regrets having to postpone some of his planned research and teaching, he said that he considered the task he was asked to undertake sufficiently important to take precedence over his other plans. The administrative appointment, he says, "offers the opportunity to coordinate some of the planning which is already going on within the Law School about international legal studies with the broader plans of the University as a whole."

A member of the Law School faculty since 1966, Jackson has also served as general counsel of the U.S. Office of Trade Representative, as a Rockefeller Foundation Fellow studying the European Common Market, as a consultant to the U.S. Congress on matters of international trade negotiations, and as a visiting fellow at the Institute for International Economics in Washington, D.C. He is the author of several books and numerous articles on contract law and international economic relations.

Time out for humor
Seligman expounds on the poetry of corporate law

Professor Joel Seligman, widely known for his work in the area of securities regulation, is currently working on the third edition of Louis Loss's treatise on the subject. As of early December, Seligman and Loss had already completed a sizeable portion of this monumental task: three volumes out of a total of twelve had already been published and another was soon forthcoming. Published by Little, Brown, the new treatise is intended to fill a gap in work on the subject created by the dramatically broadened scope of securities regulation law as well as by administrative and judicial changes.

Equally as impressive as the size and significance of this work is the fact that throughout the project, Professor Seligman has lost neither his endearing personality nor his engaging sense of humor. When asked how he has managed to hold up under the heavy pressures of publication deadlines and teaching, Seligman admitted he occasionally turns to various extracurricular outlets, i.e. collecting works of poetry and cartoons on the subject of corporate law. The following examples speak for themselves.

The poetry of corporate law
by Joel Seligman

The etymology of corporate and securities law has received a fair amount of informal study. Any field that includes terminology as colorful as "red herring" prospectuses, "tombstone" ads, and junk bonds, no doubt, deserves such study. But I have become convinced that corporate law etymology promises more than it delivers. Rarely have terms such as "tramp corporations" or "piercing the corporate veil" been less related to their substance. While such phraseology may suggest the slightly salacious fantasy life of bond indenture attorneys, it has little else to recommend it. I have also been disappointed by the variability of terminology. Thus, one person's "poison pill" is another's "rights plan;" one person's "death sentence" provision is another's "new lease on life;" one person's "greenmail" is another's "selective stock repurchase."

To be sure, insisting on literalness in definition can make one guilty of what Jerome Frank called the "pigs is pigs fallacy" by which one insists that each word has only one meaning. Employing this fallacy, one could not drink a toast, and a hot dog would be a species of the canine variety. On the other hand, when words cease to have any relation to underlying meaning they cease to be "the skein of a living idea." Thus, while one may admire the ingenuity of the originator of a phrase such as "lollipop defense," it is mystifying why it should mean a tender offer by an incumbent management for all shares but a rival bidder's. Similarly, a phrase such as the "Lady MacBeth defense" has a certain classical air to it. But, as is the case in many of the classics, few, if any, scholars fully recall what it means.

Corporate law has also led a rather disappointing life in most areas of
literature. During a few of the early editions of their celebrated casebook on securities regulation, Richard Jennings and Harold Marsh recommended a novel, *The Comfort Letter*, a fictionalized account of a securities fraud. Reading this work went far to persuade me that truth is often more interesting than fiction. Theodore White, the noted journalist, wrote a fictionalized account of his unsuccessful effort to rescue Collier’s magazine, entitled *A View from the Fortieth Floor*. The book was sufficiently disappointing to him that he next proceeded to write the “Making of the President” series. In that instance, all was well that ended well. More recently, H.F. Saint wrote *Memoirs of an Invisible Man*, a work that included brief, rather dreary moments of insider trading.

In only one area of literature has the rather limited promise of corporate and securities law been fully achieved. That is poetry. While there are no Miltons or Shakespeares among the authors who find their muse here, the poetry produced in this field, I suspect, compares at least moderately well with counterpart works in labor or environmental law.

Let me offer a few illustrations. The first poem dates back to a 1926 controversy concerning nonvoting common stock, a controversy recently reprised without poetry. This controversy prompted the *New York World* to publish a satirical verse, “On Waiting in Vain for the New Masses to Denounce Nonvoting Stocks.”

Then you who drive the fractious nail,  
And you who lay the heavy rail,  
And all who bear the dinner pail  
And daily punch the clock —  
Shall it be said your hearts are stone?  
They are your brethren and they groan!  
Oh, drop a tear for those who own nonvoting corporate stock.

Federal securities law requires the registration of publicly issued securities, but not privately placed ones. For decades the difference between public and private sale turned on whether a sale was made with “a view to distribution,” a highly subjective concept that found its most bewildering applications in the “change of circumstances” doctrine. C. Leonard Gordon, a New York attorney, memorably explained:

If you buy stock privately,  
Enlightened counsel will implore;  
Heed the Act of Thirty-Three,  
Subsection One of Section Four.

Make your purchase for investment.  
Have a clear and pure intent.  
Do not think about divestment  
Till some unforeseen event.  
Avoid the Crowell-Collier snare  
Be one of few and not of many.  
You need not be a millionaire  
But don’t go in with your last penny . . .  
Thereafter, changing factors which  
Might make a sale by you exempt  
Must be a bad and sudden switch  
Which justifies a changed intent.  
- continued -
When you have held two years or more
That sad and unforeseen event
Need not be tragic as before
To justify a new intent!
So put your stock upon the shelf;
Don't question when it will be free.
The very thought defeats itself
With legal logic's subtlety.
With time and troubles, you may get
Advice of counsel or, much better,
Advice to sell that's safer yet —
An SEC "no action" letter.

David Ratner, while a professor of Cornell Law School, I believe, was one of the few professors to suspect the implicit poetry of the field. At one point, he went so far as to suggest that much insider trading law could best be understood as an opera.

The heroine of the opera is Dieci Becinque (10b-5), a beautiful 30-year-old rule, much beloved by securities lawyers everywhere. In the first act, we find her in a marble temple surrounded by nine high priests who sing her praises. First Willio, the eldest priest, sings his famous patter song, "I Sovrintendente d'Assicurazione" ("The Superintendent of Insurance"), in which he eulogizes 10b-5 as the solution to all the wrongs of mankind. The act closes with Blackmunio's aria, "I Uti Affiliati", in which he lauds her as the savior of the oppressed Indian tribes of the American West.

After a three-year intermission, the curtain rises on the second act. We find our heroine in the same marble temple, but the mood has changed dramatically. Two new priests, Paolo and Rehnquistio, are sworn to destroy her. In the opening aria, "La Scheggia Azzurra" ("The Blue Chip"), Rehnquistio tells her that only one who has paid the price may enjoy her affections. This is followed by the rousing "Ride of the Hochfelder," in which Paolo tells her that she was born in manipulation and deception and may only deal with wicked people. Next, in the haunting aria "O Santa Fe" ("Oh, Holy Faith"), Bianco declares that she must have nothing to do with corporate managers, no matter how wicked they are. Finally, in "La Chiarella" ("The Little Printer"), sung again by Paolo, she is told that nobody must have anything to do with her unless he has first breached a specific duty to his fellow man.

What I particularly like about Ratner's Opera is its ability to inspire derivative works. One night while teaching at George Washington Law School, I reread his work and immediately conceived the first verse of "Insider's Blues." Lisa Eggert and Liz Arky, two of my students, then wrote the rest (sung to the tune of "16 Tons").

16(b) Whose ox gets gored:
Officers, 10 percent owners and members of the board.
If within six months you buy and sell
Then all your profits are shot to hell.
But the SEC said, "That's not enough."
So they rolled up their sleeves and they got tough.
Fraudulent trading will no longer thrive
Once we create Rule 10b-5.

Now if you misstate or omit a fact
The Commission will be on your back.
So if you have info that no one else knows
Your basic choice is abstain or disclose.
Though 16(b) applies to only a few
Rule 10b-5 reaches nearly all of you.
So if you have a duty, this advice you must choose
Or else you'll be singing the "insiders' blues."

There is finally the most quixotic effort in the field. About ten years ago, two securities attorneys announced that they found "poetry" in the provisions of the Trust Indenture Act. I carefully read their article but found no proof of this assertion, but on second thought decided that its title alone suggested a certain poetic bent. It was, "Put a Bullet in the Poor Beast. His Leg is Broken and His Use Is Past. Indenture Trustee: A Proposal to End It in the Public Interest," 32 Bus. Law. 1705 (1977). Anyone who could write a title like that is fully entitled to find poetry in any statute.