



**PROFESSOR ROSS GRANTHAM'S INAUGURAL LECTURE
AS PROFESSOR OF COMMERCIAL LAW
TC BEIRNE SCHOOL OF LAW
Banco Court
Wednesday 27 September 2006
Chairman's Remarks**

Justice Margaret Wilson

Deputy Vice-Chancellor, Professor Rickett, Your Honours, Distinguished
Guests, Ladies and Gentlemen –

When Professor Rickett invited me to chair Professor Grantham's inaugural
professorial lecture I felt at once honoured and curious – honoured to be
asked to perform this function by the Head of my alma mater, and curious
about the history and significance of lectures such as this.

It is a well established tradition in Western universities for a newly appointed
professor to give a lecture reflecting on his or her area of expertise and
linking his or her research to directions and overall trends in the particular
discipline. Open to the public as well as the academic community, an
inaugural lecture affords an opportunity to proclaim and enhance the
university's role within society as a whole.

I found an answer to my question as to the origin of these lectures in an
inaugural lecture delivered at the University of Otago only last month.¹

According to at least one writer,² the traditions of Western universities where a “fellow” holds a “chair” and dresses in academic garb to deliver an inaugural lecture can be traced to the practices of the Islamic madrasas. They were the religious colleges founded in Baghdad and elsewhere a thousand years ago, where some of the great Muslim religious thinkers taught.³

In continental Europe, unlike England, the teaching of law in universities and the publication of learned treatises and commentaries on civil and canon law by scholars (most of them professors) has been going on for almost 900 years. Professor Van Caenegem has described it as all starting with the discovery in Italy in the late 11th century of the complete text of Justinian’s legislation. Bologna became the cradle of the great law universities of the Middle Ages.⁴

By contrast the English common law was a creation of the judges, although from very early times Oxford and Cambridge provided instruction in canon and civil law. In the mid 18th century English law began to be taught in universities. Charles Viner, who died in 1756, left an endowment for a chair of English law at Oxford. The first occupant of the Vinerian Chair was Sir William Blackstone.⁵

Dicey became Vinerian Professor at Oxford in 1882, and he chose as the title of his inaugural lecture “Can English Law be Taught at the Universities?” - which he answered in the affirmative.⁶

The choice of venue for this evening's lecture, the Banco Court, underscores the mutual respect and intellectual interdependence which now characterise the relationship between judges and legal academia.

Professor Ross Grantham was appointed Professor of Commercial Law at the TC Beirne School of Law within the University of Queensland in 2004. He came to Queensland from Auckland where he had a distinguished record in academia and in practice. He holds the degrees of Bachelor of Laws and Master of Laws from the University of Auckland, and Bachelor of Civil Law from the University of Oxford. He is a member of the Society of Legal Scholars, an association of legal academics in the United Kingdom and the Commonwealth.

Professor Grantham's particular research interests are restitution and corporate governance. He has chosen *The Limited Liability of Company Directors* as the subject of his inaugural lecture.

Professor Grantham -

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 Ladies and gentlemen, I invite you to ask Professor Grantham questions arising out of his lecture.

Thank you, Professor Grantham, for your incisive presentation.

You began by describing the historic and economic context within which the limited liability company was conceived, and then turned to the rationale for limited liability of shareholders, and whether this should be extended to company directors. You spoke of the strong risk aversion of directors and its negative implications for the prosperity of the company as a whole when their liability is unlimited. You referred to the need to preserve the delicate equilibrium between risk and responsibility, and ways of protecting directors from personal liability. You discussed the doctrinal basis of the relationship between a company and its directors.

In doing so you have challenged the lawyers among us to consider issues of policy and broad commercial realities that can sometimes be eclipsed by a narrow problem at hand, and you have challenged the non-lawyers to consider practical questions in the context of legal analysis, which is critical to the maintenance of the rule of law. In doing so, you have met the criteria for an inaugural lecture admirably.

Ladies and gentlemen, please join me in thanking Professor Grantham in the usual way.

I invite you all to stay for refreshments in the Rare Books Precinct outside the Banco Court.

¹ Professor Philippa Howden-Chapman, "Housing and health: the trials of a social scientist in a medical school" (Inaugural professorial lecture delivered at the Wellington School of Medicine and Health Sciences, 17 August 2006). Available at [http://www.otago.ac.nz/news/inaugural_lectures/2006/Howden-Chapman_3_book_final.pdf].

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- ² G Makdisi, *The Rise of Colleges: Institutions of Learning in Islam and the West* (1981).
³ Bernard Lewis, *The Arabs in History* (6th ed, 1993) 163.
⁴ R C Van Caenegem, *Judges, Legislators and Professors: Chapters in European legal history* (1987) 54-55.
⁵ R C Van Caenegem, *Judges, Legislators and Professors: Chapters in European legal history* (1987) 61.
⁶ R C Van Caenegem, *Judges, Legislators and Professors: Chapters in European legal history* (1987) 62.