

Supreme Court of the United States
Washington, D. C. 20543

CHAMBERS OF
JUSTICE HARRY A. BLACKMUN

June 28, 1983

Re: No. 82-276 - Dirks v. SEC

Dear Lewis:

In response to the changes made in your third draft, I shall make the following changes in the dissent:

1. The opening paragraph of footnote 6 will be made to read:

"⁶The Court cites only a footnote in an SEC decision and Professor Brudney to support its rule. Ante, at 15-16. The footnote, however, merely identifies one result the securities laws are intended to prevent. It does not define the nature of the duty itself. See n. 9, infra. Professor Brudney's quoted statement ..."

2. I shall add the following to my footnote 14, immediately following "(1970)" on the fifth line:

"The Court also seems to embrace a variant of that extreme theory, which postulates that insider trading causes no harm at all to those who purchase from the insider. Ante, at 18, n. 27. Both the theory and its variant sit at the opposite end of the theoretical spectrum from the much maligned equality-of-information theory, and have never been adopted by Congress or ratified by this Court. See Langevoort, 70 Calif. L. Rev."

Apart from these changes, I am content.

Sincerely,



Justice Powell

cc: The Conference