

President: Katherine States
Editor: Deborah M. Levy



ENPA

San Francisco, California

1985 — one year (250 issues) for private
government agencies, law school or
or corporate legal departments of 5 or
year for law firms or corporate legal
ayers. Group subscription rates also
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Addresses to THE RECORDER, 99 South
103.

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They're most proud of doing during this recent lending cycle, the answer will be laying off almost all big-ticket loans to foreign syndicates, particularly ones based in Japan. Sure, some of the billions in leveraged-buyout loans made in the last few years remain on the books of U.S. banks (particularly those of beleaguered Bank of Boston). But adept bankers

James J. Cramer, a lawyer, is president of a money-management firm based in New York. His column is distributed by Am-Law News Service.

Letters To The Editor

Mandatory CLE's Costs Are High, Benefits Unproven

Much attention has been given to the new state law requiring continuing legal education of the bar. While the potential benefits of CLE have been discussed, the serious problems with the program have not been addressed. No evidence has been presented which indicates that those states with mandatory CLE have a lower rate of attorney disciplinary problems or a lower incidence of malpractice claims.

In California, the most common causes of attorney discipline have nothing to do with ignorance of the law, but are the consequences of alcohol, drug abuse, and outright dishonesty. Further, legal education is not going to solve the problem of substance abuse, nor will it make a dishonest attorney honest. Likewise, the most common form of legal malpractice involves overlooking relevant statutes. It seems doubtful that CLE will have much effect in reducing such oversight, which is caused by a lack of effort rather than a

lack of education. Some argue that the Japanese didn't want to help out a competitor of Japan Airlines. That's a farce: JAL would only gain from competing with adept-hobbled opponent.

Others say that only "some" Japanese banks balked. But Japanese bankers are consensus thinkers. There are no renegades who would join a syndicate their colleagues were abandoning.

Some wishful thinkers on Wall Street believe that the price of the UAL deal was the problem. Wrong again: If your frame

amount of CLE courses taken.

The state Legislature and the members of the Bar have been told that mandatory CLE will have an effect on attorney discipline and on attorney malpractice. CLE will most probably have little effect on such problems and do nothing to curb the escalating costs of attorney malpractice insurance. Physicians in this state were told if MICRA was passed their malpractice insurance premiums would go down. This simply has not been the case. The legislature has now dealt with a similar problem in the legal profession in the same matter.

Those who will be most disadvantaged by the new CLE system are public interest lawyers and solo practitioners. Most CLE programs cost \$100 or more per hour. At this rate, the average practitioner will incur more than \$3,600 in CLE costs over a three-year period. Where possible, CLE costs will be passed on to consumers. For those attorneys that handle contingency fee cases, public interest cases, or who work for the government, the costs will be born by the individual attorneys. In order to help attorneys more easily absorb these costs, the legislation should have mandated reductions in malpractice premiums based on the

PICK OF THE WEEK

Pfizer. Here is a solid drug company that hasn't had a big run lately despite a good product pipeline and a classy balance sheet. Remember, we don't want takeover touts; we want earnings momentum. Pfizer is about to enjoy some.

PAN OF THE WEEK

Storage Equities. This is another ridiculous real estate investment trust that must sell assets to pay its dividend. Wake up and smell the coffee; nothing is moving out there these days.

amount of CLE courses taken.

Attorney costs will be further increased by the fact that CLE producers will now have to pay for the State Bar certification of their programs. Undoubtedly, this cost will be passed on to consumer attorneys in the form of higher program fees.

While the objectives of the CLE are certainly honorable, the proposed program is unlikely to reach the stated objectives and is likely to do more harm than good.

Eugene Michael Hyman
Hyman & Danser
San Jose

Don't Excuse Wallach Just Because of Status

The Oct. 17 article about the sentencing of Bob Wallach ("S.F.'s Wallach Gets Six-Year Prison Term") was somewhat amusing because of the hue and cry over it from some of those in the local bar establishment. For example, a Heller, Ehrman lawyer said that he felt awful because Wallach is "not a crook."

I don't presume to know whether Wal-
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