Tax Conference

Following well-established tradition, the forty-first University of Chicago Law School's Annual Federal Tax Conference took place on the last Wednesday, Thursday, and Friday of October. The conference is widely recognized as a forum at which leading experts in all branches of federal taxation discuss problems and developments in contemporary federal tax law. Speakers included Dana Trier, Tax Legislative Counsel to the U.S. Treasury Department, Sheldon Banoff (J.D.'74), Katten Muchin & Zavis, who discussed how tax advisers should deal with legal precedents, and Stephen Bowen (J.D.'72), Latham & Watkins, who looked at deferred intercompany transactions. Joseph Iserbergh, from the University of Chicago Law School, examined the deferral of U.S. taxation in foreign entities. All the papers from the conference were published in the December, 1989, issue of TAXES-The Tax Magazine.

Judge Milton Shadur

Trial Held at Law School

Judge Milton I. Shadur (J.D. '49), of the U.S. District Court for the Northern District of Illinois, revived an old Law School tradition when he presided over Rice v. AFTEC, Inc., a breach of contract case, in the Hinton Moot Court Room at the Law School. First-year classes were cancelled on the first day of the trial to enable students to observe court procedures. At the end of each day of the trial, Judge Shadur met with students to discuss the proceedings. The parties settled the case on the morning of the third day.

Placement News: Law School Suspends Firm's Interview Privileges

On December 9, 1988, a third-year student at the Law School had an interview with one of the partners in the litigation department of the Chicago office of Baker & McKenzie. The partner opened the interview by asking the student, a black woman, how she had got into the Law School. He then shared his belief that the Law School tended to admit "foreigners" to the exclusion of "qualified" Americans. He went on to ask her how she would react if she were called a "Black bitch" or a "nigger" by adversaries or her own colleagues. When the student was asked about outside activities and said she played golf, the partner asked why Blacks did not have their own country clubs the way Jews did. After observing that he would not want to belong to an all-Jewish country club, he concluded that Blacks did not have their own country clubs because there were not too many golf courses in the ghetto.

On January 17, the student brought this incident to the attention of the director of professional recruitment at Baker & McKenzie, the Law Students' Association, and Dean Stone. On January 19, Robert Cox, the chair of the Executive Committee of Baker & McKenzie, wrote an apology to the student. He described the behavior of his partner as "totally unacceptable" and promised that the firm would take steps "to ensure that racially insensitive behavior is never repeated." Mr. Cox informed the Law School that the partner had been placed on leave from the firm and offered the assurance that he would never again participate in the interviewing process. The partner in question also wrote a letter of apology to the student in which he recognized that his comments were "insensitive and inappropriate."

On January 31, representatives of the Law School's Placement Committee, the Law Students' Association, and the Black Law Students' Association met with Mr. Cox and several other members of the firm. At this meeting, the representatives of Baker & McKenzie stated that the firm was committed to using this incident as the occasion for extensive self-examination. They also stated their intention to survey those they had interviewed in the past in an effort to determine whether other such incidents had taken place and, on a broader front, they stated their intention to renew their efforts to bring more Black and minority lawyers into the firm.

On February 2, Dean Stone accepted the recommendation of the Placement Committee that "Baker & McKenzie not be invited to interview at the Law School for the 1989-90 academic year." Dean Stone explained:

"We do not take this step lightly. Baker & McKenzie is one of the nation's, and indeed the world's, great law firms. It has long been a warm friend and generous supporter of legal education in general, and of this Law School in particular. Moreover, we are not unmindful of the apparent anomalies in this decision, for it will at least marginally inconvenience our own students who want to pursue employment at Baker & McKenzie, and it has the effect of disadvantaging an entire law firm because of the behavior of only one of its members. We are also not unmindful of Baker & McKenzie's own response to this incident. To the contrary, we commend the firm for its cooperativeness, its forthrightness and its seriousness of purpose. It has handled this matter with a high degree of sensitivity, professionalism and institutional integrity.

"Nonetheless, just as Baker & McKenzie has assured us that it will take strong steps to condemn this behavior and to prevent its repetition, so too must we take strong steps to protect our students against insulting and degrading conduct in the interview process and to send a clear message to all interviewers and all employers that such behavior must not and will not be tolerated. We hope that, in making this decision, we have accomplished these ends."

The partner in question has since retired from Baker & McKenzie.