

Corporate governance in the new global economy

HARVARD LAW SCHOOL boasts what is, without a doubt, the world's greatest business law faculty. Not surprisingly, one of the most exciting aspects of our corporate renaissance is the diversity of viewpoints, strategies and approaches now represented. (This is, after all, HLS!)

During the past year alone, our professors have made headlines on issues ranging from executive compensation to shareholder rights to the Sarbanes-Oxley reforms—and as you'll read in this issue of the Bulletin, their work is reshaping our economic landscape in fundamental ways.

Another sign of our stature: For the past five years, HLS faculty members have accounted for nearly one-third of the articles appearing on a "top 10" list of corporate law and securities articles compiled annually by corporate law professors around the United States.

One high-profile figure on the corporate scene is Professor Lucian Bebchuk LL.M. '80 S.J.D. '84—director of our Program on Corporate Governance—who is now engaged in a multifront effort to strengthen shareholders' rights. Known for his rigorous empirical research—and for his incisive voice in *The New York Times*, *The Wall Street Journal* and other popular publications—Bebchuk has recently also embarked on a remarkable solo campaign to improve corporate governance. He is the world's most influential scholar on corporate governance issues, and I hope you enjoy this inside view of his endeavors.

The corporate scandals of the past five years—those at Enron, WorldCom and Tyco, to name just a few—have spurred major reforms, most notably the Sarbanes-Oxley Act (a brainchild of Sen. Paul Sarbanes '60). But have things gone too far? Professor Hal Scott says, "Yes." Scott—director of the Law School's eminent Program on International Financial Systems—believes that burdensome regulation and litigation have cost the United States its competitive edge among the world's capital markets. In an effort to turn the tide, he spearheaded formation of the Committee on Capi-

tal Markets Regulation, a blue-ribbon panel of business leaders and academics. The committee's report—whose contributors include Professors Allen Ferrell '95 and Reinier Kraakman—was prepared with a major assist from HLS students, and its recommendations are garnering substantial interest among our nation's policy-makers (including a number of prominent HLS alums).

And of course, our faculty continues to break new ground well beyond the business world. Assistant Professor Jeannie Suk '02—one of our most recent additions—argues that prosecutors' use of protective orders in domestic violence cases has sometimes resulted in "de facto divorces," against women's real interests. Faculty at our Berkman Center for Internet & Society are teaching students to think strategically about complex intellectual property cases. And Professors Terry Fisher '82 and David Kennedy '80 offer up a collection of the all-time great American law review articles. You'll learn about these projects—and more—in the following pages.

Also in this issue, we remember Professor Emeritus Richard Musgrave, a renowned political economist who died in January at the age of 96. Widely considered to be the founder of modern public finance, Musgrave was a mentor to generations of students. He leaves behind many admirers at HLS and will be deeply missed.

In corporate law—as in so many other fields—HLS professors are at the forefront of research and policy-making, shaping the ways we think about some of the world's most pressing issues. I'm immensely proud of all they've done—and of all they will do.



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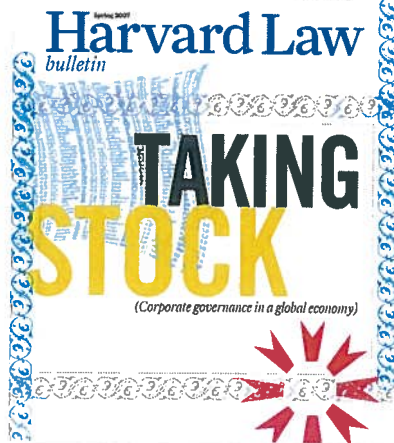
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