

Berkeley Fellows

March 17, 2008

Dear Berkeley Fellows:

This is to remind you that we will gather again next Monday, March 24. Drinks are served in the Fellows' Lounge (accessible from the basement of Berkeley's North Courtyard on Wall Street) from 5:30. Dinner will be at 6:30 in Berkeley's Swiss Room, and the talk will be in the Fellows' Lounge at 7:30.

It is a great pleasure to announce that our speaker is Shyam Sunder, the James L. Frank Professor of Accounting, Economics, and Finance at the Yale School of Management

Shyam, a world-renowned accounting theorist and experimental economist, and a Berkeley fellow, came to Yale in 1999, having previously taught at the University of Chicago and Carnegie Mellon University. He is the immediate Past President of the American Accounting Association. Shyam's research contributions have been about financial reporting, the dissemination of information in security markets, and the statistical theory of valuation and design of electronic markets. He is a pioneer in experimental finance and experimental macroeconomics, and has published five books and more than 150 articles in the leading journals of accounting, economics, and finance. His current work focuses in part on the structuring of U.S. and international financial institutions to obtain an efficient balance between regulatory oversight and market competition. He is also concerned with raising the quality of higher education and scholarship in India. His subject will be

“Enron and the Failures of Financial Reporting: A Revisionist Perspective on Public Policy”

The financial malfeasance and misrepresentations that led, in the wake of the dotcom bust, to the failures of Enron, WorldCom, and other major corporations have been widely reported. Many of the wrongdoers have been tried and punished. The underlying problems of corporate financial reporting, however, not only remain to be addressed but have also worsened. Attempts to write “clear” rules to improve corporate financial reporting have succeeded only in providing the unscrupulous with road maps for evasion. Corporate reporting has shifted from the domain of social norms and personal responsibility to endlessly detailed written rules that open more loopholes for generating misleading financial reports. Hundreds of billions of dollars of unexpected write-offs by financial institutions in the recent months and the resulting turmoil support the theory that the basic public policy problems in this fields remain to be addressed.

Please join us.

Walter Goffart
Executive Fellow