Exploring (Social) Class in the Classroom: The Case of Lucy, Lady Duff-Gordon

Miriam A. Cherry
Exploring (Social) Class in the Classroom: The Case of Lucy, Lady Duff-Gordon

Miriam A. Cherry*

Wood v. Lucy, Lady Duff-Gordon (the “Lucy Case”) presents a rich teaching vehicle for the first year of contracts for multiple reasons. Another participant in this symposium has discussed the Lucy Case to laud its value in teaching fact analysis or issue spotting. Others have commented upon the case for its doctrinal utility in explaining the concepts of illusory contracts, exclusive dealing and best efforts. The historical background, the opinions of Benjamin Cardozo and the opportunity

---

* Associate Professor of Law, University of the Pacific - McGeorge School of Law; B.A., 1996, Dartmouth College; J.D., 1999, Harvard Law School. I wish to acknowledge Jim Fishman, Monroe Freedman, Deborah Post, Frank Snyder, Celia Taylor, Deborah Zalesne and the other participants in the Pace University School of Law conference for their input and thoughts on this topic. Thanks to Jerry Caplan and Jarrod Wong for their insightful comments. Additional thanks to D. James Bjorkman and Kelsey Papst for research assistance, and to the editors of the Pace Law Review for their hard work.

to introduce feminist jurisprudence\textsuperscript{6} and law and economics concepts\textsuperscript{7} into the first year course are also fertile ground for discussion. Knowing that others would focus on these themes, however, I chose to examine the role of social class in the Lucy Case, the contracts course and in the classroom more generally.

Other scholars have discussed the topic of social class in law schools, most typically concentrating on diversity issues, or how socioeconomic class interacts with race, gender and other factors to impact a law student's learning experience.\textsuperscript{8} In this essay, I intend to use the Lucy Case to situate social class discussions around the contracts course. Professor Jeffrey Harrison engendered this type of inquiry when he examined contracts through a socioeconomics lens—socioeconomics being a separate discipline that draws from insights in economics, biology, sociology and other areas.\textsuperscript{9} My goal in examining social


\textsuperscript{9} It should be noted that a socioeconomic analysis attempts to shed light on the reasons that individuals enter into transactions. While there are many aspects of socioeconomics that overlap with social class (also known as socio-economic status), and although the two terms are etymologically similar, these are two distinct concepts. Jeffrey L. Harrison, Teaching Contracts from a Socioeconomic Perspective, 44 St. Louis U. L.J. 1233 (2000) [hereinafter Harrison, Teaching from a Socioeconomic Perspective]. Socioeconomics is based in several disciplines—economics, biology, sociology—and looks at the preferences and assumptions that drive individuals to act in ways that may not be completely "rational" as the standard law and economics model would posit. Jeffrey L. Harrison, Law and Socioeconomics, 49 J. Legal Educ. 224, 225 (1999) [hereinafter Harrison, Law and Socioeconomics]. At the same time, Professor Harrison has adopted a purely class-based analysis in some of this other work. Jeffrey L. Harrison, Confess'n the Blues: Some Thoughts on Class Bias in Law School Hiring, 42 J. Legal Educ. 119 (1992) (discussing classism in the context of law professor hiring).
class issues in the contracts class is twofold: first, to open more inquiry and discussion among first year law students into the distributional nature of contract law, and second, for the students to think about issues of economic stratification more critically. These issues are becoming increasingly more important as, according to recently published studies, the divide in incomes within the United States is at its highest point since the 1920s.¹⁰

Such an inquiry necessarily raises one of contract law's more enduring (and troubling) questions: is the role of contract law strictly limited to policing the bargains that private individuals have made, regardless of how much they reinforce existing inequality or exacerbate inequality in bargaining power? If the answer to this question is "yes," in a normative sense, should that be so? Might the way that we teach contracts (if we do so with a focus on social class) allow for transformative thought even if one concludes that contract law itself is not particularly transformative?

I. Social Class in the Lucy Case

The facts and holding of the Lucy Case are explored in other papers or talks that are a part of this symposium, so I will not rehearse the dispute at length. Suffice it to say that Wood was to have the exclusive right to place Lucy's name on fashion designs, but that Lucy continued to place endorsements regardless of their deal.¹¹ Lucy attempted to escape enforcement of the contract on the theory that Wood's promise was illusory, i.e. that Wood had not actually promised to "do" anything.¹² The court, per Justice Cardozo, disagreed, holding that because Wood had to exert "reasonable efforts" in performing the exclusive dealing contract, he and Lucy had entered into a contract that was supported by consideration.¹³

¹². Id.
¹³. See Lawrence A. Cunningham, The Common Law As an Iterative Process: A Preliminary Inquiry, 81 NOTRE DAME L. REV. 747, 776 (2006) (The Lucy Case arose in a period marking the transition from simple markets characterized by face-to-face dealings and relative stability to complex commercial society, impersonal economic exchange and greater uncertainty and market volatil-
In addition to the case itself, my class reads excerpts in their casebook to discover some of the background on Lucy Lady Duff-Gordon's life and times. Lucy came from a modest-middle to upper class background, but became a woman of fortune—and fame—based on her abilities as a fashion designer and trendsetter. The students also discover her apparent insensitivity to those who drowned in steerage on the Titanic, while she and her husband escaped in a mostly empty lifeboat. Justice Cardozo begins his opinion in a derogatory tone when he claims that the defendant "styles herself 'a creator of fashions'" and that her "favor helps a sale." This rhetorical flourish could be construed as a statement against the perceived frivolity of fashion, and indeed, Lucy herself. Professor Jeffrey Harrison has written that "any effort to turn a vogue into money does not sound serious; it seems like an effort to make money on the vanity of others. Judge Cardozo pushes the buttons of that era by emphasizing the greed and frivolity of Duff-Gordon."

Apart from Lucy, Lady Duff-Gordon's biography, the subject matter of the case itself involved a widespread "marketing" of social class itself through the sale of particular status goods.
Lucy’s endorsements were valuable because individuals are willing to pay a premium for “brand name” goods (even when—as in the Lucy Case—those goods are being selected and marketed by someone outside the brand). Conspicuous consumption based on brand name is designed to signal a person’s particular social class and the possession of material wealth.20

Lucy essentially chose to “cash in” on her fame by putting her imprimatur of approval on mass-marketed goods. As Jeffrey Harrison points out, consumers do not buy izod shirts simply because they are of good quality; they do so because to wear such a brand name shirt serves a signaling function—that the wearer can afford the shirt.21 Lucy’s fashions were coveted not just for the designs themselves, but for the cache of being able to afford one of her designs.

Social class, therefore, is present within the text of the opinion, the background material that accompanies the opinion, and the subject matter of the contract itself. All of these elements allow the instructor to introduce the topic of social class into the classroom. Then, once the subject has been introduced, the issue may be picked up as it becomes relevant, and also can be tied into overarching questions about inequality in bargaining power.

II. Social Class in the Contracts Course

After one begins to focus on the issue of social class, it rapidly becomes apparent that the class issues appear in many of the cases commonly used to teach first year students contracts. With a critical eye, one can find a great deal about socioeconomic class in the pages of the typical contracts casebook.22 Al-

---


22. In her well-known book, Mary Joe Frug looked carefully at what “stories” the contracts casebook was telling about the social roles of women. See MARY JOE FRUG, Postmodern Legal Feminism (1992). Since then, other commentators have examined other casebooks for similar messages. See, e.g., Ann Althouse, The Lying Woman, the Devious Prostitute, and Other Stories from the Evidence Casebook, 88 NW. U. L. REV. 914 (1994). The casebook that I have typically used to teach contracts, Randy Barnett, Contracts: Cases and Doctrine, is focused almost exclusively
though I cannot hope to be comprehensive in a brief essay, below I discuss several of the "casebook classics" that present social class issues: In re Baby M,\textsuperscript{23} Hamer v. Sidway,\textsuperscript{24} Vokes v. Arthur Murray, Inc.,\textsuperscript{25} and Williams v. Walker Thomas Furniture Co.\textsuperscript{26}

Given that I use the Barnett book to teach contracts, the issue of socioeconomic class is addressed at the start, in the Baby M case.\textsuperscript{27} Carol Sanger has written about the ways in which she uses this case to teach not just contracts that violate public policy, but to hint at some of the "shadows" in the case, including her admonition to the class that there are some items that are simply not for sale, including sex and votes.\textsuperscript{28} The Baby M court itself warned of the issue of class, in stating that "it is clear to us that it is unlikely that surrogate mothers will be as proportionally numerous among those women in the top twenty percent income bracket as among those in the bottom twenty percent."\textsuperscript{29}

In essence, the New Jersey Supreme Court was not only concerned with the commodification of children and the use of money in the adoption laws, but also the social class of the parties involved. Examining the social position of the surrogate mother, the court stated that "[at] the time of trial, the [surrogate's] net assets were probably negative . . . [while the infertile couple] are both professionals, she a medical doctor, he a biochemist."\textsuperscript{30} This idea of taking advantage of a particular group or class of women made the court pause in using the power of

\textsuperscript{23} 537 A.2d 1227 (N.J. 1988).
\textsuperscript{24} 27 N.E. 256 (N.Y. 1891).
\textsuperscript{25} 212 So. 2d 906 (Fla. Dist. Ct. App. 1968).
\textsuperscript{26} 198 A.2d 914 (D.C. 1964).
\textsuperscript{27} In re Baby M, 537 A.2d 1227.
\textsuperscript{28} Carol Sanger, (Baby) M is for the Many Things: Why I Start with Baby M, 44 St. Louis U. L.J. 1443, 1448 (Fall 2000).
\textsuperscript{29} In re Baby M, 537 A.2d at 1249. Interestingly, the court cites to Margaret Radin, Market Inalienability, 100 Harv. L. Rev. 1849, 1930 (1987), in order to discuss this class division in surrogacy contracts.
\textsuperscript{30} In re Baby M, 537 A.2d at 1249.
the state to enforce the surrogacy contract, and ultimately the court refused to do so. 31

Socioeconomic status appears again in Hamer v. Sidway, a casebook classic involving a nephew's promise to his uncle not to smoke, drink or play cards. 32 While the case is used to explain the doctrine of consideration, and whether forbearance constitutes adequate consideration (after reading the case, we find out that it does), there is also an intriguing class dimension present in the facts. Uncle William notices his namesake nephew, Willie, rapidly turning into a reprobate. 33 Uncle William promises to pay his nephew $5,000 if he gives up the habits ruining his health and threatening his morals (the modern day equivalent would be close to $100,000). 34 Nephew Willie carries through with his promise to abstain from such deleterious behaviors, but when it is time for Uncle William to pay, he sends Nephew Willie a letter confirming his promise, yet pushing off his obligation to pay, a portion of which is excerpted below:

I would hate very much to have you start out in some adventure that you thought all right and lose this money in one year. The first five thousand dollars that I got together cost me a heap of hard work. You would hardly believe me when I tell you that to obtain this I shoveled a jack-plane many a day, butchered three or four years, then came to this city, and, after three months' perseverance, I obtained a situation in a grocery store. I opened this store early, closed late, slept in the fourth story of the building in a room 30 by 40 feet, and not a human being in the building but myself. All this I done to live as cheap as I could to save something. I don't want you to take up with this kind of fare. I was here in the cholera season of '49 and '52, and the deaths averaged 80 to 125 daily and plenty of smallpox. I wanted to go home, but Mr. Fisk, the gentleman I was working for, told me, if I left then, after it got healthy he probably would not want me. I stayed. All the money I have saved I know just how I got it. It did not come to me in any mysterious way, and the reason I speak of this is that

31. Id.
33. Id.
34. Id.
money got in this way stops longer with a fellow that gets it with hard knocks than it does when he finds it.\textsuperscript{35}

Why is getting his nephew to abstain from alcohol and gambling important enough to spend the modern day equivalent of approximately $100,000? Uncle William essentially wants his nephew to “change” his socio-economic class, or at least adopt the mindset of a more frugal class background that (at least from the tone of the letter) he is more comfortable and familiar with. From a larger perspective, this opens up a larger question. What do the students think about such a promise? How do they feel about intrafamilial promises and donative transfers of wealth?

Yet another case that raises issues of social class is the casebook classic, \textit{Vokes v. Arthur Murray, Inc.}\textsuperscript{36} The \textit{Vokes} case involves a fifty-one year old widow who begins to take dance lessons.\textsuperscript{37} She continues signing up for lessons and competitions over a period of time, apparently induced to do so by flattery from her dance instructor. In the face of mounting bills ($30,000 in dance lessons), the widow attempts to avoid the contract on the basis of misrepresentation, and the court allows her to go forward with her case.\textsuperscript{38}

The opinion is written in a style that is somewhat patronizing and, from time to time, patently condescending. The class usually comes to the conclusion that the opinion was influenced by a view of women, even wealthy older women, as being economically helpless. I ask the class to imagine that the gender had been reversed; if it had been a wealthy businessman who had been sold thousands of hours of lessons, would the court have been so willing to step in and protect him from his own bargain? Why or why not? How much of the outcome of the case involves the interplay of social class and gender roles?

Last, but by no means least, is the well-known case, \textit{Williams v. Walker-Thomas Furniture Co.}\textsuperscript{39} The case is typically used to introduce the students to the doctrine of unconscionability. The protagonist is a welfare mother who, because of the

\textsuperscript{35.} \textit{Id.}
\textsuperscript{37.} \textit{Id.}
\textsuperscript{38.} \textit{Id.}
\textsuperscript{39.} \textit{Williams v. Walker-Thomas Furniture Co., 198 A.2d 914 (D.C. 1964).}
cash- and credit-strapped neighborhood in which she lives, must purchase a stereo on extremely harsh terms, including a cross-collateralization clause. Many commentators have discussed the role that race, gender and social class play in this opinion. Another commentator has suggested that using the case in the contracts class may serve to reinforce stereotypes about African American women, women on welfare or women in general, and suggests that professors use another case to teach the doctrine.

I find this to be an intriguing debate, in part because I originally taught the Williams case as a beginning professor at Cumberland Law School, located in Birmingham, Alabama. Even though the case was (and is) controversial, I decided to take a risk and to discuss it. The results were somewhat surprising, given the controversial nature of race, racism and racial identification in the southern United States, as the discussion almost entirely ignored race and instead focused on social class.

The students seemed fixated with Williams' budgeting skills (or lack thereof) and questioned her purchase of a stereo, as opposed to a washing machine, kitchen appliances or other household items that might be considered more “necessary” because of the presence of children in her family. One student in particular attacked Williams' decision to sign the cross-collateralization clause, and emphasized that it was something that “only poor people would do.” In response to questioning from me as well as other students in the class, it became clear that the student who had volunteered that comment equated being poor with being ignorant, and failing to read or understand one's rights. In essence, only poor people would sign a cross-collateralization clause. This was especially interesting because most people, not just people from a lower class back-

40. Id.
42. See Amy Hilsman Kastely, Deborah Waire Post, Sharon Kang Hom & Nancy Ota, Contacting Law (4th ed. 2006) (using a case other than Williams v. Walker-Thomas Furniture Co. in order to not reinforce stereotypes).
ground, fail to read form contracts. In fact, due to bounded rationality, and the length of form contracts, in many instances it does not make sense to read all of the fine print carefully.\footnote{See, e.g., Todd D. Rakoff, Contracts of Adhesion: An Essay in Reconstruction, 96 Harv. L. Rev. 1173 (1983) (discussing how, despite a duty to read, very few actually read the boilerplate in form contracts).}

Although the Williams case is in some senses hopelessly controversial, in another sense it may be valuable to have a case that does open the door to such an upfront discussion of social class. In response to that student comment, many students weighed in to say that the phenomenon of not reading fine print is certainly not just something that “only poor people would do.” Other students took umbrage with the comment because it implied that no one in law school had ever been poor—and these were students who had come from homes where money was not plentiful, and at the same time certainly were not ignorant.

Depending on the casebook that one uses, there are also other cases and examples that one may use to engage the issue of social class. One such case is Ricketts v. Scothorn,\footnote{Ricketts v. Scothorn, 77 N.W. 365 (Neb. 1898).} in which a grandfather promises his granddaughter that he wants to make her a gift so that she no longer has to work (again, implicating class and gender roles in the early twentieth century).\footnote{Interestingly, many of these cases also involve gender—a woman protagonist who fits into a certain role or a certain class. These cases are interesting because they illuminate the intersection of class and gender, and in the instance of Williams v. Walker-Thomas Furniture Co., they also implicate race issues as well.} Another casebook example is found in Feinberg v. Pfeiffer Co.,\footnote{Feinberg v. Pfeiffer Co., 322 S.W.2d 163 (Mo. Ct. App. 1959).} which involves the repudiation of an obligation to provide a pension (for a working class woman who had been employed with the company for forty years). There are other ways of engaging the issue beyond the doctrine, however. For example, Professor Ian Ayres has written about the differential negotiating results obtained when men and women of different races attempt to buy cars, a fertile ground for discussion of gender, race and class issues.\footnote{See Ian Ayres, Pervasive Prejudice?: Unconventional Evidence of Race and Gender Discrimination (2001).} Other commentators have written about trying
to live on minimum wage, or about the unconscionable clauses that are sometimes including in payday loan contracts or in terms of the financing offered to those serving in the armed forces. All of these examples can be used to initiate the discussion of social class; this initiation often leads students to think about their own class backgrounds.

III. Social Class Among Law Students

Typically the question of "social class" or "social standing" arise around the question of (relative) economic wealth. One would think that the same indicia of wealth—and the American focus on conspicuous consumption—that many of these types of class differences run through different levels of school and can be easily ascertained merely by looking at the designer clothes that many students wear (perhaps another shadow of Lucy, Lady Duff-Gordon's enduring fashion legacy). Another (very non-scientific) survey of social class would involve a cursory glance around the student parking lot. Many of these law school class issues depend on whether one teaches at a state sponsored law school, at a private law school, or the school's geographic location. Of course, the applicant pool and the subsequent admissions process are the most important factor in determining the composition of the student body.

But perhaps the major "class" difference between those in law school has little to do with economics. Rather the major "class divide" is a question of whether the student has an attorney—or perhaps more than one attorney—in his or her family. Those students who come from "legal" backgrounds have significant advantages. For example, students who come from "legal" backgrounds come to law school as "informed consumers"—knowing more about the costs, benefits and various areas of legal practice as opposed to their peers. They may know which areas of practice to avoid (ones that either result in less remuneration or perhaps the areas of practice that some would see as more demanding or stressful). These students may also know

which positions to seek out—such as judicial clerkships—because they are prestigious, even though they do not pay as well as private practice—the investment in one's career is worth more in the long term.

Further, the students from attorney families may have their employment situations settled well before their matriculation. Legal parents often have had a practice in need of a junior attorney and they are eager to bring their child into the family business. When I have encountered students who have these opportunities, they have expressed that they are not particularly concerned with their grades. Not having to worry about finances, a job or grades are a significant advantage over their peers, without even going into the advising and mentoring role that a friend of the family can play in easing the transition into law school and navigating the inevitable issues that come up during one's time as a law student.

IV. Concluding Thoughts: Social Class in the Classroom

Social class may be an especially important subject to introduce into the contracts course (as opposed to other first year courses) for two reasons. First, contracts, more than other courses (with perhaps the notable exception of property) concerns exchanges and monetary transactions explicitly. Money, consideration, value, deals and bargaining are part of the standard language of "contracts talk." Second, the fact that contracts may be a fairly rigid doctrine in policing existing divisions can mean that it is even more vital to raise questions of social class in the contracts course rather than anywhere else.

On a more concrete level, thinking about social class ensures that we strive for the best in the provision of legal education. Are we giving examples that seem to fit the background of a certain group? Are we keeping in mind that students come from a variety of racial, ethnic and class backgrounds? Are we being sensitive to the fact that many students are constrained in the types of work and areas of law that they may practice?50

50. See Dorothy E. Finnegan, Raising and Leveling the Bar: Standards, Access, and the YMCA Evening Law Schools, 1890-1940, 55 J. LEGAL EDUC. 208
All of these are questions that we should try to answer, as we try to provide a legal education that is available and accessible to students of diverse backgrounds.