

QUESTION 11 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK IV

On December 1, 2011, campaign consultant Paula Politico received a call in her Chicago office from Carl Charisma, a Michigan state senator with whom she had previously worked. Carl told Paula he intended to seek his party's nomination in 2012 for a seat in the U.S. House of Representatives. Because the incumbent was retiring and his probable opponents were relatively unknown, Carl felt confident that he would prevail in the August 7, 2012 primary.

Carl told Paula that he wanted to retain her to devote full time to managing his campaign, which would require that Paula move to Michigan for its duration. "After I win in November," said Carl, "I will hire you for a top staff position in my Washington office because of your political savvy." Paula told Carl that she was flattered and would be interested in working in Washington, but she was considering feelers from potential clients in other states. Carl therefore needed to make her an attractive offer for the whole election season if he wanted to lock up her services. Paula also reminded Carl that in her business, she earned the bulk of her income in even-numbered years.

Carl immediately told Paula that he would pay her the standard campaign management fee of \$15,000 per month through the November 6, 2012 general election, whether he won the primary or not. He also said that he was so confident of winning that he would pay Paula \$8,000 monthly during all of calendar year 2013, even if he lost the election and had to pay it personally.

Paula said: "I accept." The two ended their conversation by saying they would formalize their understanding later. However, Carl's campaign was soon in full swing, and they never got around to putting their agreement into writing. Meanwhile, as of January 1, 2012, Paula sublet her Chicago apartment for one year at a loss of \$1,000 per month and rented an apartment in Carl's district.

It turned out that Carl had been too optimistic. Despite Paula's exemplary work, a political newcomer edged him out in the primary. The next day, Paula said to Carl: "I'm sorry you lost, but I expect you to honor all of the commitments you made that led me to come to work for you." Carl replied: "Sorry, but you know can't afford to do that. Besides, why should I keep on paying you? There is nothing for you to do."

Can Paula expect to recover damages if she immediately sues Carl for breaking his promises? Explain your evaluation of whether Paula has a strong or weak case and how her recovery, if any, should be measured.

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