Corporate Law and Finance

The program of quarterly public conferences which The Law School launched last year is by now an established part of the School’s extra-curricular program. And it is a mutual enterprise, for at the same time that the School is providing one-day “refresher courses” on a variety of topics, the students and faculty are profiting from their association with practicing members of the bar.

During the school year 1950-51 three conferences were held on the subjects: “The Uniform Commercial Code,” “Criminal Law Enforcement,” and “Illinois Constitutional Amendments.” In addition, the School sponsored its Conference on the Economics of Mobilization, on which we reported to the alumni in the first issue of The Record.

The first conference of the present year was held on December 7, 1951, on the topic, “Corporate Law and Finance.” The conference under the chairmanship of Wilber G. Katz sought to provide a program which would reflect the significant developments in corporate finance and in the legal framework for corporate activity which have come into existence in the last two decades. The other members of the conference committee were Walter J. Blum, Sims Carter, Allison Dunham, Edward H. Levi, and Roscoe T. Steffen.

The opening speaker at the morning session was A. A. Berle, Jr., Professor of Law, Columbia University Law School, who spoke on “Implications of the Conditions of Ownership and the Control of the Modern Corporation.” A reply to Mr. Berle was presented by Aaron Director, Professor of Economics at The Law School, who spoke on “The Modern Corporation and the Control of Property.” Commenting on the morning session was Friedrich A. von Hayek, Professor in the Committee on Social Thought at the University and the author of the widely read The Road to Serfdom.

Roger Foster, General Counsel for the Securities and Exchange Commission, opened the luncheon session on the topic, “ Enforcement of Fiduciary Obligations.” Following Mr. Foster was Carlos L. Israels, of Berlack and Israels, New York, who spoke on “The Sacred Cow of Corporate Existence: Deadlock and Dissolution.” Benjamin H. Weisbrod, of Wilson and McIlvaine, Chicago, acted as commentator.

The afternoon session of the conference started with an address by Lawrence Bennett, of Milbank, Tweed, hadley and Hadley, New York, who discussed “Some Legal Aspects of Funded Debt Financing.” The second afternoon speaker was Homer Kripke, Assistant General Counsel, CIT Finance Corporation, whose subject was “Current Assets Financing as a Source of Long-Term Capital.” John Kears, Vice-President and Counsel, First National Bank of Chicago, served as commentator.

The after-dinner session was devoted to problems of foreign business. George F. James ‘32, Director of the Standard Vacuum Oil Company of New York, talked on “Problems of American Firms Doing Business in Foreign Countries.” Fowler Hamilton, of Cleary, Gottlieb, Friendly and Cox, New York, discussed “The Prospect of American Finance for Foreign Enterprise,” and the day-long conference was concluded by Philip M. Glick, General Counsel, Technical Cooperation Administration, the Department of State, speaking on “The Government’s Program To Attract Domestic Capital Abroad.”