
Autobiography of Thomas L. Chadbourne, Esq.

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BOOK REVIEW

Autobiography of Thomas L. Chadbourne, Esq., edited by Charles C. Goetsch and Margaret L. Shivers. New York: Oceana (New York University School of Law: Ingram Documents in Legal History Series), 1985. Pp. 301. \$35.00.

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INTRODUCTION

Thomas L. Chadbourne was one of the leading business lawyers of his day, and a prominent deal-maker in the free-wheeling era of American capitalism from the 1890's to the 1930's. His autobiography,¹ written in 1928 and finally published in 1985,² is in large part a series of recollections about memorable business dealings, most of major financial importance. Toward the end of the book, the author writes of his role in national politics. Thus, the book offers fascinating glimpses of the world of high-stakes business, law, and politics as it existed for over a generation.

The author's recollections are always interesting and sometimes astonishing. He tells of fortunes decisively and sometimes carelessly wagered in business (and in gambling) by himself or his clients. Even for the present day, when billion-dollar tender offers are the stuff of daily headlines, Chadbourne's tales of highly personal and seemingly unconstrained deal-making are sometimes astounding reminders of commercial life before the present century's era of government regulation.

Chadbourne was an impressive man. His friend George Creel describes his impressions of Chadbourne on their first meeting in 1916: "standing six foot seven, and with the Viking's look as well as build, reaching decisions by a flashing intuition that rarely missed."³ Chadbourne's strong personality and aggressive self-confidence shine through his autobiography.

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1. T. CHADBOURNE, *THE AUTOBIOGRAPHY OF THOMAS L. CHADBOURNE* (1985).

2. Before its publication, copies of the manuscript were in the hands of Chadbourne's two daughters and the firm of Chadbourne, Parke, Whiteside and Wolff of New York, New York. Margolick, *Deleted From Book: Gifts to Alfred E. Smith*, New York Times, May 22, 1985, at A1, col. 3. (The title subject to the newspaper article is discussed *infra* at text accompanying notes 41-47.)

3. Goetsch & Shivers, *Afterword to T. CHADBOURNE*, *supra* note 1, at 220 (quoting G. CREEL, *REBEL AT LARGE: RECOLLECTIONS OF FIFTY CROWDED YEARS* 154 (1947)). The autobiography's four photographs of Chadbourne reflect a striking, handsome appearance.

Chadbourne's drama is one in which most of the supporting roles are played by robber barons, political leaders, and others of wealth and fame. One need not be a student of the era to be interested in seeing Chadbourne's world from his prominent vantage point in circles populated by such as George Gould, Jacob Schiff, Andrew Mellon, Bernard Baruch, Woodrow Wilson, Louis Brandeis, Gentleman Jim Corbett, and Winston Churchill.

The memoirs reveal a robber baron's heyday and portray the author as a cheerful buccaneer. If there is a theme to this book, it is that the world is a place of raw ego and selfishness in which the bold, decisive, capable risk-takers like Chadbourne have every scope for their ambitions. As Chadbourne puts it:

while college professors, writing learnedly, will deal with the period in detail, they will miss, as they have always missed, the inside story. History, after all, is not so much a chronological record, emphasizing dates and obvious events, as it is the conflict of human passions, the grapple of opposed wills, the clash of personal ambitions, and the war of hates and prides and greeds.⁴

The career that Chadbourne presents is that of a lawyer-businessman who spotted business opportunities; bought, sold, and above all, merged business properties; and advised industrial giants on their business problems—all at great profit to both his clients and himself. Chadbourne's goal was to make himself rich, and in this goal he well succeeded. The most striking parts of his story are accounts of how he arranged or participated in often imaginative, sometimes risky, and usually profitable transactions, and in his judgments of the others who took part in these deals. His book is largely a series of parables of opportunities grasped, a part of the American literature of striving and succeeding. The stories seem told for maximum effect. To judge from their sound, they must, like all good anecdotes, have been practiced in prior tellings before Chadbourne, aged 56, induced his journalist and officeholder friend George Creel to join him on his yacht and take down his story.⁵

4. T. CHADBOURNE, *supra* note 1, Preface at xiv (editors' footnote omitted).

5. The anecdotal quality of the book results partly from the fact that Chadbourne had to rely entirely on memory, without the aid of even a diary. *Id.* at xiii.

The ghostwriter's hand does not intrude; one sometimes wishes that Creel had enforced more order in the telling than he did. Although anecdotes are recounted with a storyteller's drama, the reader occasionally wonders whether he missed something in the chronology. Chadbourne's brother, for example, is mentioned as being one of his law partners at a certain date; that brother was last mentioned as having been born.

The editors supply few notes to clarify such omissions in the story of Chadbourne's own life, but do provide much other useful information. There are sixty pages of notes, mostly capsule biographies drawn largely from biographical books, biographical dictionaries, and Poor's Manual of Railroads and Corporations. (Unfortunately, these are endnotes, not footnotes.) The editors have also included a good index and a welcome afterword, which briefly covers the ten years of Chadbourne's life after the Autobiography, which he never updated.

I. SOME VIEWS FROM THE INSIDE

A sampling of Chadbourne's tales may give the flavor of the book.

The chapter entitled "The Tennessee Coal and Iron Story" provides interesting glimpses into the handling of the Panic of 1907, a period of financial crisis that preceded the establishment of modern governmental instrumentalities designed to protect the financial integrity of the banking system. A run on bank deposits had caused the collapse of several banks. Anonymous reports were circulated that the Trust Company of America, of which Chadbourne's friend Thorne was president, was tottering. The source of these reports turned out to be an associate of J. P. Morgan. As the Trust Company of America had not been in difficulty before this report was published, Thorne suspected an ulterior motive on Morgan's part: to force Thorne to part with the stock of the Tennessee Coal and Iron Company, apparently the only significant steel producer not already incorporated into Morgan's United States Steel Company. Thorne's intuition was correct, and in fact Morgan ultimately triumphed in this ploy.

Chadbourne's story of the two or three days of crisis is fascinating. He takes us into Morgan's library, where Morgan sits like an absolute monarch, dispensing monetary largesse to some and financial death sentences to others, amidst a court of banking barons whose actions are governed by Morgan's judgments no less than are the supplicants'. Thorne, however, is kept at bay with equivocations until Morgan finally denies him aid. To add insult to injury, Morgan informs Thorne that one of his minions will be at Thorne's bank the next morning to cash a large check. Thorne and Chadbourne repair to the court of a rival monarch, James Stillman, who is allied with the Rockefeller interests. Stillman is equally unforthcoming, for the Rockefellers too have a financial stake in U.S. Steel. Thorne now has a choice: either fold his bank—which, if liquidated, would produce sufficient funds to pay all depositors in full—or sell Tennessee Coal and Iron stock to Morgan to raise the necessary cash.

In this affair Chadbourne's role is an advisory one. Besides providing Thorne with moral support, he convinces Thorne to take the long view of his interests and sell the stock in order to save the bank and Thorne's business reputation.

To complete this tale of financial piracy, Chadbourne notes that United States Steel did not use a more direct means of persuading Thorne to sell the stock because it feared that the Roosevelt administration would pursue it under the Sherman Act. In order to forestall such action after Thorne agrees to sell, Morgan dispatches two U.S. Steel barons from Pittsburgh to Washington by a late night train. Morgan's barons have breakfast with President Roosevelt and plead that the acquisition of Tennessee Coal and Iron is being forced on U.S. Steel in order to avert the collapse of the Trust Company of America. Chadbourne closes the anecdote by musing over Roosevelt's being taken in by this story: "What a piece of acting it must

have been”⁶ This vignette has been drawn before, but never with more vivid first-person detail—or more scorn for Roosevelt’s role.

In the chapter entitled “The Missouri Pacific and Western Union,” Chadbourne describes his involvement on behalf of George Gould, son of financier Jay Gould, in the refinancing of the Missouri Pacific Railroad debt and in the sale of Western Union to A.T.&T. In the case of the Missouri Pacific financing, Chadbourne seems to play the usual role of a business lawyer: drafting and reviewing documents drafted by others, and assisting his client in negotiations with the underwriter. In the Western Union sale, Chadbourne plays a much more active role, virtually that of a principal in the transaction.

Chadbourne describes George Gould as an able but very lazy businessman. Before going on a cruise to the West Indies, Gould asks Chadbourne to look into the affairs of Gould’s Western Union Company. The task Chadbourne performs might today be done by a management consultant, an auditor, and an investment banker. First, he evaluates the performance of top management and concludes that it is abysmal. Next, he reviews the annual reports and discovers that the financial information provided is useless for determining the financial health of the company because there is no standard measuring unit employed. Chadbourne thus fashions a system of accounts, on a per-mile-of-wire basis, and uses it to determine that Western Union is losing money on all aspects of its business except the rental of wires to brokerage firms. Recognizing that a complete reorganization is needed to rejuvenate the company, he concludes that the business should be sold. He approaches independent phone companies, reasoning that they can use Western Union’s telegraph wires to improve their long distance service and better compete with A.T.&T. Chadbourne arranges for A.T.&T. to hear about the bidding he has initiated. When A.T. & T.’s investment bankers come to visit, Chadbourne negotiates a price for the sale of Gould’s stock at a price significantly above market, including a surplus charge which he characterizes as sale expense. All this he does while Gould is on vacation.

When Gould returns, Chadbourne gives him the adverse results of his investigation of Western Union. Gould requests that Chadbourne take over as company president and straighten it out. Chadbourne declines, saying that he prefers to remain a lawyer. Instead, he suggests that Gould sell the company. Gould agrees but wonders if he could get the right price. Then Chadbourne, pulling the rabbit out of the hat, sets out the favorable terms he has negotiated with A.T.&T. Gould immediately agrees to the terms. After completing various devious and manipulative secret maneuvers engaged in to avoid government attention under the Sherman Act,⁷ the transaction is closed.

In the chapter entitled “The Organization of Mack Trucks,” Chadbourne relates how he and one of his business friends, Ambrose Morell, put together

6. T. CHADBOURNE, *supra* note 1, at 70.

7. These maneuvers, if repeated today, would interest the FTC and the SEC.

the first successful truck manufacturing company. There were several existing truck companies in 1912, when Morell broached the subject with Chadbourne, but the technology for a commercially successful vehicle had not yet been found. Morell found an engineer with a good design, and Chadbourne agreed to join in organizing the venture, both as a principal and as legal advisor. Shortly after the organization of the start-up company, a firm that owned the Mack Truck Company suggested a merger. However, this firm turned out to be in poor financial condition and was managerially weak. Thus, Chadbourne and Morell found themselves back at square one with a somewhat larger start-up company. As with Western Union, Chadbourne was involved in almost all aspects of the truck company's business. In this case, however, Chadbourne was one of the company founders, and so the depth of his involvement was more natural. Chadbourne finishes the chapter by telling of a proposed merger with a major manufacturing competitor that is in the works as this autobiography is being written, and mentions the economies for the resulting company that a merger will achieve. But he takes no note of the effect this merger may have on the competitiveness of the truck manufacturing business, nor mentions any anti-trust concerns.

II. ON THE RISE

For all his focus on dramatic anecdotes and major financial moves, Chadbourne's story is in some respects unsurprising. Like so many Americans who have risen to wealth and power, Chadbourne had all the advantages of a solid upper middle-class background. His father and paternal grandfather were both lawyers and college graduates.

Some of the best parts of the book deal with the author's early years, when he was discovering talent, strength, and intelligence in himself behind a wild, wilful personality. The chapters on Chadbourne's bad-boy childhood are like chapters from Mark Twain, except that Tom Sawyer, Huck Finn and their associates were far better behaved. The young Chadbourne was a headstrong, reckless boy, who was expelled for misbehavior from almost every school to which his parents sent him. It was with surprise that he found while in his teens that he could learn his school lessons wonderfully fast if only he tried.⁸

The book's opening scene is fittingly classic for a how-I-made-it memoir (perhaps Creel deserves some of the credit here):

It was in my nineteenth year that two long-suffering parents decided to make me shift for myself, throwing me out into the world with exactly \$150 to break the force of the fall. As though it was yesterday, I can see my father's expression of pain and worry

8. T. CHADBOURNE, *supra* note 1, at 6.

"Tom, my boy," he said, "what you've got to realize, just as I've been forced to realize, is that you're not fitted for a profession or any other work in life that calls for mental effort. You have health and strength, however—thank God—and there is nothing shameful in manual labor."⁹

His parents judged wisely in deciding to force upon their headstrong, self-indulgent son the challenge of making his own way in the world. Chadbourne soon decided that he wanted money for the power and freedom it could bring him. Having passed up chances to go to college, he instead assisted a lawyer for a while, then studied for the bar in a few months of frantic effort. By 1893, aged 22, he had read enough law to pass the Wisconsin bar examination with the second highest grade.

In view of these interesting glimpses of the young Chadbourne, it seems a shame that the author usually keeps his adult personal life in the background.¹⁰ Although his preface is personally addressed "To My Children,"¹¹ the focus of the book, as of the life, is on his career.¹²

It took few false starts before the young man was on his way to a successful career. Chadbourne quickly realized that his own bent was for business practice. Having succeeded in Milwaukee and then Chicago by 1902, he left for the larger theater of New York. He quickly established connections, worked hard, and within a few years had installed himself as one of the nation's leading business lawyers in an age of large and growing industrial enterprises.

For all the discipline that Chadbourne developed in his work, his character remained instinctive and fitful, not reflective. If he did any reading apart from necessary professional work, Chadbourne does not mention it. He worked compulsively, often to the point of illness. He made a disastrous, blindly chosen first marriage,¹³ had two nervous breakdowns,¹⁴ and went into semi-retirement in his late fifties, raw from the exertions and strains of his life. Late in life, he bitterly rued his neglect of the public duties he felt he had owed.

III. CHADBOURNE'S POLITICAL LIFE

The chief value of the *Autobiography* is the way it handles the major work of Chadbourne's life—his career as a business lawyer. To a lesser

9. *Id.* at 1.

10. His daughter Marjorie Chadbourne's recollections, quoted in the afterword, are a touching and welcome addition to this aspect of the book.

11. He states, "you are entitled to know exactly the sort of man that your father was, with all his faults and also his virtues, if such there be." T. CHADBOURNE, *supra* note 1, Preface at xiii.

12. For example, although the book was written when his first daughter was six, it never mentions the author's children. It has relatively little to say about his three wives or his parents, and almost nothing about his brothers and sisters.

13. Chadbourne chose better the next two times, but admits he always understood men and never women.

14. So his daughter Marjorie Chadbourne writes, quoted in the afterword. Goetsch & Shivers, *supra* note 3, at 227-28. This is one subject on which Chadbourne is not wholly clear.

extent, the book is valuable for the author's accounts of his involvements in national politics, largely as fund-raiser, but also as war-time public servant and advisor to the powerful. This side of the man is not revealed until the last third of his book. Until this point, the author's repeated expressions of satisfaction at his financial success in the world of big business have left the reader with no hint of unconventional political or social views. Thus it comes as a surprise to read about his Democratic affiliations and his usually progressive political opinions. This gambling partner of the rich was a Wilson Democrat.

As we see from his daughter Marjorie's recollections quoted in the Afterword, Chadbourne came to believe that he let his life's balance tip too much toward gaining wealth. Thus, by the end of the book Chadbourne's regrets gain the reader's attention. His life choices carried him away from his own submerged ideal of public service. By the end, feeling that neither the Republicans nor the New Deal Democrats served the nation well, he declared his own life a failure.¹⁵

IV. CHADBOURNE AND THE MANTON BRIBE SCANDAL

Despite Chadbourne's apparent candor,¹⁶ the volume as published omits some potentially embarrassing information. One such omission occurs in the editors' Afterword. Besides community on the *Autobiography*, that essay briefly discusses the period from the book's writing in 1928 until the lawyer's death ten years later.¹⁷ However, the Afterword neglects to mention Chadbourne's relationship to the notorious Manton bribery scandal that led (after Chadbourne's death) to the disbarment of his former partner, Louis S. Levy.¹⁸

15. That confession was to his daughter Marjorie in 1937:

"It is because of men like me who chose to lead a selfish life rather than go into public service that our government has fallen into incompetent hands. I am considered a success by the world, but . . ."

"Yes?"

"In my own eyes I am a failure, and that is a bitter thing to face at the end of one's life."

Goetsch & Shivers, *supra* note 3, at 230 (quoting Marjorie Chadbourne). Chadbourne supported Roosevelt in 1932, but by 1936 was a bitter opponent of the New Deal.

Id. at 221.

16. The afterword calls the memoirs one of the most "candid record[s] of an American lawyer's life and practice." Goetsch & Shivers, *supra* note 3, at 231. The characterization is fair, notwithstanding the omission of much detail about Chadbourne's practice. See *infra* text accompanying notes 48-61. Chadbourne seems uninterested in such matters, not reluctant to divulge them. Certainly, he is not sensitive about such topics as "My Worthless Boyhood" (title of Chapter 1), "The Disbarment Proceedings" (title of Chapter 13), which he successfully fought in 1921-1922, or his numerous sexual escapades.

17. Goetsch & Shivers, *supra* note 3, at 231.

18. Chief Judge Manton of the United States Circuit Court of Appeals was convicted of

The story is complex but worth telling, both for the light it sheds on ethical practices of the time, and to flesh out the misleadingly incomplete story of Chadbourne's role in this celebrated affair.

The central fact is that in 1932 both Chadbourne and Levy were involved in arranging a \$250,000 loan from the American Tobacco Company's advertising agency to Sullivan, a business associate of Chief Judge Manton of the Second Circuit. The loan came at a time when appeals in two major American Tobacco cases, both handled by the firm of Chadbourne, Stanchfield & Levy, were pending before Manton.¹⁹ The editors of the autobiography explain (focusing on Levy's role):

The case, *Rogers v. Hill*, subsequently was decided in favor of Levy's client in an opinion written by Manton, and the \$250,000 loan was never repaid.

Beginning in 1934, the disastrous state of Manton's financial and business affairs began to be known as a matter of public record, and in 1935 the famed New York trial attorney Max Steuer began to inquire into the failure of the loan to be repaid. No doubt these developments caused Chadbourne considerable concern, and played a part in Levy's withdrawal from the firm in late 1936.²⁰

venality in office, in one of the greatest scandals in the history of the federal judiciary. See J. BORKIN, *THE CORRUPT JUDGE: AN INQUIRY INTO BRIBERY AND OTHER HIGH CRIMES AND MISDEMEANORS IN THE FEDERAL COURTS 23-93* (1962); Goetsch & Shivers, *supra* note 3, at 231. See also *In re Levy*, 30 F. Supp. 317 *passim* (S.D.N.Y. 1939).

In explaining Chadbourne's break-up in 1936 of the law partnership between himself and Louis S. Levy, the editor's note two incidents of misconduct on Levy's part during the time of their partnership. Levy's part in the Manton affair was one. The other, Levy's charging of fees to a trust in apparent contravention of a promise to the client, was rectified at Chadbourne's insistence. Goetsch & Shivers, *supra* note 3, at 230; *In re Levy*, 30 F. Supp. at 329. Later revealed publicly, the incident was a supporting cause ascribed by the court for Levy's disbarment. *Id.* at 329-30.

19. *In re Levy*, 30 F. Supp. at 318-19.

20. Goetsch & Shivers, *supra* note 3, at 231 (footnote omitted). Manton's decision was later reversed by the Supreme Court in *Rogers v. Hill*, 289 U.S. 582 (1933). See J. BORKIN, *supra* note 18, at 87.

The late Judge Leonard Moore's foreword to the book is still more circumspect than the afterward. It does not mention Levy's derelictions or his relationship to the Manton scandal:

[A]t the end of 1936 some disagreement must have occurred between Chadbourne and Levy because as of January 1, 1937, the firm reverted to its original components. Chadbourne had formed a new firm named Chadbourne, Wallace, Parke and Whiteside. In that firm were practically all of the members of his former firm. Levy took with him very few partners. The cause of the sudden breakup was never disclosed either publicly or to the rank and file of the former firm. Chadbourne was not one to temporize with any situation that was not acceptable to him. Thus, whatever the cause, it must have been sufficient in his judgment to call for immediate separation.

Moore, *Foreword* to T. CHADBOURNE, *supra* note 1, at xvi-xvii. Judge Moore was formerly a member of the firm of Chadbourne, Parke, Whiteside and Wolfe.

The Afterword notes that Manton was convicted of judicial corruption in 1939, and that Levy was disbarred the same year, in each case partially as a result of this transaction.²¹ The editors cite to United States District Judge Knox's detailed opinion on the disbarment,²² and to histories of the Manton scandal.²³ But the Afterword does not discuss the fact, made clear in Knox's opinion, that Chadbourne not only knew of the loan, but had been instrumental in arranging it.²⁴ This involvement may have been one cause of his "considerable concern."²⁵

Judge Knox found that Manton directly asked Levy to assist Manton's business associate Sullivan to obtain a loan.²⁶ Judge Knox also found that Manton directly benefitted from the loan:

[W]ithin a few weeks after the loan was consummated, and prior to the decisions on the appeals in the Rogers suits, more than \$200,000 of its proceeds had found their way into corporations in which Manton was vitally interested. Apparently, Sullivan was little more than a conduit, through which money . . . flowed into Manton's depleted reservoirs.²⁷

Many of the other facts are unclear. But Judge Knox's opinion expresses astonishment²⁸ at the unlikelihood of the stories given him by Levy and other

21. Goetsch & Shivers, *supra* note 3, at 231.

22. *In re Levy*, 30 F. Supp. 317 (1939). The convicted Manton was a federal judge. Levy's disbarment case was therefore heard in federal court.

23. Goetsch & Shivers, *supra* note 3, at 231 n.10.

24. *In re Levy*, 30 F. Supp. at 323. Indeed, Levy claimed that he "was innocently drawn into the matter by Chadbourne," *id.* at 328, and that the idea was Chadbourne's in its origin. *Id.* at 324.

The *Levy* court commented on Chadbourne's involvement in connection with its consideration of disciplinary charges against one Hahn, charged together with Levy. Hahn was attorney for the lender, to whom he carried the loan request suggested by Hahn's former employers and benefactors, Chadbourne and Levy. The court noted:

Should it be that Hahn was a victim of Levy's and Chadbourne's imposition, and there is some ground for that view, he ought not be judicially censured. Upon the assumption that Hahn acted innocently in dealing with Lasker [of the lender firm] and that in the hour of need he was deserted by Chadbourne and Levy, both his actions and words concerning the Sullivan loan are beyond my jurisdiction

As to him, the petition will be dismissed.

30 F. Supp. at 331.

Chadbourne's further involvement is shown by the fact that, according to testimony before Judge Knox, Chadbourne repeatedly responded to the lender's inquiries about repayment, saying that Sullivan would pay when his finances were straightened out. 30 F. Supp. at 325.

25. See *supra* text accompanying note 20.

26. *In re Levy*, 30 F. Supp. at 327-29. Manton testified that he had mentioned to Levy that Sullivan was seeking a loan of \$25,000 (not \$250,000). *Id.* at 321.

27. *Id.* at 323.

28. The court refers to testimony to the effect that there was general misunderstanding among the various persons regarding who was to be financially responsible for the sum loaned to Sullivan, and that attempts were made to collect it but were unavailing:

Such, in substance, is the story I am asked to believe. If it be true, I have heard

witnesses, and clearly indicates that other witnesses besides Levy had something to hide in regard to these transactions. It seems certain that if Chadbourne had lived, questions would have been raised as to his own involvement in the affair.

Chadbourne may well have viewed the loan as simple financial assistance to a capable president of National Cellulose Corporation, a firm in which both Chadbourne and Levy had interests.²⁹ In view of the way that Chadbourne borrowed from and lent to business associates throughout his life, it would not be out of character for him to be willing to lend to an acquaintance such as Sullivan for proper motives. It is tempting to think that had Judge Knox known more of the casual lending practices testified to by Chadbourne in his memoirs,³⁰ his astonishment at the lax business practices testified to before him might not have been so great.

Moreover, there is no proof that Chadbourne knew either that Manton had solicited the Sullivan loan or that Manton profited from the proceeds thereof. And no other partner of Chadbourne's firm was disciplined in connection with the matter.³¹

of one of the most fantastic business transactions that ever came to my ears. If what has been stated correctly sets forth all that was said and done as respects the Sullivan loan, the course of procedure of the parties in dealing with it is a source of amazement and astonishment. Here was a group of men composed of persons possessing minds as acute as any that are to be found; persons, too, of wide experience, not only in business, but in law, and yet, for some reason not clearly disclosed, acting as though they were children lost in the woods, and fearful of the shadows about them.

Id. at 327. The court characterizes most of the testimony as "a maze of contradictions, lapses of memory, dim recollections, and what is more, in some instances, evasions, half truths and deliberate prevarications . . ." *Id.* at 320. The court finds it unnecessary for purposes of the disbarment case to discuss whether the never-collected loan was intended by the lender or others as a bribe, or whether Levy was culpable simply for arranging a loan to Manton's business associate at Manton's request while the Chadbourne firm's case was before Manton. *Id.* at 327-28.

29. *Id.* at 324. Levy claimed that the loan from the advertising agency to Sullivan was first proposed by Chadbourne and presented in this light. According to Levy, Chadbourne told him that he did not have the money to make the loan at the time. *Id.*

30. To cite only one instance, the lawyer mentions a conversation with William E. Corey, then president of the United States Steel Corporation, after borrowing an unstated but substantial sum of money:

I muttered the amount, and when he had signed the check I started to give him my note.

"Never mind that," he interrupted. "If you live you'll pay it. If you don't, the note's no good."

T. CHADBOURNE, *supra* note 1, at 63.

31. Under New York statutes, all disbarment proceedings, except disciplinary judgments, are confidential. N.Y. JUD. LAW § 90 (McKinney 1986). Therefore, any state disciplinary action against Chadbourne or another partner who died while it was pending would have abated on his death without public report.

However, Chadbourne was at the least in a position to know that Sullivan was "a close friend and business associate of Manton,"³² and that Manton would receive at least indirect benefit from the loan. A number of factors point to this conclusion. Manton was a law school classmate of Levy,³³ and had received the assistance of Levy and another name partner of the firm, Stanchfield, in obtaining his first federal judgeship.³⁴ It was Manton, a substantial investor in the National Cellulose Corporation, who had first gotten Chadbourne to invest \$75,000 in that enterprise.³⁵ Chadbourne was at least an acquaintance of Sullivan, who was the company's president.³⁶ Chadbourne vouched for Sullivan's character in connection with obtaining the loan,³⁷ and declared himself "very much interested in Sullivan getting this loan."³⁸ Moreover, one of Chadbourne's law partners sat on the board of National Cellulose.³⁹

In light of these facts,⁴⁰ Chadbourne and his partners ought to have at least suggested to Manton's panel his possible disqualification in the American Tobacco matter, quite aside from their apparent knowledge that Manton might substantially benefit from the loan.

All of this information about Chadbourne can be pieced together from other public sources, but it is hardly in keeping with the lawyer's own tone of unabashed candor to omit it from the volume containing his autobiography. Chadbourne's apparent ethical insensitivity regarding Manton would also tend to shed light on the subject of a chapter omitted from the book.

V. THE MISSING CHAPTER: CHADBOURNE'S GIFTS TO GOVERNOR AL SMITH

The subject of the missing chapter is of greater historical interest, and was not found in sources previously available to historians.⁴¹ The chapter

32. *In re Levy*, 30 F. Supp. at 320.

33. *Id.* at 319.

34. *Id.*

35. *Id.* at 320. Levy soon bought half of Chadbourne's interest.

36. *Id.*

37. *Id.* at 323.

38. *Id.*

39. *Id.* at 326.

40. Moreover, prior events seem to indicate a degree of favoritism by Judge Manton to Chadbourne's law firm. The judge once appointed a partner in the firm as a subway company receiver in a controversial decision criticized, but not reversed, by the United States Supreme Court. J. BORKIN, *supra* note 18, at 34-37. Even before the Supreme Court decision, the firm had had to withdraw from representation of the receiver. It did so after controversy arose over an apparent conflict of interest: Chadbourne personally owned stock in a competing transit system.

The omitted chapter discussed below is said to contain the revelation that Chadbourne discussed with Judge Manton a case involving a transit fare increase that was on appeal before Manton. Margolick, *supra* note 2, at B2, col. 5. The court's decision upholding a fare increase was later reversed by the Supreme Court. *Id.*

41. Margolick, *supra* note 2, at B2, col. 1 (quoting Professor David Burner, historian at

concerns the relationship of Chadbourne and New York Governor Al Smith, and in particular the fact that Chadbourne says he gave Smith more than \$400,000 in cash and stock options while Smith was Governor in the 1920's.⁴²

The payments, Mr. Chadbourne wrote, were kept secret because:

the world does not swallow altruistic motives easily, and rightly so.

I was a great believer in Smith as a public servant and was glad to put him in a position where he could afford to return to office without bread and butter worries But the result of my generosity had been much more than either he or I anticipated, and the size of the aggregate sum he had received from me would alone have damned the transaction.⁴³

In the omitted chapter, Chadbourne insists that he made the payments for unselfish reasons.⁴⁴ Chadbourne's devoted political and financial support of Woodrow Wilson⁴⁵ and other Democratic politicians lends support to his assertion that his payments to Smith were indeed unselfish. Nevertheless, Chadbourne expresses resentment at Smith's failure to support a two-cent transit increase in New York City that would have greatly increased the value of his holdings in transit companies,⁴⁶ and, as he admits, the large sums he paid Smith "would alone have damned the transaction."⁴⁷

VI. CHADBOURNE'S BOOK AS LITERATURE ON LAW PRACTICE

To a legal readership, one question that suggests itself about a lawyer's memoirs is what it reveals about his profession. Many lawyers, though few business lawyers, have offered well-written accounts of their experiences. What place does Chadbourne's *Autobiography* take in this literature of the legal profession?

Chadbourne portrays himself as primarily a business advisor spending his time meeting with other men (and rarely women). To be sure, the author

the State University of New York Center at Stony Brook). This deletion and two other relatively insignificant ones were made by Professor William E. Nelson, the publication supervisor of the Ingram Documents in Legal History at New York University, to overcome possible objections to the book's publication. The firm of Chadbourne, Parke, Whiteside and Wolff suggested the changes, with the acquiescence of Chadbourne's daughters, who owned the rights to the manuscript. *Id. passim*. The omitted chapter was not found in the copy of the *Autobiography* held by the Chadbourne, Parke firm when the New York University Law School first considered publishing the volume. *Id.* at B2, col. 5.

42. *Id. passim* (discussing the omitted chapter at length).

43. *Id.* at A1, col. 5 (quoting the omitted chapter by Chadbourne).

44. *Id.* at A1, col. 5 to B2, col. 1.

45. The lawyer claims to have raised the bulk of the Democratic campaign fund in 1916. T. CHADBOURNE, *supra* note 1, at 148.

46. Margolick, *supra* note 2, at B2, col. 5. Chadbourne argues in the *Autobiography* that such an increase was necessary to give the companies capital for needed improvements. T. CHADBOURNE, *supra* note 1, at 206.

47. Margolick, *supra* note 2, at A1, col. 5., *quoted in* text accompanying note 43.

protests at the close of his book that his career has been not in business but mostly in law:

On reading over what has been written, with its somewhat necessary emphasis upon highlights rather than any attempt at an exact chronological record, I have the feeling that my law practice suffers a certain subordination and appears less as a profession than as a springboard for regular leaps into other and unrelated enterprises.⁴⁸

The author concludes that “[a]ny such impression is far from the truth.”⁴⁹ But all the evidence in the book supports the impression to which the author has just admitted. Chadbourne gives us few looks at himself as a professional consulted for his special legal knowledge or talents.

As Chadbourne’s career shows, the role of lawyer can be broad and flexible, certainly not limited to handling litigation and giving legal opinions. But it is a bit odd to read a lawyer’s account of his life’s work that almost never mentions legal problems or legal constraints. When on one occasion the author notes a legal rule, he does so in passing reference to a deal made by others: the formation of the Northern Securities Company, he opines, was a “plain violation of the Sherman Anti-Trust Act, and the government brought suit”⁵⁰ Chadbourne almost never mentions any legal concerns in the countless business combinations that he put together himself. For the lawyer reader, these omissions are curious.

The accounts are not wholly satisfying as explanations of his business-related work, either, for their punchy brevity makes them somewhat superficial. Working from memory, Chadbourne does not usually explain a deal, but rather outlines it. In a typical chapter, he spots an opportunity (or is invited by an acquaintance to share in one), contacts interested parties, and—he asserts with little detail—solves the business obstacles involved in the arrangement. He closes the chapter by announcing his profit or the size of his fee (his memory for these numbers is good). The stories are always good as anecdotes, with moments of tension and doubt and countless interesting characters. But the author leaves out much about the real nature of his entrepreneurial or professional work.

How, for example, did he come up with his plans for mergers? Chadbourne must have ceaselessly hunted for opportunities, assessed them with care, rejected most possibilities, and made difficult choices about how to proceed with the rest. Yet he tells us little of these processes; much of the detail that would give texture to these activities is missing.

By contrast, numerous works by other lawyers give a greater feel for the less dramatic moments, for the time spent in preparation, for the strategic and tactical planning that precede the public encounters, and for legal analysis

48. T. CHADBOURNE, *supra* note 1, at 215.

49. *Id.*

50. *Id.* at 77.

as such. To name just a few of the best, one thinks of the modern memoirs by Louis Nizer,⁵¹ the older classic by Francis L. Wellman,⁵² the histories by Peter Irons,⁵³ the narrative study of the asbestos lawsuits by Paul Brodeur,⁵⁴ memoirs, often self-promoting, by tort lawyers including Melvin Belli,⁵⁵ F. Lee Bailey,⁵⁶ Stuart Speiser,⁵⁷ and others, the "big case" book by Gerald Stern,⁵⁸ and the novels by Arthur R. G. Solmssen⁵⁹ and Louis Auchincloss.⁶⁰ All of these give a feeling for the legal planning and decision-making found in law practice, chiefly litigation.

If Chadbourne gives few details of practice, and gives us no primer on how to repeat his successes, he does offer rare looks at a practical and successful business lawyer's career. The mentioned omissions carry a message: as a business lawyer Chadbourne succeeded most of all for his focus on the business side, not the legal side, of affairs; and his sound practical judgment and personal relationships were more important to his success than was his legal knowledge. Thus, even considered as a part of the literature about law practice, the *Autobiography* is a valuable addition to the list of writings by business lawyers. The list is a slim one. Those looking for similar works would best be advised to look not in legal but in business literature, in the best of the business magazines, and in the new legal newspapers that have grown up in the last few years.⁶¹

VII. CHADBOURNE'S STORY AND THE GROWTH OF THE LEGAL PROFESSION

The editors' Afterword calls Chadbourne's tale "the story of the American legal profession's shift from solo trial practitioners to complex corporate bodies."⁶² However, the *Autobiography* does not support that assertion. It is certainly true that Chadbourne's career coincided with that change. The author himself characterizes it succinctly:

51. L. NIZER, *THE JURY RETURNS* (1966); L. NIZER, *MY LIFE IN COURT* (1961).

52. F. WELLMAN, *THE ART OF CROSS-EXAMINATION* (1903).

53. P. IRONS, *JUSTICE AT WAR* (1983) (story of the Japanese-American wartime cases); P. IRONS, *THE NEW DEAL LAWYERS* (1982).

54. P. BRODEUR, *AN INDUSTRY ON TRIAL* (1985) (first published in serial form in *THE NEW YORKER*).

55. M. BELLI, *MY LIFE ON TRIAL* (with Robert Blair Kaiser) (1976); M. BELLI, *READY FOR THE PLAINTIFF* (1956).

56. F. BAILEY, *TO BE A TRIAL LAWYER* (1982); F. BAILEY, *FOR THE DEFENSE* (1976); F. BAILEY, *THE DEFENSE NEVER RESTS* (1971).

57. S. SPEISER, *LAWSUIT* (1980).

58. G. STERN, *THE BUFFALO CREEK DISASTER* (1976). Several law professors, including myself, have used this book to teach first-year civil procedure students.

59. A. SOLMSEN, *THE COMFORT LETTER* (1975); A. SOLMSEN, *RITTENHOUSE SQUARE* (1968).

60. L. AUCHINCLOSS, *THE PARTNERS* (1974).

61. The three national ones—*NATIONAL LAW JOURNAL*, *LEGAL TIMES* and *AMERICAN LAWYER*—often treat the business side of law practice.

62. Goetsch & Shivers, *supra* note 3, at 234.

With my own eyes I have seen a fundamental, almost cataclysmic, change in American life and thought: the cosmopolitanizing of a provincial people; the change from a pastoral life, with its roots deep in the soil, to the most highly industrialized civilization in the history of the world; from handcraft to mass production; from individualized undertakings to great corporations and mighty "trusts;" from isolation to world power.⁶³

Moreover, Chadbourne quite clearly spells out his early decision in Chicago to switch over from trial practice to business work:

It finally dawned on me that with the same thought and energy, we could make much more money by changing our practice and making it more corporate and commercial and less trial and criminal.⁶⁴

In the *Autobiography*, we see little trace of the "complex corporate body" that is the large modern American law firm. Chadbourne recounts his exploits in the first person singular. He describes countless business people, but rarely alludes to a law partner and almost never suggests that he might have consulted with one. Indeed, it is apparently only as an afterthought that he devotes a page-and-a-half at the end of his book to describing his law firm,⁶⁵ though by then the firm had existed in the form he described for several years. Chadbourne pointedly remarks in this passage that "I do not even know some of my assistants by name or sight,"⁶⁶ and tells a story that at the wedding of Governor Smith's daughter he failed to recognize a guest as one of his own law partners.⁶⁷

Thus, although a complex corporate firm grew up around Chadbourne, its story was not his,⁶⁸ at least not as he tells it. Chadbourne was indeed a business lawyer, but not an organization man. As Judge Moore remarks in the Forward: "[H]is talents were ideally suited to the freewheeling financial era in which he made his mark, and how he would have fared in the far different world of post-Great Depression America will never be known."⁶⁹

CONCLUSION

The *Autobiography of Thomas L. Chadbourne* focuses on dramatic financial and political events in which its author took part. In its anecdotal detail, it is fascinating reading. As a career history, it suffers somewhat from its brevity. Unfortunately for the reader interested in the legal profession, the book pays little attention to the author's legal work as such. As

63. T. CHADBOURNE, *supra* note 1, Preface at xiii.

64. *Id.* at 34.

65. *Id.* at 215-16.

66. *Id.* at 215.

67. *Id.*

68. As Judge Moore remarks in his foreword: "Chadbourne himself left [the firm's] expansion to others," Moore, *supra* note 20, at xv, and "left the firm's management to his partners," *id.* at xvii.

69. Moore, *supra* note 20, at xvii.

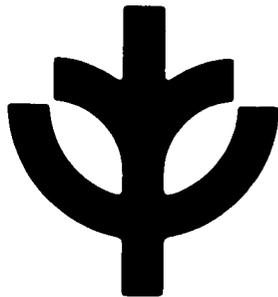
published it omits a chapter of the manuscript and glosses over a real question of Chadbourne's legal ethics in the years after he wrote the book. Nevertheless, the book is most interesting reading and a valuable document. It can be well appreciated for what it is: the unusually frank and unabashed memoirs of one who grew from a willful boy to a powerful, influential New York business lawyer. The book recreates much of the financial, commercial, and political atmosphere of America's movement into the modern age, as seen by a brilliant and strong-minded lawyer who was at the center of that transition.

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