1-1-1931

Book Review: Estatification: The Legal and Political Problem of Corporate Unity Psychologically Regarded

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the least, the proposed restatement of international law is entirely unsuccessful. Moreover, the attempt seems to give the impression that the attainments of the social sciences in general, and the Science of Law and International Law in particular, have been simply brushed aside as "predetermined principles" and the exposition reduced into an arbitrary process of ideas, assumptions and purely dialectical constructions. The result is that the treatment is entirely devoid of penetration and frequently resolves itself into mere scholastic verbosity. The ideas of the author exhibit striking instability which, coupled with a weakness for coinage of terms, render the terminology uncertain and thus add to the confusion.

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These two pamphlets by one of His Majesty's Counsel, Chancellor of the Dioceses of Liverpool and Bristol and Judge of County Courts, represent respectively efforts to penetrate the psychological mystery of what has proved to be one of the most baffling of legal institutions, the corporation, and to account for the modern concept of the State. The first essay was the presidential address to the Society of Public Teachers of Law in England and Wales in 1929. The second was originally published in the Law Quarterly Review in 1923.

In his treatment of and development of the idea of "estatification," the author is not so much concerned with the corporation alone, as with the function of cooperation for definite purposes, of which the corporation represents a common instance. He regards the problem as one of the fundamental ones involved in any adequate theory of law. Before such a theory can be developed, there must be an attack upon the problem of corporate life and action prior to and independent of that form of cooperation which imposes sanctions. And this task must be undertaken, as a problem of analytical psychology.

The psychological approach in this effort is through Ward. The sociological avenue is through von Jhering. The author abandons the notion of the corporation as a person. It does not have the characteristics of personality, except in the arbitrary legal sense. Further it is not a helpful idea to think of it as an incorporation of persons. Rather, it represents, as do all cooperative enterprises, an integration of many interests.

The integration of definite types of interests of many persons, the author seeks to elaborate. He conceives of the process itself as one whereby a great many persons' interests are unified into an "articulate whole" in terms of type. This scheme he calls "statifica-
tion." As applied to the State, it corresponds to Aristotle's πολειτεία. The structural result of this process will be an "estatification." The concrete interests of many persons, thus integrated, is an "estate." It will be seen that applied to the corporation this view regards the shareholders as persons who have "estatified" certain definite interests and have thus created an "estate" quite distinct from any other interests or property which they might possess.

But the rather vague and comprehensive use of the idea of interest calls for analysis and it is psychologically made. "Interest" is regarded as any idea which is an incentive to action on the part of the individual. It thus represents a more or less explicit valuation by selection of certain bits of experience as the basis of anticipation which in turn becomes the wellspring of activity.

Here, in crude outline are the fundamentals of the author's elaboration of "estatification." It is a thoroughly modern idea and grows quite plausibly out of modern interpretations of human experience. There is, of course, the objection of new words and for very obvious reasons corporation lawyers and United States senators are not likely to begin to talk about the "estatification" of interests which they represent. The essay is, however, in the judgment of this reviewer, a genuine contribution to modern juristic literature.

In "The Word 'State'," the orthodox view of the derivation of "state" from the status of the fifteenth century, meaning the constitution or established order, is regarded as doubtful, in view of the more or less constant use of status from Cicero to Erasmus in association with respublica, but never without application to respublica to designate the State. Frequent translations of Machiavelli's stato by imperium, principatus, etc., but never by status detract from the view entertained by Jellinek and render very dubious the current explanation of the origin of our word State.

The theory proposed is that stato (State) derives largely from lo stato del Principe, estate of a prince, later to be transferred to any sovereign power. The mediaeval use of status as rank, office, power, as officers and governors, as the trappings and perquisites of office, as territorial and property rights accompanying dominium (Machiavelli regards State as a type of dominio), and finally in "The Prince" almost as government itself, is all supported by a number of references and illustrations.

To support his theory of the last mentioned significance of stato, some curious and rather convincing evidence is presented. The author finds an inscription on Lorenzetti's fresco at Siena (circa 1339) referring to the virtues necessary for the signor properly to govern suo stato. Another fourteenth century writer (Legnano) refers to Italicus losing totum statum suum, although a duke lost toute la douchie and civias Italica was simply tyrannice occupata. The author's theory is that Machiavelli generalized the use of stato to include all three situations and that he thus laid the basis for the modern concept of the State.
After tracing somewhat the use of the word after the fourteenth century in France, England, and Germany, the generalization follows that our modern state, with of course collateral influences from various sources, is predominantly the proprietary stato of the Italian tyrant, gradually taking on its political connotation since the fifteenth century. Thus the philological connection between the modern "estate" and "State" is suggested. At the same time the etymological ingenuity of the author's "estatification" is afforded a plausible basis.

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