers' work. Although the law firms tell of their legal expertise, they emphasise their business nous, their ability to speak the language of business in constructing and negotiating deals. Yet many consider the central rôle of lawyers to be conflict resolvers, that is, being involved in litigation and other forms of dispute resolution. Osiel phrased it as, 'the possibility of litigation casts such a long shadow over the rest of lawyers work' (1990, p. 2066). Certainly litigation is an important part of lawyers' work, but the warrants for claiming it as the core activity are few (cf. Galanter, 1984; Abel & Lewis 1989, p. 508; Mackie, 1989; Flood, 1991).[35]

Under the Solicitors Act of 1974, solicitors had a monopoly on starting litigation. That has now been modified under the 1990 Courts and Legal Services Act and others may now initiate court actions (Merricks & Wallman, 1991, p. 18; cf. MacErlean, 1989). Evidence from the United States suggests since the 1960s, when Macaulay suggested businessmen were keen to avoid being formally embroiled in disputes, businesses are resolving more disputes by litigation (Galanter & Rogers, 1988; Macaulay, 1990; see also *Economist*, 1990b; Mackay, 1991). It appears the same trend has been occurring in the UK. Chambers (1991, p. 7) asserted: 'The rise in litigation in some parts of the country has been staggering...Medium-to-large London firms had an average growth of 43 per cent in litigation, with one medium-sized specialist litigation practice reporting a 47 per cent growth in work.'[36] Other commentators claim the recession has 'generated much finance-based litigation' (*Legal 500*, 1995, p. A281). Further research in the UK also reinforced the idea of a transformation in business disputing: "...breach of contract cases have increased at a comparatively fast, steady rate, and expanded as a proportion of total cases...." (Vincent-Jones, 1993, p. 355). In both mergers and acquisitions and restructuring work the stakes can be high (Connon, 1991). This makes litigation or arbitration real possibilities and the City firms commit substantial resources to dispute resolution. Freshfields said:

> Much...litigation and arbitration has an international element involving a multiplicity of jurisdictions. It is often technical and complex, frequently involving the collation of large quantities of documents and other evidence. The department has more than 60 staff....(Freshfields, n.d.)[37]

All City firms will do litigation, but not all are renowned for it. Two firms—Herbert

Smith and Lovell White Durrant—are reputed to have the busiest litigation practices (*Legal 500*, 1995, p. A281).[38] Firms such as these are also involved in what one partner called 'semi-litigation', which includes appearing in enquiries before the Monopolies and Mergers Commission, the Department of Trade and Industry, the Office of Fair Trading, and before Lloyds when underwriting syndicates are investigated.

The City is noted for one particular area of litigation work which is shipping. Charterparty agreements always contain a clause specifying 'arbitration London'. As a shipping firm partner said, "London is the main shipping centre in the world, though New York is muscling in". He went on to say that many shipping arbitrations can be done quickly in 'evening arbitrations'. Solicitors often act as advocates in this work, using counsel only for the bigger arbitrations.

The final area of work in this brief survey is insolvency and corporate reconstruction, which booms as recessions persist. As Chambers put it, "The recession has its compensations. The high rate of business failure means that insolvency lawyers are busier than they have been for almost a decade" (1991, p. 7). Herbert Smith described it this way:

> The [1980s] have seen a major increase in the number of personal and corporate insolvencies. The rapid expansion of business into unfamiliar markets, financial over-extension and instability in exchange and interest rates have brought many more businessmen, partnerships and companies to a position where intervention has been required by banks, trade creditors and others, sometimes outside and sometimes through the Courts (Herbert Smith, n.d.c, p. 1).

Insolvency is not the sole preserve of lawyers, as in the US, there now being a distinct group of insolvency practitioners which includes lawyers and accountants. And indeed, accountants have by far the greatest share of the work, monopolising the appointments as receivers and administrators (Waller, 1991, p. 16; Flood & Skordaki, 1993; Griffiths, 1993; Flood & Skordaki, 1995).

Although these areas of work are depicted as separate activities, they are often integrated into transactions which require contributions from all areas. For example, in describing the privatisation work done by Slaughter and May, Page wrote: 'most departments within Slaughters experience knock-on effects from the work generated (ranging from complex tax issues to questions of leasing)' (Page, 1990b, p. 25). Similarly, Allen & Overy wrote of itself:

> We have always been aware of the benefits to be gained from combining our individual strengths, and these resources are tapped through our "know-how" groups—people brought together to pool the particular expertise they have on individual topics. Some of the "know-how" groups concentrate on highly specialised, self-contained areas of law whereas other, including those dealing with employment, construction law, the EEC 1992 programme and intellectual property, cross traditional departmental boundaries. In order to develop and maintain a broad view, all

> lawyers, partners and staff alike, are encouraged to belong to more than one "know-how" group (Allen & Overy, n.d., p. 8).

Another dimension of lawyers' work that overlays all the types I have so far described is the *international.* Undeniably, City lawyers are far more involved in international transactions than ever before.

The international domain

In 1984 an editorial in the *International Financial Law Review* (Comment, 1984) asked the question: 'Who is the international lawyer?' The editorial tried to answer its own question by saying:

> A lawyer admitted in more than one jurisdiction would have good reason to claim that he is an international lawyer....To the practitioner [international law] is advising on transactions or litigation involving more than one jurisdiction (1984, p. 2).

The editorial suggested there were two views on how international law could be practised:

> Both views accept that there is no separate body of substantive law apart from the laws of those jurisdictions in which cross-border transactions, and so litigation, take place...the first—and more traditional view is that the international lawyer is really a domestic lawyer who counsels clients from other jurisdictions with business in his own....The second view is that the genuine international lawyer is not the local lawyer who advises foreign clients, but the lawyer—usually from the client's own jurisdiction—who interprets the local lawyer's advice and puts that advice in the context of the client's multijurisdictional objectives, and the regulatory constraints of the client's—and the lawyer's—domestic jurisdiction (Comment, 1984, p. 2).

Even though the editorial somewhat mildly advocated firms opening foreign offices, it fundamentally concluded:

> There is therefore no reason, on the face of it, why a firm wishing to become international...should open foreign offices at all, provided it has a network of effective correspondents in other jurisdictions (Comment, 1984, p. 2).

In the post-Big Bang era much has changed from this view. Some titles of articles published recently in the press and trade journals indicate the scale of that change:

- 'Are US law firms adopting the right strategy in Europe?'
- 'Shearman & Sterling opens two German offices.'
- 'Paris lawyers—preparing to take on the world?'

- 'Lawyers, accountants and stockbrokers join in think tank on world's capital markets.'
- 'Potential for UK law firms in Eastern Europe and China.'
- 'Going global: big law firms expand overseas.'

These titles then indicate a markedly different approach to the delivery of professional services in the 'new world order' (*Economist*, 1991, p. 45). Nevertheless, law firms have lagged behind other comparable services—accounting and advertising—in developing international strategies. Yet there is an important question here: what does it mean to deliver legal services on a global scale? One can argue that law is essentially a cottage industry carried on in specific localities (micro-markets) under rules that define tight jurisdictions. It is now having to remould itself in response to a demand from clients who want law to service a global capitalist economy. The tension expressed here may be summarised as that between the broad and narrow approaches to lawyering, or as one lawyer put it to me, 'the issue is whether lawyers think internationally or locally'.

International lawyers and international work

During my interviews certain images recurred. Here are three:

- A senior partner of one of the top five City firms said, "Our main competition in the world market is the Americans".
- Another partner from a similar type of law firm said, "There are two major players in the world—the English and the Americans. There are a couple of large Dutch firms, but no French or German".
- The Brussels based partner of a large English firm said, "The big issue that has gripped City firms in the past two to three years is transnationalisation. But everyone has different ways of going about it. That's competition and that's what keeps everyone moving".

City lawyers have demonstrated that the international market for legal services is very competitive and the territory is mainly being fought over by the English and American law firms without much intervention from the other European law firms (cf. Schloh, 1990). That is, the Anglo-Saxon law world is adapting to international corporate market expectations and needs more rapidly than the civil law world. This was encapsulated in a question put to a seminar on 'Globalisation of the Legal Profession' at the International Bar Association Section on Business Law 1995 Conference. It asked: 'The dominance of New York/English law: how does this affect the Anglo-Saxon firms and competition between each other? How should Civil law firms respond?' The following example demonstrates the kinds of struggles taking place. In 1988 de Benedetti, an Italian industrialist, attempted a hostile takeover of Société Générale de Belgique, a large Belgian conglomerate (Labaton, 1988, p. 44; Bellanger, 1988, p. 58). De Benedetti, the bidder, used the Paris office of a Wall Street law firm, Davis Polk & Wardwell, and Société Générale, the target, was advised by the Brussels office of another New York firm, Cleary Gottlieb Steen

& Hamilton. Both companies—which were extremely large in their respective communities—were unable to find the correct mergers and acquisitions expertise in domestic law firms. Only the American firms at that time could supply it.[39] As an English City law firm partner declared, "It was bad that only American firms were used in that matter, but we have learned from the Americans". In some respects US dominance continues because of the centrality of American financial institutions in international capital markets work (Thieffry, 1995). An English lawyer said:

> The US firms are winning some international work—for example some the privatisation mandates—because it involves an SEC registration. This is US law firm work and I think it will continue to go to US law firms at present, despite the hiring of US lawyers by some the major English firms. The US firms obviously have an advantage here (International Capital Markets, 1995).

Sometimes this competition is expressed in the guise of the 'Americanisation' of legal practice. For example, many non-Belgian law firms—over 200—have established themselves in Brussels (Greenhouse, 1991, p. 1). The American law firms have also exported some of their work practices, e.g.:

> Mr Hawk [head of Brussels office of Skadden Arps Slate Meagher & Flom] told the story of a client who one Friday afternoon gave Skadden Arps research to do. 'They were ecstatic when we had it finished by Monday morning,' he said. 'They weren't used to that, but, believe me, now they're getting used to it.'

Nevertheless, there is opposition to American practices and techniques. The managing partner of Clifford Chance argued that 'it is this American inability to understand nuances of English and European culture that will make his firm and other British firms more successful in Europe' (Bose, 1990, p. 9).

Unlike domestic legal work, there are yet no established routines for international work. The struggles to dominate or capture the international market continue. A partner of one of the largest English law firms commented, "By the year 2000 there will only be a half a dozen big players in the international legal marketplace. We will be one of them". Given present levels of knowledge it is impossible to say whether his prophesy will come true: world events have moved, and continue to move, rapidly. Nevertheless, he believed in his prophesy and was organising his law firm with that aim in mind.

The first point is that among lawyers and firms there is little agreement about the composition of *actual* international business work. A comment in the *International Financial Law Review* put it quite succinctly:

> International law, as the practitioner understands it, is not what the academics mean. To them, international law is the law between states (public international law) or conflict of laws (private international law). To the practitioner it is advising on transactions or litigation involving more than one jurisdiction (Comment, 1984, p. 2).

Part of the reason for the variability of approach is the lack of international ingredients in professionals' education. Business schools, especially the European ones such as INSEAD, have incorporated the principle of internationalisation into their curricula; other types of professional advisers, law and accounting and finance, are still reluctant to admit this to their schools. If the academy is one of the legitimating agencies of professions, granting authority to practice, then the variability of international standards in teaching is indicative of practice. Khan (1991) argued that law schools should not just introduce courses with international dimensions, but should in fact internationalise the entire curriculum because internationalisation has infused all aspects of life. In these respects practitioners could be said to be in advance of the academy.

International business lawyers argue they are not technicians but rather they have a method of working and a clear understanding of how their clients work. It is the ability to rise above the technical level that provides the springboard for global lawyering. Three attributes have been suggested by some lawyers as the *sine qua non* of the international lawyer: a mastery of the English language, which is the common language of international business and finance; an ability to draft contracts, more in the prolix Anglo-Saxon style rather than in the concise continental way; and an understanding of private dispute resolution systems, such as arbitration. On occasion a fourth requisite is claimed, namely, admission to another jurisdiction, notably the New York bar.

We know at the level of international transactions that the norms involved are relatively weak (Gessner & Schade, 1990), and 'world trade seems likely to grow at a faster rate than that at which the harmonisation of legal rules and procedures advances' (Mills, 1991, p. 52). If these hypotheses are correct, the role of lawyers will be to fill the gaps, or 'legal black holes', that inevitably occur. How this works is demonstrated by the following example from a practitioner:

> One can...point to the security transaction known as the 'floating charge' as an example of what an English lawyer would regard as a manifestation of the benefits of allowing maximum contractual freedom and what a civil lawyer would probably consider to be a form of security which defeats the legitimate interest of unsecured creditors in the event of an insolvency. Floating charges continue, for the most part, to be impossible of creation under civil law systems. They are, however, fundamental to most corporate banking relationships and complex financial transactions structured under English law....The important point...however, is that a floating charge is a form of security which, at the time it was 'invented', was both complex and innovative. And it was created purely by contractual agreement. No statute or other legislative provision was necessary in order to permit its 'invention' (McCormick, 1991, pp. 4–5).

To clarify the importance of this example, I want to flesh out the tripartite distinction made earlier on the 'broad views of private international business law'. To recap, these 'broad views' were: to export one's own law; to adopt and to practise

the local law of the jurisdiction; to create or to use norms uncoupled from any state. In 1977, in evidence to the Royal Commission on Legal Services (the Benson Commission), and in 1989, in reply to the British government's Green Paper on the work and organisation of the legal profession, the City of London Solicitors' Company and City of London Law Society put forward the argument that English law was a *product* marketed by English lawyers throughout the world.[40] For example, in the 1989 reply, the City of London Law Society said:

> The advantages of English law as a 'product' enable solicitors to contribute to this country's balance of payments some £250,000,000 per annum in invisible exports and constitute an important part of the attraction of the City of London as a world financial and insurance centre (1989, p. 5).

The view adopted by this association is that the primary purpose of City lawyers in the international market is to sell English law. English law is seen to be in competition with other types, chiefly, American (i.e. New York state law). This is the ethnocentric view of law. Neither document referred to here commented on English lawyers practising foreign law. One can draw the conclusion from this that a proportion of the lawyers subscribe to this view that the rest of the world should use English law which, of course, would substantially benefit English lawyers. An overseas partner of a large firm said, "Law firms are like hotels. Some wish to remain élite institutions in one place—for example, Cravath Swaine & Moore which is good at SEC work—while others want to become part of a chain over the world." A senior partner of another large firm was adamant that his firm was an "English firm with overseas offices. We practise English law". The idea here is that the firm's role is to capture foreign clients for UK law. For example, much of Japanese securities work is carried out under UK law. The London law firm sits at the centre of a web of offices drawing its work continually to the centre. Some American law firms have practised in the same manner. White & Case, a New York firm, structured a $18 million securities underwriting for the Turkish telecommunications manufacturer. Wachtell Lipton Rosen & Katz, also of New York, advised a Japanese tyre company in its $2.6 billion acquisition of Firestone (Labaton, 1988, p. 44). This view is perhaps most strongly held by those law firms that fall below the top 10 category in terms of size. They encounter great difficulties in sustaining foreign offices that could be conversant in local law.

Practising local law is the goal of some law firms, however. The leading partner in an international law firm stated: "If you set up an office just to do foreign law, it will never develop well. You have to do local law too".[41] This represents the second view of private international business law: to practise purely one's own law is to lose markets. Another senior partner said sometimes the necessity of practising foreign law was forced on lawyers:

> We were handling a very large multinational acquisition involving subsidiaries and so forth in a number of countries. The question was how to draft documents that would bring all that together in a uniform way. What I did was to have all the local variations drafted under their own laws, then

> I constructed a master umbrella agreement based in English law that tied all of them together and yet recognised their differences. It was quite hard to do.

The third view I proposed was to create a type of law not specifically attached to a particular state, or one which is uniform across states. An example of this emerges in international commercial arbitration (Flood & Caiger, 1993). One lawyer described the ideal arbitral centre:

> Preferably it should be in a third country which neither of the parties comes from. Its own domestic laws should not interfere in the procedure of arbitration by mandatory laws of a procedural or substantive nature. It should not be possible to bring an award to ordinary courts by way of appeal (Clow & Stewart, 1990, pp. 10–11; see also, Graving, 1989; Craig, Park & Paulsson, 1990).

This leaves it to lawyers to create their own system of norms, to fill the 'legal black holes'. The process worked this way:

> Standard form contracts, charter parties and references to international practices have tailored within diverse disciplines and international *corpus juris* which is known and implemented from Hong Kong to New York, from Tokyo to London and from Paris to Johannesburg. The arbitration clauses referring disputes to arbitration organised by the large international arbitration centres have helped to elaborate this corpus. The precedents established by these arbitration proceedings are known, and their decisions inspire practitioners to implement new contractual provisions. Scholars in turn analyse these decisions. The decisions are echoed in conferences and specialised seminars. In this way, strangely enough, our modern age has witnessed the birth and development of a new *jus mercatorium* (Badinter, 1995, p. 506).

This was exemplified in the IBM-Fujitsu arbitration, which resolved a seven-year dispute. One of the arbitrators, a legal academic, commented: "Arbitration is a creature of the parties, necessarily created by contractual agreement. It can be enormously flexible—with the agreement of both sides—in developing procedures that are efficient and responsive" (Hellyer, 1989, p. 43; see also Hermann, 1989). The resulting decision gave the arbitrators the power to monitor commercial relations between IBM and Fujitsu for a number of years afterwards.

Not all work done by lawyers, whether domestic or international can be defined as straightforwardly *legal.* There is a cultural difference here between UK and US lawyers. An English senior partner said, "Clients do look to lawyers for business advice, but unlike the Americans, UK lawyers have always been brought in more towards the end of the deal than in the beginning." Another UK partner also confirmed this view, "English lawyers are too traditional and are really technicians, whereas American lawyers are much more entrepreneurial. In a standard UK transaction the lawyers are brought in to draft the documents, not at the front of the

deal". Another senior partner said he thought the banks were the coordinators of the deals, pulling in the lawyers after them.

An exemplar of non-legal activities is lobbying. For City lawyers, however, attitudes towards lobbying are mixed. One lawyer responded to my question about lobbying with a disdainful, "Rather a dirty word; that's something the Americans do". But within the context of Europe it is vital and Brussels has assumed great importance for law firms and their corporate clients. With the advent of the EU Merger Control Regulation, and the role generally played by the European Union's competition directorate-general (DG IV), the Single Market, and the completion of the Uruguay Round of the GATT negotiations, EU law affects both domestic and international business to a great extent. One feature of EU law practice is its international profile. A lawyer talking about competition law said, "Some of the ablest practitioners in the field of EU competition law are with non-English law firms in Brussels". Another said, "The important thing about EU work is that many non-UK firms do it and we all compete together". And another commented, "This is a field where lawyers from many countries compete to offer a similar service. Essential qualities are knowledge of general Community law, good languages, and an imaginative approach" (Highly Recommended, 1990). An Allen & Overy lawyer said, "More EC work is being created every day and more and more areas are going to become subject to Community law. In 10 years' time Brussels will be Europe's federal business centre" (Rice, 1990, p. 33). For lawyers this means that they are required to lobby Brussels as well as interpret the rules for their clients. This means understanding in detail the EU Commission from which the directives and regulations flow.

British law firms have generally been latecomers to Brussels.[42] One partner said his firm had opened "rather late in the day". His firm had a strong competition practice which was run essentially out of London, quite satisfactorily he thought, but clients insisted the firm be there to lobby, so he set up the Brussels office. He added, "and of course everyone else was doing it". For some lawyers—especially the smaller City firms—an office in Brussels is merely a listening post to pick up information on draft directives; they do not want to commit to a full-blown office. Others—the larger firms—believe 'it is clear that the concept of the Brussels office acting just as a "listening post" is outdated' (Orr, 1990).[43]

Since lobbying is work that could be done by anyone (cf. Nelson *et al.*, 1988), lawyers are understandably concerned about their grasp on lobbying. One lawyer made the point forcefully that he feared the accountants' involvement in lobbying more than that of other law firms. The other fear is the American firms.

How does lobbying work? First, a definition:

> The term *lobbying* is usually understood to mean bringing positive influence to bear on law makers to advance given interests. In recent years lobbying has become an accepted part of the EC legislative process although the methods and approaches required may differ considerably from those employed in national arenas (Bentley, 1991, p. 23).

One partner who said he spent over 80 per cent of his time lobbying described it this way:

> You must get administrative changes made. That's where it's easiest. If you go to court there's less chance, it's more costly, and it takes a lot of time. You have to know the Commission very well, which Commissioner to talk to, to take him to lunch or for drinks. A lot of it is tied up with nationality. Sometimes it's better to talk to a Spanish bureaucrat or an Italian one. You also have to make submissions to MEPs, so I go to Strasbourg quite often.[44]

This concurs with an article which said, "The European Parliament is facing a boom in lobbyists as the European Community moves toward a unified market. In three years, the number of lobbyists here has mushroomed from 300 to 3,000...." (*International Herald Tribune*, 1991b, p. 11).

Another partner said his firm had been established in Brussels over twenty five years:

> We set up our office during the Heath negotiations to enter the EEC. One or two others did also, but they pulled out when the negotiations failed, or rather de Gaulle said no. Having been there for a considerable time, we have *very good* contacts with the EC Commission and other EC bodies. We have a good base there because Belgian lawyers are not used to doing the kinds of deals that English and American law firms do. Most Belgian firms are small and the lawyers tend to be very legalistic.[45]

The big competition is with the American lawyers. There are more than 20 US law firms established in Brussels, but the majority came after 1988 (Greenhouse, 1991).[46] Walter Oberreit of Cleary Gottlieb, a firm which has been in Brussels since 1960,[47] argued that, 'the 1992 phenomenon didn't really get going before 1988. Not even the Europeans talked about 1992 before then. 1992 became important to the law firms when it became important to the CEOs' (Rice, 1990, p. 33). English lawyers argue that the American lawyers do not possess the cultural nous to operate well in Brussels. Another partner said, "The Americans don't always understand Brussels. They think it is Washington, which it is not. They don't have the patience to deal with a multinational bureaucracy. They just think of it as a federal administration". Another senior partner reiterated the view in part:

> Brussels produces a big culture clash between the American and English firms. Americans think of it as Washington DC, so it can be lobbied in the same way. But it doesn't work that way. DC is lobbying politicians and their staffs—Gucci Gulch—whereas Brussels is Eurocrats who don't respond well to pressure. You can go to them with problems and discuss them, and they welcome that. So that means establishing good relations. But now there are so many lawyers in Brussels, the bureaucrats are getting restive. Just because one firm wants to get the latest dope on the Merger Regulation into its client newsletter...the bureaucrats get fed up.

The styles differ considerably, as an American lawyer illustrates:

> Here in Europe, it's impolite to be direct. If a client has deep concern with a proposal, you should say something like, "We support the desire of the commission to do this, but we would invite the commission to make the following small changes". In Washington you would say, "The agency's action was fundamentally wrongheaded, violates the statutory intent and is wrong for the following 17 reasons" (Greenhouse, 1991, p. 4).

One result of the culture clash, and the recession, according to an English partner is that, 'there has been much retrenchment in Brussels because people have lost a lot of money there. In the late '80s the buzzword was 1992. That was because that was when people thought we were joining the Common Market. Then the penny dropped....'

Thus to do international work requires a massive investment in time, personnel, and money. "The problem", a partner said, "with opening offices in each place is *quality control.* Look at 'Baker & McDonalds'. There are some of their offices which are no good and others you just wouldn't touch at all. Part of the problem is Baker & McKenzie use locals in all their offices, unlike other firms that send out their own people". The importance of quality control was reinforced by another partner who said,

> We have to control quality and you can't do it through alliances. We don't want to open offices any place, the costs both financial and in human resources are too great. When you open a new office you have to put someone in who's good and you trust, and so you lose them for a while.

The senior partner of a smaller law firm stated, "You have to send the best otherwise you won't get any work." An American lawyer said of US law firms, "Many overseas offices don't make a profit because they send a partner who is loyal and trustworthy but not necessarily the best for rainmaking".

I have touched on some of the organisational forms law firms have adopted to tackle the practice of international business and I have stressed the reflexive features of work and organisation. In the next section I discuss the structural consequences of this for law firms undertaking international practice.

Organizing international work

We have seen that there is no consensus on what it means to be either an 'international' or a 'global' practice. The terms are constantly used interchangeably, but they are not synonymous. Global practice connotes complete coverage throughout the world; whereas international practice refers rather to cross-border relations which can subsist between any number of countries. I have argued elsewhere that the concept of globalisation is a restricted one for professionals and their clients (Flood, 1995). The significant world for capitalism is composed of three regions, or super-regions, namely, Europe, the Americas, and the Pacific Rim—similar to

former President Bush's vision of the 'new world order'.[48] The remainder of the world carries a lesser economic importance for commerce and finance. As a partner in the Tokyo office of Coudert Brothers phrased it: "To effectively service the financial markets, a firm needs offices in each of the three world financial centers: New York, Tokyo and London" (Harper, 1989, p. 69; cf. Sassen, 1991).

As yet the full-blown international professional partnership does not exist. Even the 'Big Six' accounting firms are interlocking networks of local partnerships rather than a single global partnership (Stevens, 1981; Montagna, 1986). Baker & McKenzie, the largest law firm in the world with 55 offices, is a two-tier partnership, similar to the accounting firms (Chambers, 1995). Local partnerships are constituted in each country overlaid with an international partnership that coordinates the locals.[49] The result is that the firm appears to be a franchise arrangement rather than an integrated structure. Consequently, it is subject to fission as parts hive themselves off from time to time.[50] Banks have also attempted to make themselves global players,[51] as have advertising companies (*Economist*, 1990a; Kleinman, 1989). Neither has been conspicuously successful.

We can draw analogies from the international commodities market which are useful in terms of international legal practice. Despite claims of globalisation, only a few commodity brands are truly global, e.g. Coca Cola, Sony. Most brands constitute 'micro-markets' (*Economist*, 1990a, p. 8). This is exactly the situation of deliverers of professional services. No matter how large they grow, they are constrained by the micro-market in which they function.[52] In a research project analysing the internationalisation knowledge-intensive service companies Edvardsson *et al.* (1993) emphasise the importance of the rôle of a firm's knowledge capital in planning and executing its strategy for expansion. Professional service firms are constrained by product and its ability to be interpreted correctly in alien contexts, again reinforcing the micro-market aspect. Outside their home turf, firms will always appear smaller. What then is the meaning of internationalisation for professionals?[53]

One of the most difficult places to define brand loyalty among lawyers, for example, had been Japan, where the local bar lobbied hard to restrict the manner in which foreigners can practise. No firm, except Milbank Tweed Hadley & McCloy, used to be allowed to use its firm name in Japan (Blackhurst, 1985). Only the name of the managing partner was permitted, so the brand name changed every time a new managing partner was installed. With start up costs of up to £1 million for a five partner office, developing a profile was extremely difficult (Shale, 1991. See also Page, 1990a). After the GATT was finalised the Japanese Bar association agreed to liberalise foreign lawyers' practice. 'Foreign firms are now allowed to use their company names in Japan', Roberts (1995, p. 27) reports, 'but are still forbidden to advise on Japanese law or to bring *bengoshi* into partnerships'.

One way for a firm to cope with international work is to define precisely its sphere of influence. Law firms are already doing this. A partner said, "Our philosophy is that we are a European law firm, and that may mean we have more continental partners than Anglo-Saxon at some point". And he continued, "It takes

enormous amounts of time and money to build up a professional services market. It can't be done overnight".

For the large law firms like Clifford Chance and Freshfields branches are necessary, whatever form they take.[54] Clients are demanding that their lawyers be where they are or be where they think their lawyers should be. In all, except for a few, of my interviews, the lawyers said the reason they had set up overseas was because of client insistence. One partner put it this way:

> The only reason for opening a foreign office is because of client demand. For example, US firms are in London because the US banks demand their lawyers' presence. Or, because there is sufficient business to justify it. That is, the law firm must be entrepreneurial, something which most UK firms are not.[55]

Perhaps the most sensitive area concerning opening overseas offices is that where two prime markets come into contact with each other. This applies especially to US law firms opening in London and UK law firms opening in New York. In 1994 a legal headhunter advertised for English lawyers to join an Chicago law firm, Sidley & Austin, in London, and offering up to £400,000 per year to the right lawyer (i.e. one with big clients) (Griffiths, 1994). Creating a multinational practice is an expensive investment: Sidley & Austin was estimated to have spent £4m in start-up costs, which amounted to 20 lawyers, including six partners, in its first year. By cherry-picking English lawyers with substantial client rosters, the American firm hoped that clients would remain faithful to the lawyer and not the firm.[56] The reverse process has been taking place with UK firms opening in New York and hiring US lawyers. For example, since 1992 Clifford Chance has created an office with 35 lawyers in New York (Marks, 1995). One lawyer summed up the need to compete in New York by stating, "New York is the spiritual centre of US securities law. The investment banks which drive the US markets are headquartered in the city" (Marks, 1995, p. 23).

Not all law firms wish to establish overseas branches even though they are being pulled in that direction. To use the metaphor of the hotel chains raised by one lawyer, some law firms want to be in one or at best very few places. As a lawyer in a medium-sized firm put it: "I don't want to open offices overseas because of the cost and manpower investment. We can't afford to send one of our best partners somewhere". Various attempts have been made to overcome this perceived obstacle. They include clubs, alliances, joint ventures, and European Economic Interest Groupings (EEIGs).

Clubs are in essence referral networks. They can be exclusive or non-exclusive, secret, semi-secret or open referral networks. This wide definition reflects the changes these institutions have undergone over the years. *Chambers Directory* lists 48 clubs with such names as 'GlobaLex', 'Club Oasis', and 'World Law Group' (Chambers, 1993, pp. 19–23) Stewart describes clubs thus:

> The club offers connections without the risks and cost of branch offices, or

> the trouble of more formal alliances. Obligations are minimal, extending little beyond attendance at an annual meeting. Exchange of information on legal and professional practice matters, social bonhomie and—fingers crossed—referral work are the fruits of cooperation. Explains one lawyer, the club gives 'added value to the client'—it is a 'benefit particularly for clients that we can, on an international transaction, point them to a law firm. Not only do we know that firm but we are sure we can get a prompt and high quality response'. Adds another, 'It is like having a branch office in another country' (Stewart, 1990, p. 24).

Membership confers obvious benefits when the club is composed of 'high profile' firms. For example, 'Le Club' consists of Ashurst Morris Crisp, Gide Loyrette Noel, Studio Legale Bisconti, Nauta Dutilh, and Bruckhaus Kriefels Winkhaus & Lieberknecht—all among the élite law firms of their respective countries. As one lawyer in a Le Club firm said, "I cannot see the point of secrecy. What you are selling is the fact that you have immediate access to highly skilled lawyers whom you know personally in other jurisdictions. There is nothing to keep secret about" (Stewart, 1990, p. 26). But as another lawyer put it, "There are costs to forming alliances. When you get into bed with someone another chink in the referral network goes". For example, the Le Club arrangement is one that undergoes changes and stresses. Before Ashursts, the British member was Linklaters & Paines. Linklaters preferred to develop its own offices, although in Paris it used to have very strong links with Gide Loyrette. In the last few years Gide Loyrette has established formal links with Allen & Overy, in Paris, Brussels and Warsaw. Asking how elastic the club actually is in accommodating such diverse interests, one lawyer noted that in the European context, it was all very well to talk of referral networks, but the referrals *all* went one way—UK to Europe.

Some firms like to keep their membership in clubs secret, even though they often become 'open secrets'. One London lawyer referred to his grouping of European firms as something that is "not publicized, open, fluid, and non-exclusive. It is more than a club, but what exactly more it is, I don't know". He rejected, for example, joining an EEIG "because it leaves a document of record". The desire for secrecy and for no constraints as a member of a network was most important to him. Some clubs, however, have considered seriously whether to convert themselves into EEIGs.

EEIGs are European Economic Interest Groupings under EC Regulation 2137/85. Abell and Blin described them as, "a kind of Europartnership that corporations, firms, natural persons and other legal entities in different member states can enter into, in order to carry out certain business activities across member state borders" (1989, p. 9).[57] Small and medium-sized firms are finding this arrangement a way to establish overseas contacts which are more than mere referral networks. According to *Chambers' Directory* a number have already been formed, with titles such as EURONOT, LEGALLIANCE, and FORUM. Both clubs and EEIGs are responses to perceived needs to play a role in the international market which appears at least to be becoming dominated by large UK and US firms.

Multinational partnerships and multidisciplinary practices

The ultimate solution to organising international work is to form a truly multinational partnership (MNP). Firms such as Coudert Brothers (US) waited for domestic rules to permit MNPs in 1993 and then adopted the status. Of the 50 or so US law firms in London only a handful have become MNPs (*Legal 500*, 1995, p. C2). The main breach in the barriers to MNPs came in the Courts and Legal Services Act 1990, section 66 (1), which said, "Section 39 of the Solicitors Act 1974 (which, in effect, prevents solicitors entering into partnership with persons who are not solicitors) shall cease to have effect". The act left it to the Law Society to make the rules that would finally demolish the barrier: this was done in October 1991. Essentially, registered foreign lawyers (RFLs) would continue to exist as before—being barred from carrying out traditional UK monopoly legal practices (namely, conveyancing, probate, litigation and advocacy)—but they would be able to form partnerships with British lawyers (News, 1991, p. 7). RFLs were to have been allowed to employ British assistant solicitors, but the Law Society caved into pressure from English law firms and rejected that idea (Carr, 1991).

Two problems have exercised lawyers' minds over MNPs—regulation/ethics and practising certificates/insurance. The former issue was handled by adopting the 1988 code of ethics of the Conseil des Barreaux de la Communauté Européenne (CCBE). The latter issue was resolved initially with the stipulation that all the partners in the foreign firm must purchase practising certificates from the Law Society. This would cause the larger foreign firms to incur a tremendous extra cost, and therefore shy away from full-blown MNPs. Stewart (1991, p. 21) estimated that for an MNP with 100 partners the *annual* costs of practising certificates, professional indemnity insurance and other contributions would amount to £606,300. This at first made adopting MNP status easier for English firms. Since then the rules have been eased with the result that MNPs are growing in number.[58] MNPs, however, exacerbate the cultural aspect of law firm work and organisation. Lubar pointed out:

> Integrating a US law and a firm of UK solicitors can create a real conflict of cultures unless the parties really understand each other's way of practising. One important cultural issue for a multinational practice is where decisions are made, that is, how much is left to local office management and how much is decided in the home jurisdiction (Lubar, 1995, p. 11).

He also offered a potential solution to the foreign/local law question where a Washington, DC firm, Wilmer Cutler & Pickering, developed its MNP to expand its arbitration practice and hired UK lawyers for that purpose, and eschewed most other kinds of legal work (Lubar, 1995, p. 11).

The one step that has yet to be taken is for the solicitors' profession to sanction the formation of multidisciplinary practices (MDPs). The bar of Washington, DC, already permits non-lawyers to be partners in law firms (Meeks, 1991), and Germany has combinations of notaries and accountants and some other arrangements (Morton, 1989; Rogowski, 1993). And in Australia, New South Wales has loosened restrictions on MDPs and two accounting firms, Arthur Andersen and KPMG, have

started delivering legal services (Killeen, 1995, p. 5). But on the whole lawyers in the UK have shown reluctance to jump into MDPs (Rice 1989). Although in 1995 an advertisement for a law firm, Garrett & Company, carried the following copy, "Garrett & Company is associated with the Arthur Andersen Worldwide Organisation through its membership of the AA international network of law firms, employing lawyers in over 20 countries worldwide" (Appointments, 1995, p. 10). Enthusiasm, however, for MDPs has rested with the accountants, who already consider their firms as MDPs (Eburne, 1991; Munson, 1990; Waller, 1989).[59] Munson, a partner in Coopers & Lybrand Deloitte (1990, p. 4) claimed, "In a free society people should be able to associate in any way they wish, so long as the association does not do harm to others. In determining whether multidisciplinary partnerships should be permitted, the onus of proof is on those who assert that they should not". And the firm of Robson Rhodes argued:

> Increasing competition between lawyers and accountants in the services they provide will lead to a reduction in the opportunities for work referrals. The argument against multi-disciplinary practices on that basis is, therefore, likely to diminish in importance. Smaller firms of solicitors may in any event see the MDP as a safer vehicle to which to refer specialist work than a fully-blown firm of solicitors (Robson Rhodes, 1989, p. 3)

Whatever the state of lawyers' enthusiasm, it is likely that the British government will eventually force these barriers to MDPs to be dismantled.[60] The MDP would be the next logical step after the MNP, but social and economic life is not always entirely rational. Whilst not every firm would want to become an MDP, the demands of the domestic and international markets will coerce some. And offers to merge from the 'Big Six' accounting firms may be too alluring for others.

Reprise: globalization—the *zeitgeist* of the 1990s?

Making sense of and interpreting social life compels us to enquire simultaneously diachronically and synchronically. Because of the rapid rate of change in social life in the post-World War II era the concepts of internationalisation, globalisation and the delivery of professional services the historical component of our enquiry has been telescoped. A period of five or ten years can encompass many and profound changes, as the last decade was for the professions of the capitalist and non-capitalist worlds. In the period before the Big Bang of 1986 in the City of London, questions like the following were asked—"Who is the international lawyer?" In the new Enlightenment following Big Bang, we take such things for granted, but taking for granted does not necessarily mean we understand the phenomenon under scrutiny.

As capitalism tries to come to grips with the seeming irrationalities of the late 20th century—conceptually, politically, socially, geographically, economically—the professions face great change, at the organisational, supply and demand levels. "Processes of change engendered by modernity are intrinsically connected to global

ising influences," Giddens, (1991, pp. 183–184) commented, "and the sheer sense of being caught up in massive waves of global transformation is perturbing". For the legal profession, I would argue, this is particularly perturbing, especially where the corpus of what lawyers do and offer is replete with uncertainty and ambiguity. This is demonstrated most cogently in the international field. What do lawyers do and what will they continue to do? Is it domestic law writ large? Is it pockets of foreign law? Or will it be something transcending political boundaries? Certainly, the moves towards federalism and superfederalism (free trade areas), and international regulation suggest the third transcendent possibility is a growing reality. Badinter (1995, p. 506) believed strongly in the progressive forces of globalisation, "[which] has led lawyers, in particular those working with international matters, patiently to elaborate, over the years, a veritable, *jus communis* of international business, a common business international law of which lawyers are both the practitioners and the authors". Conversely, the stepping back of governments from economic activity denotes a rise in forms of private governance, as Cohen-Tanugi indicated, which also reinforces the third possibility.

I have argued elsewhere that a postmodern approach to the professions might prove richer in capturing a picture of the fragmentation of modern professions, concentrating on the concept of the field rather than profession *per se* (Flood, 1989, p. 586–592: see also Cain, 1994; Sommerlad, 1995; Bourdieu, 1987; Bourdieu & Wacquant, 1992). This discussion of the internationalisation of legal practice reinforces this interpretation. The traditional centre of the legal profession disappears and most of its work takes place at the periphery (cf. Dezalay, 1994): litigation is replaced by financial services consulting, with appropriate private dispute resolution systems. Big City law firms with extensive overseas practices bear little resemblance to the remainder of the legal profession and much more to their traditional rivals the big accounting firms. The advent of the MDP can only hasten this separation. We are seeing a reconfiguration of power and authority, to paraphrase Beck (1992), as uncertainty envelops profession and practice.

This article has attempted to tease out some of these themes. I have selected an area of professional practice usually ignored, but it is one needing more study if we are to understand the rapidly growing interdependence and globalisation (and if it does not seem too contradictory, the fragmentation) of social, economic, and professional life.

The dominant motifs are the cultural and reflexive aspects of context, organisation and work. These are set in a framework which is developing new forms to tackle complex problems of cross-border deals. State justice has to debate within itself how it will undertake to interpret the disputes that arise from transnational business. As it does this, transnational lawyers and law firms are creating new privatised means and new modes of trans-state dispute processing. Yet states and professionals are captured within essentially archaic systems of organisation and legitimation. It is this tension between the state capture of professional organisation and the radicalism of the 'free' transnational élites, those who operate beyond the state, that will dialectically produce a new kind of professional and professionalism that will inhabit the global city.[61]

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Notes

[1] The case of *Société Européenne d'Etudes et d'Enterprise (SEEE) v. Yugoslavia* provides a dramatic picture of the à la carte resources of law. The case started at the time of World War II as an arbitration in Lausanne between a French company and Yugoslavia. An arbitral award was made but the Swiss cantonal court refused to register it. SEEE brought an action in the Dutch courts to enforce the award. By 1973 the Dutch Supreme Court had agreed to enforcement, but two years later went back on its decision. Parallel actions were brought in France where the *Cour d'appel* in Rouen finally granted recognition to the award in 1984 (Craig, Park & Paulsson, 1990, pp. 452–453).

[2] Two methodological points on researching élites: they are approachable and helpful, but one needs to access them in ways sensible to them (Danet, Hoffman & Kermish, 1980; Rosenthal, 1980). No one refused me an interview. Sometimes when I expected to see only one lawyer, another would come in to talk some topics that the other was less sure of. They were generous with their time. If I had had to cost interviewees' time, at their billable rates, into a research grant, for example, the budget would have been prohibitive. I found that to communicate with the professionals I wished to interview only certain techniques would do. If I were to write by mail, the letter would die instantly on their desks with other unanswered correspondence. Neither could I telephone them; it requires a too immediate form of intimacy. The solution lies in the fax machine. Faxes are quick and elicit quick responses. I would fax a request for an interview, saying I would call in a couple of days to arrange the appointment. When I did call, often a secretary would be prepared with a diary to book a date. It is a way of making the unusual—an academic interview—appear routine in their terms.

[3] The last two are spin-offs of legal directories, namely, *Legal 500* and *Chambers and Partners' Directory*. I am also aware that there is a pack of journals, such as the *National Law Journal*, *Solicitors' Journal*, and the *Law Society's Gazette*, but they carry little *about* the profession itself. The broadsheet press now regularly carries weekly articles about the legal and accounting professions, especially the *Times* and the *Independent*.

[4] For example, see Godfrey (1995) which contains the rules of professional ethics applicable to cross-border law practice from at least 14 major jurisdictions and central and eastern Europe.

[5] See also the special issue, 'Global Competition and Trade', of *International Business Lawyer*, vol 23, November 1995, for further discussion of these topics.

[6] E.g., the following item on Czechoslovakia is illustrative: "Czechoslovakia's federal parliament has finally delivered the ownership and foreign exchange laws that open the doors to foreign investment and rapid privatisation of some 4,000 state companies" (Arbess 1991, p. 33). See also Schmitz & Padman (1990, p. xiv) and Klein & Holec (1991, p. xv).

[7] Smith points out, appropriately, that extrapolating 'from the present into the distant future...is a very culturally determined thing to do, and it is a very dangerous thing to do in the rapidly shifting international context that we live in' (1989, p. 534).

[8] A recruitment advertisement for a US law firm looking for UK lawyers to join the London office said, "Through recruiting lawyers from a wide range of backgrounds, our culture is not 'US', 'English' or 'European' but, quite simply, our own" (*Legal Business*, January/February 1995, p. 5).

[9] By way of explanation I should point out that I am not examining the culture and interactional aspects of organisations *per se*. For an example of such an analysis see Flood (1991). For interesting discussions of the history of organisational analysis see chapter 2, 'Organizations in Action', of Boden (1994), and also Schultz (1994). Nor am I interested in the specifics of the culture of professionalism: other articles in this issue address that aspect. See also Freidson (1994). The idea of the reflexive relationship between culture and organisation is invoked here as a heuristic device to enable me to use a concept that spans the individual to the globe, spatially, temporally and intellectually.

[10] E.g. Robson Rhodes (1989, p. 3) writes, "Quality people will be influenced by the quality of a firm's people, client base, the work which it generates and the quality of financial rewards: generally, by the firm's culture".

[11] Unlike the methods used for counting lawyers in American firms, the English legal press prefers to use the term 'fee earner' which is more inclusive than just partner and assistant solicitor. Fee earners include trainee solicitors and paralegals.

[12] The firm concerned, Wiggin & Co, is an oddity with an office in Cheltenham and another in Los Angeles (Fennell, 1990, p. 29).

[13] Larson refers to the corporate sector of the legal services market as the élite (Larson, 1989, p. 462). See also Zuckerman (1977).

[14] There are two other categories of fee earner. One is the consultant, usually a retired partner who does ad hoc work; the other is the paralegal, a nonlawyer who concentrates on a specific field of work, e.g. litigation.

[15] A study of staff structure of London law firms showed that equity partners were leveraged at a rate of between 1:2 to 1:5 (equity partners to assistants and salaried partners), which is roughly comparable to the US (The Centre for Interfirm Comparisons for the financial year, 1989–90).

[16] Even with their 'soft' methodology the rankings come out not too dissimilar from the 'hard' statistical counts.

[17] There is a problem with using directories. They are not always entirely inclusive; they often rely on self-selection and the provision of unchecked data by their respondents. However, little else is available. We lack the kind of data that the American Bar Foundation produces in its *Lawyer Statistical Report*.

[18] For the sake of consistency across tables I have used 1994 figures in all tables as statistics for 1995 are not yet available in all areas.

[19] The case method was introduced to Harvard Law School by Dean Langdell in 1870 in reaction to lengthy, non-interactive lectures. The purpose was that the students would read carefully edited appellate court judgments before class and then be examined on their understanding in class. Langdell hoped that students would derive general principles from their analyses of the cases in the manner of science. No such pedagogical revolution occurred in the UK (cf. Twining, 1994).

[20] The Great Crash of 1929, and the subsequent Depression, threw much of economic life into disarray. As a corrective, President Franklin Roosevelt instituted the New Deal, which, while reflating the economy, established various regulatory agencies, among which was the Securities and Exchange Commission (SEC). The rôle of the SEC was to enforce the Securities Act of 1933 and the Securities Exchange Act of 1934. In effect, it was a lawyers' paradise (Hobson, 1991).

[21] Not all mergers are driven by positive reasons. For example, that between Turner Kenneth Brown

and Nabarro Nathanson was the purchase of TKB owing to its commitments on its leases and the like and its undue reliance on property work when faced with the recession (Chambers, 1995; *Legal 500*, 1995).

[22] The story of the merger is one of great secrecy, clandestine meetings on park benches between the senior partners of the two firms, exchanges of briefcases stuffed with classified documents. Other members of the firms were only told when the deal was finally clinched (Dillon, 1989). Others have had the same dream. Steve Kumble, the notorious senior partner of Finley Kumble, envisaged his firm growing to match the then 'Big Eight' accounting firms (Eisler, 1991, p. 13).

[23] In 1985 the *International Financial Law Review* carried out a survey of 500 users of London law firms to find out how they rated them. Despite a couple of changes through mergers, the results show that the top 10 law firms have endured well (Blackhurst & Stoakes, 1985). The results for the *overall ranking* were: (1) Slaughter and May; (2) Linklaters & Paines; (3) Freshfields; (4) Coward Chance; (5) = Allen & Overy; Clifford Turner; (7) Norton Rose; (8) Herbert Smith; (9) = Lovell White & King; Simmons & Simmons. *Runners up:* Denton Hall & Burgin; Travers Smith Braithwaite; McKenna & Co. *Source:* Blackhurst & Stoakes, 1985, p. 16.

[24] Ashurst Morris Crisp is, in the words of the *Legal 500*, 'without doubt, the commercial law firm that other lawyers most admire' (1992, p. A-214).

[25] These statistics are now available online from the Centre for Commercial Law, a World Wide Web site run by the publishers of *Legal Business*. The URL of profits per partner is http://www.link.org/UK

[26] There is a danger that indicators will overwhelm us. The most recent innovation is that of the *Commercial Lawyer*, which constructs a 'reputation index'. It more or less matches other indices.

[27] *Legal Business* carried out a survey in 1992 which showed that fees per equity partners in the top eight firms were more than a £1m (Pritchard, 1992, p. 36). David Cooper, a planning lawyer in Gouldens, generated fees of £1.75m in fiscal 1991 (Dillon, 1992a). One example is noteworthy, Stanley Berwin, a banking lawyer who started two law firms—SJ Berwin and Berwin & Leighton—was known to earn over £2 million a year before he died in 1988 (cf. Dillon, 1992b).

[28] Stoakes (1986, p. 4) reports that: "In the UK, the current spate of privatisations by the government—including British Gas and the water authorities (utilities)—have all been accompanied by beauty parades. Internationally, companies tend to do this more than banks but, domestically, banks are used to hosting parades for corporate customers which are either going public (being floated on the stock exchange) or are being bought by their management (through management buy-outs)". (See also Shuaib, 1991).

[29] All extracts quoted without attribution in the article are taken from interviews I conducted during fieldwork. In my interviews I promised not to attribute remarks to individuals directly unless given permission to do so.

[30] Fees are handled differently by English lawyers compared to the Americans. US lawyers tend to bill on a straight hourly rate, with a premium if something works out particularly well. Ashurst Morris Crisp (1991, p. 23), for example, says its: "usual and preferred practice is to charge a fee for our services for non-contentious business in accordance with the Solicitors' Remuneration Order and the Law Society's guidelines rather than to charge purely on the basis of an agreed hourly rate. We believe this is a more appropriate basis in many instances and particularly where self contained transactions are involved." The Solicitors' Remuneration Order 1972 states, *inter alia*, "A solicitor's remuneration for non-contentious business ... shall be such sum as may be fair and reasonable having regard to all the circumstances of the case and in particular to: (i) The complexity of the matter or the difficulty of novelty of the questions raised; (ii) the skill, labour, specialised knowledge and responsibility involved; (iii) the time spent on the business; (iv) the number and importance of the documents prepared or perused, without regard to length; (v) the place where and the circumstances in which the business or any part thereof is transacted; (vi) the amount or value of any money or property involved; ... (viii) the importance of the matter to the client". Even with this preference for value-added billing, English lawyers will bill by the hour. Ashursts says, "we are willing to base our charges on hourly rates if required" (1991, p. 23).

[31] As will be clear the emphasis here is on corporate work rather than private client work. The latter

is now being shed by the large firms because it is uneconomic. The senior partner of McKenna & Co, which passed its private client department to a Salisbury firm, said: "We had tried to maintain a private client capacity but we had come to the conclusion reluctantly that it is not possible with London overheads. It is neither in our own interests nor that of our clients to try to offer the service". He further said that this type of work 'accounted for less than 2% of the total workload' (*Law Society's Gazette*, 1991, p. 6).

[32] Simmons & Simmons' brochure further said: "Major corporate transactions have never been more complex. It is a serious intellectual challenge to create a structure which delivers the transaction within the timetable, the regulatory framework and our clients' commercial requirements. Our objective is to design the deal in the most practical and sensible way and then to execute it, as a team, on time and at a reasonable cost. That takes knowledge, hard work, experience and efficiency" (n.d., p. 3).

[33] Denton Hall announced themselves by saying: "We talk the language of property, not 'legalese', and so can communicate across both professional and national frontiers. We can coordinate the work of multi-disciplinary teams including accountants, architects, surveyors and other experts. In addition to our London base, we have offices in Milton Keynes, Brussels, Hong Kong, Tokyo, Bangkok, Singapore and Los Angeles, and close links with lawyers in other major overseas commercial centres particularly in the European Community. We are able to offer a truly international property service" (Denton Hall, n.d.b, p. 2).

[34] In a symposium, 'The Growth of Large Law Firms and Its Effect on the Legal Profession and Legal Education' at Indiana University in 1988, a partner in the Los Angeles law firm of Latham & Watkins speculated on the unintended consequences of the furniture in the seminar room, saying he thought the gases being emitted by the plastics in the room would give rise to a number of environmental suits in years to come.

[35] One possible functional equivalent to the idea of litigation as the core of lawyers' work is the auditing element of accountants' work. But whereas companies are obliged by law to have audits carried out and, in any case, need the information to understand the performance of the business, no one really needs litigation at that basic level.

[36] Chambers (1991, p. 57) postulates three reasons for the perceived rise in litigation. First, the UK is becoming an increasingly popular forum for international litigation. Second, commercial fraud litigation has grown. And third, alternative dispute resolution has increased in use. See also KPMG (1991).

[37] Cameron Markby Hewitt rounded out this view: "We take a positive lead in all disputes and seek to adopt a constructive and efficient approach. We act speedily to obtain or respond to applications for injunctive relief to protect our clients' interests, and have particular knowledge in Mareva (attachment) and Anton Piller (search and seizure orders). Our objective is to obtain a commercially favourable outcome with the client's interest uppermost" (Cameron Markby Hewitt n.d., p. 16).

[38] In the 1990s another character has come on the scene, viz. the solicitor-advocate. Herbert Smith, for example, has set up an in-house training programme with the US National Institute of Trial Advocacy to produce its own advocates; SJ Berwin has decided to employ barristers to staff its in-house advocacy unit (Edwards, 1995). For commercial practice the competition in advocacy is beginning to get heated, partly in response to the rates being charged by barristers. Top commercial silks apparently charge between £300 to £800 an hour (Griffiths & Egan, 1995).

[39] Both law firms generated over $5 million in fees from the takeover battle (Labaton, 1988, p. 44).

[40] Interestingly, the International Bar Association's Section on Business Law discussed this issue at its 1995 meeting, putting the question, amongst others, 'Can the legal profession resist the process towards becoming providers of a commodity?'

[41] In this quotation 'foreign law' refers to English law and 'local law' means the law of the overseas local jurisdiction.

[42] E.g. a survey carried out by the Law Society on lawyers' work related to the Single Market did not include any questions about lobbying (Skordaki, 1990).

[43] Those who lobby on behalf of lawyers have also established presences in Brussels, e.g. the Law Society and the CCBAE.

[44] The key feature about EU lobbying is that a lobbyist must 'get in early', or as one lobbyist put it, "The best stage [to lobby] is when the chap sitting in the department has a blank sheet of paper in front of him" (Griffiths 1992, p. 36).

[45] Griffiths writes of the Belgian bar: "The situation in Belgium is compounded by the fact that the country has dozens of local bars, including a double bar in Brussels—one for French speakers and one for Flemish speakers" (Griffiths, 1990, p. 26). See also Price (1990).

[46] American business and lawyers really did wake up to Europe late. A survey taken in 1988 by a New York corporate and financial public relations firm found that only 20% of US 'opinion leaders' were aware of the proposals for the Single Market (Morton, 1988, p. 9).

[47] The firm entered Europe as a result of Jean Monnet persuading the then senior partner, George Ball, to come. Europe, Monnet thought, could use American experience with federal systems. Later Cleary Gottlieb advised the Commission on US legal matters and influenced the competition regulations (Stoakes, 1984, p. 10).

[48] Cf. also the 1991 White Paper on International Trade by the Japanese government which says: "History's lesson is that economic blocs should be avoided" (*International Herald Tribune* 1991a, p. 13).

[49] A Coudert Brothers partner said, "Baker & McKenzie has opted for their licensing and franchising of foreign offices to avoid [problems of local bar rules]" (Blackhurst, 1985, p. 10).

[50] When twenty two lawyers in the Baker & McKenzie Zurich office left to form their own firm, it was said: "The Zurich office had, according to departing partner Peter Widmer, long been the most 'locally' orientated Baker & McKenzie European office, and this made the separation a virtual inevitability". Widmer elaborates: "Whilst we were still a part of Baker & McKenzie, at least 50 per cent of our client base were our own rather than the international partnership's. We had always made a point of stressing that we were more than a franchise office, and underlining the fact we needed a strong local foundation" (Summing Up, 1991, p. 6).

The same lawyer said elsewhere referring to the firm's policy of taking up to 25 per cent of an office's profits for central purposes: "We did not think we got enough referral work out of the system in the light of the significant cost of being a member of the Baker & McKenzie network...[We were] cut off from referrals from all the big firms in New York and London because of the affiliation" (Inside, 1991, p. 2).

One further major defection occurred from the Buenos Aires office in 1993 (Chambers, 1995, p. 24).

[51] Chu writes: "No matter that in many instances the [bank] does no material business in the international markets or that existing business represents such an insignificant portion of the total business as to render the emphasis on global markets implausible. Even among firms that have some acknowledged presence, the question of recurring profitability outside the core domestic investment banking business is met with a strange silence. It is much more glamorous to allude to markets twenty-four hours a day. One suspects that prestige, or the perception of it, overrides economics" (1988a, p. 59). See also, Chu (1988b).

[52] An excellent demonstration of the constraining power of micro-markets is the movement of lawyers and accountants into Poland as it adopts Western-style capitalism. Fennell writes: "Because the pace and direction of reform are still uncertain after the inconclusive recent election, the British professionals installed around the capital are having to play a diplomatic game. The Polish administration has indicated, for example, that businesses must show commitment to the country. That means opening an office, recruiting and training substantial numbers of local staff, and making an effort to understand Polish conditions" (Fennell 1991a, p. 31).

[53] Peter Townsend sees a bleak side to the internationalization of professional services when he says: "What seems to explain a lot of the professional unease is the disappearance of references to public service....Professionals are being recruited to global corporations and to the banking and legal services which serve those corporations. These institutions have so far accorded small priority to the organisation, finance and encouragement of public, and social, service. The international market has been riding rough-shod over such service" (Townsend, 1990, p. 16).

[54] *Legal 500* (1995, p. A259) opined that, "...*Freshfields* has—like *Clifford Chance*—begun to make

the cultural leap into being a genuinely international firm (rather than a UK firm with international offices—which is what other major firms remain). Certainly, *Freshfields* and *Clifford Chance* look set to be the UK's two contenders in the global legal marketplace".

[55] The marketing element of law practice has grown enormously (*The Lawyer*, 1991, p. 20). Law firms like logos—again the issue of attempting to develop brand loyalty—and to display their corporate image. Freshfields' move to new offices in Fleet Street is an example. The entire building is impregnated with the firm logo. Gouldens has its corporate logo on the letterhead, newsletters, and calendars. Perhaps a more basic issue here is how do law firms distinguish themselves from each other? Are they essentially fungible? A senior partner from a firm outside the top 10 said, "Why pick us? This gives the advantage to the big firms. What can a firm like ours do?" Another lawyer pointed out what he considered an unusual feature of lawyer-client relationships in the UK as compared to the US, that large corporates often retain medium-sized firms as their legal advisers. Such law firms can no longer rely on traditions like these. Another lawyer told of how one of his large client's auditor, a Big Six accounting firm, advised the client to use a big law firm for a proposed takeover because the current law firm did not possess the manpower. The lawyer went on to say how the auditor, in conjunction with the new law firm, tried to persuade the client to transfer all of its legal business to the new lawyers. The lawyer felt powerless to prevent the attempt. Ultimately, it was the strength of personal ties between client and lawyer that prevented the wholesale switch. But the lawyer realised how fragile was his hold over clients.

[56] Not all critics agree with such a view, as one American lawyer has said: "The large law firm has now become an American institution in itself. Lawyers in big firms are no longer accountable to individual clients. Rather, they are accountable to their law firm. Law firms are the entity, not the individual. The objective of the large law firm is simply to make money and to grow bigger in order to make more money. To a large extent, the client has been left out in the cold" (Brown, 1984).

[57] There are constraints on how EEIGs operate. Art. 3 (1) of Regulation 2137/85 says: "The purpose of a grouping shall be to facilitate or develop the economic activities of its members and to improve or increase the results of those activities; its purpose is not to make profits for itself. Its activities shall be related to the economic activities of its members and must not be more than ancillary to those activities" (Keogh, 1990, p. 4).

Some consider the EEIG to be an intermediate step to a more substantial *Societas Europa* that will be created by a new EC Regulation (Abell & Blin 1989, p. 12).

[58] In its discussion document on MNPs, the Law Society strongly indicated the policy reasons for allowing them. They included: England and Wales becoming the 'main centre for international legal practice' and English law becoming 'the natural basis for international commerce'; and London being a key centre for international arbitration (Report, 1991, p. 5).

[59] There are moves, however, for legal networks to associate with accountancy networks to form multidisciplinary networks (Heaney, 1991, p. 5).

[60] The Department of Trade and Industry published a consultative document, in the context of Article 85 (3) of the EEC Treaty, "seeking views on a proposal for a general exemption [to the 1985 Companies Act] which would allow the formation of multidisciplinary partnerships...." (McRae, 1991).

[61] Badinter (1995, p. 506) has quite a different and interesting view: "In this common legal culture we find practices and behaviours which give all international lawyers a sort of family likeness. I refer not only to the inseparable travelling companions seen on flights all over the world—the briefcase with the secret combination lock and the laptop computer. But rather the warmth of the encounters, the behaviour of the players, the style of the faxed memoranda, so many behavioural signs which reveal to initiates one's membership of a singular sect: that of international business lawyers".

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