Securities and Exchange Commission Historical Society
Interview with Libbey Sussan
Conducted on August 14, 2003, by Irving Pollack

IP: I'm Irving Pollack and I am interviewing Libbey Sussan on August 14, 2003, in Washington, D.C., for the SEC Historical Society.

Libbey, the first thing that we probably should discuss is your background: your parents, your education, and how you came to go to the SEC.

LS: I am one of the rare natives born in Washington, D.C. I lived in Washington for most of my adult life. I went the usual channel through elementary school, business high school, worked in a law office, went to law school at night. Graduated, was admitted to the D.C. Bar. My parents came from overseas. My mother came from Romania at the age of six. My father came from Poland at the age of twenty-one or so.

My interest always has been in public service and doing things for other people, and this spelled out my work career. Our family was very much into doing volunteer work of all sorts. I worked in a private law office for three years, and at times I felt proud that I was able to accomplish, in the boss's absence, things of importance such as getting a re-hearing on a deportation case and things of that nature. I knew how to put in parts of the brief and waive oral hearing and things of that nature.

Way back in the '20s and '30s, there was a United States Civil Service ruling whereby members of a family who lived under the same roof could only have two people working for civil service. We were a large familyCI was the eldest of seven children. Also there were quota systems. The fact that I made a very high rating in the government exam put me on a waiting list so that people, say, from Wyoming or Kansas, would get appointed first regardless of their rating.

In any event, at the age of nineteen I went to work in the Immigration and Naturalization Service and stayed there till about 1943. The service was decentralized to Philadelphia, and I did not choose to move having married and had bought a home and so forth. I worked there doing service because I was able to handle correspondence and inquiries from public members of Congress and so forth, and I learned a lot about how laws are made, interpreted, and so forth. I resigned and worked in private industry in the early '40s. After a while I moved to Philadelphia. There I worked in the library system in an administrative capacity. I learned a lot there, too.

I wanted to come back to Washington, so in the late '50s I was reinstated from my previous career. I went to the SEC frankly because Tom Meeker and Mr. Sargent were neighbors of people I knew, and that is how I came to the SEC.

IP: Meeker was in the general counsel's office at the SEC? And Sargent was a commissionerCJim Sargent.

LS: Yes. Some of this probably can be deleted, but I'm just giving you what I recall.

IP: Where did you go to law school?

LS: National University. We had some terrific instructors, like Judge Barse was one I remember. There was a man by the name of Wheatley from Prince George's. I never forgot. If you asked him a question, he'd bother to go three flights up that old building, go in the library, and find it. And one thing I know he always said that interest follows a principle like the shadow follows the person.

IP: And now you went to the SEC because of your friends' neighbors. Did you know anything about the SEC before you went there?

LS: No.

IP: When you went there, what kind of a job did you start with?

LS: I started working for Mr. Pollack in the Office of Assistant General Counsel. I started at the bottom, I was just glad to get my foot in the door. I didn't care what they promised and what was on paper, because little by little Mr. Pollack was kind enough to initiate proceedings to see that my talents and ability and productivity were recognized.

IP: What year was this?

LS: September of '58. And I remember in 1960, we had an influx of many new young attorneys coming in. Paul Mason, Peter Morrison . . . a group came from Philadelphia. Pace Reich, Dick Pearl . . . I'm not trying to remember, but here they come back, because they were all young people coming in, and I had the opportunity to work with them and literally help them, which I did.

IP: What was your next position after your initial job?

LS: Then I went in 1966 to Trading and Exchanges as a complaint processor. We were getting much mail, and it was determined there would be a way of getting to the core of things and putting some order into utter chaos.

IP: Were you the head of that office?

LS: Then I became the head of the office. I also went, for instance, to the post office one day and had a conference to learn how did they handle their complaints. I wrote up a report about three pages and made some recommendations, some as to how the filing system could be developed differently so there'd be a flag that somebody was in trouble elsewhere.

I think we depended an awful lot in those days on human memory and people's interest in things because this was before the days of the computer. You had to have a certain amount of intellectual curiosity. You had to be orderly. You had to figure out what is

this person telling you and does it fit within the frame of what we have authority to do, because we were already getting complaints about people who were asked to invest in things, maybe like say radium or moondust, and we knew there was no law prohibiting anything like that or things that involve futures. Futures wasn't our business, but we knew that there were limitations as to what futures are dealt with, and we had to be able to also refer to the post office when we thought there was post office fraud involved.

IP: Who else in that office besides you?

LS: We gradually attracted a few more people, and then eventually Jim Foster came along. Later he became my supervisor. At one time I was his teacher and his instructor. He was very willing. Some of the other people went on to other jobs. I know I was in a way learning on the job being a manager, because after all, having to come from a teaching background, being a parent, being the oldest of seven children, I was used to giving orders and having things done a certain way. But in any event, it all worked out.

The part that also always interested me was the opportunity to give service to people who didn't know any better. We tried to tell them if something looks too good, something is wrong. You just don't go in for that.

Personally, I had no kind of investments of any kind. I always grew up with a high moral ethic, and that carried on even to my children. I may have known that somebody's doing research on something that's going to be maybe eventually interesting. But it was not for

me ever to carry a tale or tell a story because I felt we were in a very fiduciary relationship.

People called on the phone, people came in, people wrote letters, and through those letters, we developed many good cases. An example that I found is a press release involving a common name, like George Clark. There were many in the index with that name. But we developed it, worked on it, got more data, turned it over to enforcement people, and eventually something was done about it. This happened with many, many cases. Many cases did not reach the newspapers or anything of that sort.

But we were not immune from anonymous letters, too, and we always had to be sure that we knew who we were talking to and so forth. We got enough information or enough letters, sometimes from as far up as Anchorage, down to Mexico, maybe a ranch in someplace or other. People got letters, and they knew enough to write to us and tell us that they're in trouble, they have a problem. And there were many people who I can recall talking to in the morning on the other side of the country before they went to work to get more data to find out just what it was all about, so we had something to turn over to our enforcement people or to the people in the field.

IP: So what you did is you replied to correspondence you received, in some cases you would talk to the people . . .

LS: Yes. We thanked them for their interest.

IP: . . . and some people you would write to.

LS: Yes. And many times we tried to make people understandCgo and consult somebody you trust. A large part of the work at one time seemed to come from the inability of the brokerage houses, or maybe they just weren't interested, to fulfill their contracts. They'd fail to deliver, but they were supposed to deliver to the customers. People didn't know. I can remember a physician in New England placed an order with a broker for government bonds. Well, how can that be complicated? He could have done it some other way, but he didn't know, poor thing, and that's the way it was. And so sometimes it took merely a phone call to call the customer relations person in some of these companies. Not a single one, I'm afraid, remains today as I knew it in 1970. They all have other titles or whatever.

But we were able to recover a great deal of money in the way of bonds, dividends, or they didn't send in the order, they'd hold it, this, that and the other. Some maybe have a reason for it, maybe some didn't.

But in any event, I can remember I always enjoyed when I could make a report to someone to the effect that, say, in the last six months I was able to be instrumental in getting back to customers values perhaps of a hundred thousand dollars a month, and I was making them maybe a thousand dollars a month. I earned my keep, that's for sure.

And I know at one time I think it was Jim Foster had submitted some figures to somebody who was working on a budget to show that when you go to Congress to ask for more money, this is how we have to justify what we're doing for the people. I think I didn't take an adversarial view, I took the view I was trying to help the folks. And eventually there were other ways instituted so that the brokerage houses in the back room or wherever else . . . much of this is just coming back to me after thirty years. A lot of other things have happened in my life.

IP: You were in that unit for how long? Do you remember?

LS: Till '66. And then from '66 I was working again in trading and exchanges as Mr. Pollack's legal assistant. I had a very unique job there. I was able to codify, extract, make a synopsis, make a digest of any decisions literally anywhere that had to do with any angle of an SEC case. I would make the digest . . . particular items that ought to be called to Mr. Pollack's attention would get there. I would have this material placed on cards that we sent out to the regions. Most of the regions used them—they found it handy.

I do remember one time there was a man in New York. Why was the emphasis on criminal cases? He didn't have anything to do with criminal cases, because his people referred the cases to the U.S. Attorney or somebody, and you and I let him know that other people needed that angle.

It took a lot of judgment, it took a lot of time, it took a lot of knowledge. I had to read and think, what has this got to do with SEC in some manner. And that was very useful, I gather. Also at that time, we had many people come in who were coming from other organizations where they had been working as a result of reorganization or something. I remember there was Marty Robins came from Richmond. Another government agency had been decentralized down there. He was a big, tall fellow.

In today's paper I saw a familiar name. Who's assistant or associate in enforcement today? Newkirk.

IP: Was he there when you were there?

LS: Yes, he was there. And then there were some others. And of course Mr. Sporkin. That was interesting because he came in with a group of people I think when they had the special study. Milton Cohen—he was a good-natured fellow. I saw him a couple of years ago. I remember one of the first things he did when he came and Sporkin said, "Why can't we help this lady? A letter from Birmingham, Michigan, and look what she wrote." And I let him know that the law didn't give us authority to do that no matter how helpful we want to be and so forth. We did not have authority to do this, that, or the other.

It was a very interesting time because I was able also to help some of these other guys get into other work or to take away some of the things they were doing so there would not be duplication. I know that when Rossen was around, I was most helpful to him. When Ted Levine came in, I can just see where he was sitting and so forth. And then there were other people whose names I don't particularly remember anywhere, because I did have already a historical memoryCinstitutional memory.

I wasn't there when the SEC started, but I knew by that time how laws developed and about the hearings and how you have to implement the regulations and this sort of thing, and it was an evolving process. Then that was legal assistant work and it was unique. I was the only one because the job apparently was developed around what I was already doing from '66 to '69. And then in March of '69 I was changed to an enforcement assistant. This was interesting. I stayed there until I retired in December of '73.

IP: Who was your supervisor?

LS: In a measure, whoever it was in charge in enforcement, because my job was to review from the field their so-called quarterly progress reports. I can see them now. I learned, and after a while they caught on, too. But I was reading what they sent in, and whatever they sent in January, they did the same thing in March or June and added one line. That was not significant in any way. But you can't carry these cases forever. Do something

with them or send them a recommendation. And we had to send recommendations to the Commissioner to close or take action.

IP: And so your function was to review them and to what? Question the regional offices on the progress of the case?

LS: That's right, what they were doing. Are they sitting on it? But cases get too old and witnesses die [laughs], or maybe there's no case there and we don't have to pile up paper.

IP: Who would you file your report after you reviewed it with?

LS: I think it would go through whoever was in charge of enforcement then. I don't know whether . . . who was it.

IP: And you stayed in that job until . . .

LS: Until I decided to retire, because I had had by then thirty years of service altogether in the government, and I had the age requirement, whatever it was. And I felt that I was doing what I needed to do, but I should make room for somebody else.

IP: Was all this with the SEC?

LS: No. About fifteen in the immigration service roughly and fifteen at the SEC. So at that time thirty years, and I forget. I think I was approaching sixty-five, so I was entitled to retire. And as I said, I felt that other people needed jobs and they could just as well learn how to do whatever it was, because there were other things I wanted to do. Because in the interim, the previous May, my husband had passed away. That was an adjustment, but we made it. I had two children who were very supportive and were very helpful, and that was a big help, too.

And it's interesting that they, too, went into service, you might say, industries. My son spent literally all of his working years at the Federal Reserve System—thirty years of government service including when he was in the Army and so on, and he retired two years ago. He's kept himself pretty busy in various ways and that's just fine. I'm glad that he learned that he could take time out to smell the roses and that's very important.

IP: Let me ask you about your overall view of your work during the fifteen years at the SEC. How did you find the environment from a work point of view?

LS: The people were very caring, and it was a new experience for me to be in an environment that somehow wasn't rigid, because I had come from working in Philadelphia library for a lady who was very strong on discipline. You couldn't make a phone call, you couldn't do this or that and so forth. One of these things where her father was looking for a son. He was a banker, and here Margaret came along and she was a chief librarian and so forth.

So this was an entirely different atmosphere. If I didn't get there at nine on the dot, it was all right, because one thing, early on I was taken into Mr. Pollack's car pool and so I benefitted from all the people and their experiences who were there. So when we got there, we were there. If it couldn't be nine, it was soon after or whatever. I lived in Silver Spring. We had traffic problems then as much as we have today. It wasn't anything different or new.

But the people were very caringCall of themCand I'm not going to for the sake of privacy, I guess, talk about some people. But they all were caring, helpful, and to me it was sort of I guess today they would say you hang loose. We got the job done, and I certainly worked diligently. I was fascinated and interested with everything that was going on. Oh! Dan McCauley. He was a peach.

IP: What do you remember about Dan McCauley?

LS: He came from Philadelphia as I did. At one time I lived there, so that already made us kinfolk. [Laughs]

IP: Who else do you specifically remember and why do you remember them?

LS: Joe Levine. I met his widow a couple of years ago.

IP: And why do you recall him?

LS: He was very dedicated and very sincere. And Ted Zimmerman was another one with him at the time. These two fellows had gone to different theological academies, different faiths, and they went into law. And then there were some of the women there who were really very good and interesting, helpful. I still have contact with two women from SEC.

IP: Who are they?

LS: Ethylene Lewis, she worked for Dave Ferber, and Barbara Barrett, she worked for one of the Commissioners.

IP: Barbara was my secretary.

LS: That's right. And she went on. She is a terrific person. She's very spiritual. Nothing seems to bother her, and she's had a lot of difficulties. I don't know whether you want some of this on the record even. Like she was born when her mother was sixteen. She went to school in Indiana, got herself prepared, came to the SEC, worked. She had a husband who had one of those mining illnesses, because they lived in West Virginia, and it always worried him that he couldn't play football and so forth.

I know a lot about these people. To me, some of them of course were like my children in a way. Some of them probably have looked toward me like that. I know even my

daughter had fond memories of some of *their* children. I still remember Joan and Janet, your daughters. But Barbara was a terrific personCjust fine.

IP: Did you work with her when she was my secretary?

LS: I had contact with her, because when she first came in I . . .

IP: And Ethylene Lewis?

LS: I taught her. Ethylene worked for Mr. Ferber and later she went out, she came back, and she worked in personnel.

IP: Are there any other people that you recall fondly?

LS: That I'm in touch with. Others, sad to say, have passed away. Ethylene recently had a pacemaker. She's not in the best of shape. She's diabetic, but she still can drive twenty minutes at a time. She has a sense of humor about her, and that's fine.

IP: What is your overall impression of the work of the SEC during the fifteen years you were there?

LS: It was very important. We didn't get enough recognition; didn't have enough staff. That's for sure. Maybe some people didn't measure up. And then there were some very

dedicated people who worked in the files. Alola Curtis—I don't know what happened to her. She probably went back to Iowa. She was in charge of litigation and enforcement files.

And when Jim Foster came back from it must've been Korea, perhaps, in the '50s, he landed up there working in the files. He diligently read everything. He just didn't put it in the folder. And he got himself quite a background of information so that by the time he came to work with me with complaints and so forth, he knew the difference between different kinds of court actions.

There was another man there, very quiet, Paul Poole. He's a person of color. Paul Poole, and he worked with the files. Very quiet, low key, but he knew what was going on, and he was very good.

Then there was a young woman, must've been his stepdaughter, as I remember her first name, Gandy. And then there was another Gandy who was in broker dealer registration who was very good.

There were people in other divisions that maybe I didn't have that much contact with, but I had high regard for the people I worked with . . . and then being a notary, I often came in contact with all kinds of life cycle situations, even somebody who wanted to donate

her body to the university and things of that sort. And people who had personal difficulties, and sometimes it was a fine line.

But we managed, and off and on there were changes in viewpoint, how you approach matters, how you handle it, whatever, but I always respected the chain of command. There was somebody that I was responsible to, who in turn was responsible somewhere else. And then of course there were some nice ladies there like Molly Zion.

IP: What would you like to wind up the interview by saying?

LS: I'm glad for the opportunity to have been able to work with fine people. I have good memories of them. Some of them I kept in touch with—I tried to. I think there is still a lot to do. To me, whether it's securities or zoning laws, you have to have education. You have to teach people, and sometimes they don't want to learn, but you have to teach them. And then you have to let them know this is how it is, and if they would follow it, you wouldn't have so much need for enforcement.

I see that where I live. I'm in a small community of twenty thousand people in Fairfax County. Off and on we take part in their deliberations. They have a town council, and even if I don't go to some functions and my daughter Sara goes, they always want to know how I am, what I'm doing, because I can be articulate, too. And I feel if you're paying taxes, you have responsibilities. But if you want service, you've got to pay for it.

You're not going to get it for free. And as I said when I started, I guess service is the word. I have suggested that there might be some people around still that might be happy to contribute and maybe some effort should be made to get in touch with them before they're not around anymore.

Oh. There was Mary Jo Horn, worked for Robert Block. The last I knew, she was still playing tennis. She worked there for maybe forty or fifty years and then finally retired. She worked for Sheldon Rappaport and Marty Moskowitz who has since passed away.

IP: Well, it's very, very nice to have you give your recollections here. We congratulate you on your upcoming ninety-fifth birthday, and may you have many more to follow. Thank you very, very much.

[End of interview]

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