

The advantages of a 'dusty office in the northern boondocks...'

An excerpt from *The Terrible Truth About Lawyers*

To illustrate what can happen when a client isn't sensitive to the question of a lawyer's turf, I must pass along an account of perhaps the costliest tactical error I even made in the election of an attorney. A number of years ago, I and a group of IMG clients invested in a leasehold on 1.2 million acres in the Northern Territory of Australia, not far from the town of Darwin. This parcel of land was almost the size of Holland, and we leased it long-term for less than a dollar an acre.

The government of Australia was the lessor on the property; its goal, of course, was to promote the development of the Northern Territory. Accordingly, the government wrote a provision in the lease stating that the land had to be improved by a certain amount of investment each year, for the building of fences and so forth, so that the property could be used for cattle.

Now, we had no intention of getting into the ranching business. We had bought the property as a speculation — and had made this very clear to the prestigious Sydney-based lawyer who handled the transaction for us. The lawyer, in turn, assured us that we had nothing to worry

about. No one had ever paid any attention to the land-improvement clauses. They were in the nature of a mere formality, and no one ever inspected the property. Besides, would anyone really insist that we build a fence around a piece of property almost the size of Holland?

As it happened, someone would.

Shortly after we acquired the lease, a man named Gough Whitlam became Prime Minister of Australia. He had run his campaign on an Australian First theme, and one of his promises was to discourage foreign investment and foreign ownership of Australian property and assets.

This was going on half a world away from where we were based, you understand, and with all due respect to the importance of Australia's domestic politics, Mr Whitlam's sentiments were not exactly making world news. We were dependent on Our Man in Sydney to keep us posted.

But here we had made a terrible misjudgment. Sydney is about as far from the Northern Territory as, say, New York is from Nevada, and, as the saying goes, all politics is local politics. Our cosmopolitan attorney simply didn't understand how virulent (and how opportunistic) was the

nationalist feeling the the frontier north. So it took us absolutely by surprise when we were suddenly informed that our Holland-sized piece of land had reverted to the state because of our failure to develop it! We were given no warning of this turn of events, and no chance to correct the situation. It was just handed to us as a fait accompli.

Eventually we went to court in northern Australia and, after great trouble and expense, managed to reach a reasonable settlement with the government.

But matters should never have come to that.

All along, we would have been better served by a sole practitioner in a dusty office in the northern boondocks — someone who knew the turn and was in a position to sense the changing climate — than by our fancy lawyer who was hopelessly out of touch with the local realities. *This piece was contributed by Sandy McDonald in Alice Springs, who came across it in a book called The Terrible Truth About Lawyers.*

The book was written by Mark H McCormack, author of What They Don't Teach You at Harvard Business School.

Books: what's new at what price

The Society has received three books from The Federation Press in New South Wales.

All are available for review, and we encourage practitioners to read the books and submit reviews for the next issue of *Balance*.

The books are *Sentencing in Tasmania* by Kate Warner, *The Rights of Parties to Illegal Transactions* by Neil Thompson and *Partial Excuses to Murder* by Stanley Yeo.

Anyone wanting to read the books should contact the Society.

Other books available from Federation Press (but not held by the Society) are

Shareholders Rights and Remedies by Peter Willcocks (\$40.00), *The New Company Law* by Peter Gillies (\$39.95), *Lawyers, Social Workers and Families* by Stephanie Charlesworth, J Neville Turner and Lynne Foreman (\$35.00), *Drug Law in New South Wales* by Peter Zahra and Robert Arden (\$50.00), *Australian Debt Recovery Law* by Bruce Kercher (\$27.50), *The Business of Government Western Australia 1983-1990* edited by Allan Peachment (\$25.00), *The Art of Cross-Examination* by Francis L Wellman (\$30.00), *Business Law 3rd Edition* by Peter Gillies (\$44.95) and *Contemporary Issues in Product Liability*

edited by Dr Ellen Beerworth (\$35.00). Federation's address is PO Box 45 Annandale NSW 2038; DX 3922.

Also available from the Leo Cussen Institute is a new book by Max Perry, *Basic Evidence: A handbook for legal practitioners* (\$35.00).

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