strated that students take the rankings as anything close to gospel.

A common criticism of the rankings from law teachers and deans is that the methodology is flawed. This point was emphasised by the 1998 AALS study. The academic reputation portion of the rankings has probably received the most criticism, perhaps because it carries the greatest weight. The reputation score, critics charge, artificially inflates differences between schools that, in reality, have equally strong programs. AALS is probably correct in many of its assertions concerning the US News method for determining law school reputation. But even if these criticisms are valid, the US News rankings are nonetheless important. Reputation is based on perception, not reality, and that is a true for institutions as it is for individuals. The reputation rankings may indeed short-change some excellent schools that are relatively unknown. And they may make other schools look far better than they should because they happen to be associated with large universities or have well-known graduates or have been in existence for a long time. But when all is said and done, the rankings roughly correspond to the way both practising attorneys and law teacher perceive certain schools. That perception, however unfair, will have a huge influence on a student's job prospects.

Faculty, even those at lower-tier schools, are no less elitist than other legal employers. Although law schools are fond of advising applicants to pick the school that is best for them, law school attended is unquestionably a factor in faculty hiring. It is more than moderately hypocritical for deans and law teachers to assert that the US News rankings are unfair, while at the same time making law school attended a major criterion when screening prospective faculty.

Law school deans suggest students consider such things as the alumni network, location, loan repayment assistance, public interest programs, writing instruction, skills instruction, class size, externships, diversity, faculty expertise, research opportunities, interdisciplinary programs, part-time enrolment options, and cost. But exactly how is an applicant supposed to go about gathering information on criteria such as teaching quality, student satisfaction, or strength of the alumni network? Students can certainly find out about the existence of clinical programs or interdisciplinary programs or externships, but how can they determine whether the clinical programs are well taught or whether they will have a good chance at getting that great externship if they apply for it. The way a program looks on paper and the way it works in reality may be very different.

It is true, then, that the rankings fail to consider many important things. But it is often extremely difficult to get unvarnished and reliable information on many of these criteria, and law school applicants, understandably, want to look at some of the factors about which reliable and objective information is available (e.g. student-faculty ratio). US News helps students compare different schools by ranking them on the basis of such factors. The US News ranking serves an important and valuable function for students and helps promote accountability among law schools. Criticisms of the rankings ignore how applicants actually use the information provided and fail to substantiate their claims with concrete examples where the rankings have harmed either law schools or applicants.

Law schools must begin to offer applicants a constructive and beneficial alternative to US News. They should treat applicants as people who are about to enter a professional career and provide them with complete and accurate information to enable them to decide if that school is right for them. This means that law schools need to discuss their weaknesses as well as their strengths.

One relatively inexpensive way to implement this idea might be to have a website with a section for each school maintained by LSAC or another stakeholder in the law school admissions process. Law schools also need to disclose in a clear and concise format important information, such as the average debt load upon graduation, the kinds of careers students tend to pursue after graduation, alumni satisfaction with the school, career opportunities for those not in the top quarter, mentoring and opportunities to get to know faculty and so on.

Finally, although there is scant evidence that the rankings are serving as gospel, the rankings debate highlights the need for a better understanding of how applicants choose a law school. What information do they use? Where do they get their information? How do they use the information they have obtained? And law schools need to evaluate what additional information could be useful to prospective students. Students are not going to stop using the US News rankings until law schools start to meet their ethical responsibility to provide applicants with meaningful information in a convenient format.

INDIVIDUAL SUBJECTS/ AREAS OF LAW

Corporate social responsibility: There's a forest in those trees: Teaching about the role of corporations in society
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34 *Georgia L Rev,* 2000, p 1011ff

Corporate law is primarily about the relationships among shareholders, boards of directors, managers and, occasionally, bondholders and other creditors. Questions surrounding the role of corporations in society arise only at the periphery of the dominant narratives of corporate law, if at all. It

is not surprising, therefore, that typical courses in corporate law, and the basic texts used to teach them, rarely pause for any meaningful length of time to consider, broadly, the position of the corporation within society at large, or narrowly, the relationship between the corporation and the workers. Inattention to these issues is curious. Not only is corporate law understandable only within a social and political context, but, by any account, workers provide essential input to a corporation's productive activities and have much to do with the success or failure of the enterprise. Indeed, the theory of the firm — the theory explaining why corporations exist at all — depends centrally on certain notions about workers.

The typical corporate law course could afford to spend less time on the 'trees' of corporate law doctrine; details of agency law, organisational form, financial structure, shareholder rights, management's duties of care and loyalty and federal securities law. The basic corporate law course, instead, should spend more time on the 'forest' of corporate law, namely the question of the role of corporations in society.

Without such coverage, our courses fail to address an obvious point: while the corporation is a hugely important and successful engine of wealth creation, it can also be an amoral behemoth that fouls the environment, worsens political and economic inequalities and takes advantage of horrible injustices for its own financial gain. Without such coverage it is impossible to encourage our students to ask whether society as a whole would be better off if the law of the corporation or, more fundamentally, the nature of the corporation itself, was significantly, if not radically, changed.

Income inequality is worsening and stands at historically high levels. The wealthiest one percent of the United States population has thirty-nine percent of the nation's personal wealth. This is more than the poorest ninety-five percent of Americans combined. Since the early 1980s the richest one percent has seen its share grow from less than thirty-four percent of the nation's wealth to over thirty-nine percent. These economic trends occur in a context in which Wall Street praises companies that cut jobs, because cuts are seen as evidence that the management is slashing unnecessary costs.

These statistics reveal significant flaws in our economic system. It is not enough, however, to discuss these flaws in the context of undergraduate macroeconomics classes or law school poverty law seminars. Corporate law is a key part of an economic system. Corporate lawyers and corporate law professors should be participants in the discussion of how to remedy that system's flaws.

Any discussion about the inequality between the rich and the poor in the United States is incomplete without recognising that corporate law's emphasis on profit maximisation requires companies, to the extent possible, to transfer surplus from labour to capital. Discussions about the decline of workers' wages are similarly incomplete without exploring how the more powerful party in employment negotiations (the employer) has the legal ability to use that power to exact concessions from the weaker party (the worker).

We could encourage our students to look at the other models available. Other advanced countries are more rigorous in regulating even the internal affairs of corporations, and it would be worthwhile to educate our students about, say, German co-determination. It would also be worthwhile to remind our students that other advanced countries do a better job than we do at reducing poverty and lessening inequality between the rich and the poor, and that other advanced countries pay their workers more and their CEOs less (about half as much). Students might be surprised to hear that the United States has the highest overall poverty rate among the sixteen advanced economies in a recent study. Our students also might be reminded that we do not necessarily have to look toward other countries. Maybe we would choose to focus less on gross national product growth or profit increases, and focus more on those ultimate goods that are supposedly gained with that wealth.

So the central question for corporate law scholars in the new century is this: are there ways to make the economy more fair and just without ruining the great engine of commerce and wealth creation that is the corporation? Corporate law should be a key element of the discussion, and corporate law academics need to join it.

We must be willing to rethink the fundamental questions surrounding shareholder supremacy and the corporation's duties to other stakeholders. Why are shareholders deemed to be the sole owners of the corporation? To be sure, shareholders own their shares. But bondholders own their bonds, suppliers own their inventory and workers own their labour. To say that shareholders are the only owners is to say that there is something inherent in the act of contributing money to buy shares that distinguishes that act from the act of contributing money to buy bonds issued by the company, contributing raw materials to be refined by the company or contributing labour to be used by the company. If workers are considered to be part of the corporation, rather than factors of production or hired hands, our analysis of property rights changes. Thus, even if property rights are the touchstone for corporate law, workers could be seen as having recognisable property interests in the firm and in their jobs.