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**Ralph M. Parsons Professor of Law and Business Emeritus  
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**PERSONAL:**

**Born November 21, 1928  
Married, three children  
Residence: 610 Gerona Road, Stanford, California 94305-8453**

**EDUCATIONAL:**

**A.B., Economics, College of William and Mary, 1949  
M.A., Political Science, Princeton University, 1953  
LL.B., Stanford University, 1956**

**PROFESSIONAL:**

**1983 - Ralph M. Parsons Professor of Law and Business, Stanford Law School;  
Emeritus (1995)**

**1979 - Senior Research Fellow, Hoover Institution; emeritus (1995)**

**1972-83 Professor of Law, Stanford Law School**

**1968-72 Associate Professor of Law, Stanford Law School**

**1963-67 General Counsel, Federal Home Loan Bank Board, Washington, D.C.**

**1961-63 Chief Deputy Savings and Loan Commissioner, State of California**

**1956-61 Practice of law, New York City (Sullivan & Cromwell), and Los Angeles  
(Musick, Peeler & Garrett)**

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**1978 Visiting Professor, University of Chicago Law School**

1988 Visiting Professor, University of Pennsylvania Law School

2001 Fellow, American Academy in Berlin

#### **SUBJECTS TAUGHT:**

**Administrative Law, Business Associations I, Business Associations II, Private Firms, Public Regulation of Banking Institutions, Securities Regulation, Comparative Corporate Governance, Theory of Legal Sanctions and Incentives.**

#### **BOOKS:**

**Bankruptcy Not Bailout (coeditor with John Taylor), Hoover Press, Stanford (2012).**

**Ending Government Bailouts (coeditor with George Shultz and John Taylor), Hoover Press, Stanford (2010).**

**Economics of Corporation Law and Securities Regulation (coeditor with Richard Posner), Little, Brown and Company, Boston, Mass. (1980).**

**Retail Banking in the Electronic Age: The Law and Economics of Electronic Funds Transfer (coauthor with William Baxter and Paul Cootner), Allenheld, Osmun & Co., Montclair, New Jersey (1977).**

#### **ARTICLES AND PAPERS:**

**“Designing a Better Bankruptcy Resolution,” in M. Baily and J. Taylor, eds. Across the Great Divide: New Perspectives on the Financial Crisis (2014);**

**“A Guide to the Resolution of Failed Financial Institutions” (Feb. 2012); available at <http://ssrn.com/abstract=2018035>;**

**“Dodd Frank: Resolution or Expropriation?” (Sept. 2010); available at <http://ssrn.com/abstract=1673849>;**

**“The Financial Crisis: Causes and Lessons,” 22 J. App. Corp. Fin. 22 (Summer 2010); translated into Chinese: 20 Commercial Law Review (2011);**

**“Lessons from the Crisis,” Stanford Olin Working Paper 385 (Nov. 2009); available at <http://ssrn.com/abstract=1503631>; Institute for Law and Finance Working Paper No. 108, Goethe University Frankfurt (2009);**

**“Why Toxic Assets Are So Hard to Clean Up” (with John Taylor), Wall St. Journal, July 20, 2009, p. A13; reprinted in 2009 Hoover Digest 9 (Fall);**

**“The Role of Corporate Governance in Coping with Risk and Unknowns,”** in F. Diebold, N. Doherty and R. Herring, eds. **The Known, the Unknown and the Unknowable in Financial Risk Management** (2009); Stanford Olin Working Paper No. 356 (Apr. 2008); available at <http://ssrn.com/abstract=1116419>;

**“The International Competitiveness of U.S. Capital Markets”** (with F. Edwards), Statement of Financial Economists Roundtable, 19 **J. App. Corp. Fin.** 54 (2007);

**“Structured Products and ETFs – Comments,”** in Y. Fuchita and R. Litan, eds., **New Financial Instruments and Institutions** (2007);

**“Corporate Governance in the New Institutional Economics,”** in U. Bindseil, J. Haucap, and C. Wey, eds., **Institutions in Perspective** (2006);

**“Decision Cycling: Corporate Dilemma or Academic Frolic?,”** 162 **J. Inst. & Theor. Econ.** 76 (2006);

**“Taking Shareholder Protection Seriously? Corporate Governance in the U.S. and Germany”** (with T. Baums), 53 **Am. J. Comp. Law** 31 (Winter 2005), reprinted in 17 **J. App. Corp. Fin.** 44 (Fall 2005); Stanford Law and Economics Olin Working Paper No. 272 (Nov. 2003), ECGI-Law Working Paper No. 17/2003; translated into Chinese and Korean: **Reform of Chinese Corporate Law: International Observations**, X. Zhao, ed. (2007), and 8 **Korean J. of Sec. Law** 373-426 (2007);

**“Alternative corporate governance structures: The German 2-tier board,”** in **Corporate Governance: Implications for Financial Services Firms** (Fed. Res. Bank of Chicago 2003);

**“The Autonomous Board: Corporate Governance Reform?,”** 159 **J. Inst. & Theor. Econ.** 701 (2003);

**“What is Systemic Risk, and Do Bank Regulators Retard or Contribute to It?”** (with G. Kaufman), VII **Independent Review** 371-91 (2003); Olin Working Paper Series No. 211 (Jan. 2001); Working Paper No. 86, Center for Economic Research on Economic Development and Policy Reform (Jan. 2001);

**“What Role Is There for Independent Directors of Mutual Funds?,”** 2 **Vill. J.L. & Inv. Mgmt.** 1 (2000);

**“Comments on Regulating Mutual Fund Investor Knowledge,”** in **Restructuring Regulation and Financial Institutions**,” (J. Barth, D. Brumbaugh & G. Yago, eds., 2000);

**“Institutions of Corporate Governance: Implications for Korea,”** in **An Agenda for Economic Reform in Korea: International Perspectives** (K. Judd & Y. Lee, eds., 2000);

“What Are the Lessons from History?,” 156 J. Inst. & Theor. Econ. 207 (2000);

“Electronic Commerce Revisited,” 51 Stan. L. Rev. 1333 (1999);

“Corporate Governance and East Asia,” in Financial Markets and Development: The Crisis in Emerging Markets (A. Harwood, R. Litan & M. Pomerleano, eds., 1999);

“Institutions of Corporate Governance,” 155 J. Inst. & Theor. Econ. 3-13 (1999);

“Regulatory Competition in Banking,” in The Future of National Banking (Bankers Roundtable March 1998);

“The Role of Corporate Governance in South Korean Economic Reform,” 10 J. App. Corp. Fin. 8 (Winter 1998); reprinted in The Revolution in Corporate Finance (J. Stern & D. Chew, eds., 4<sup>th</sup> ed. 2003);

“Mutual Funds as an Alternative Banking System,” 154 J. Inst. & Theor. Econ. 86 (1998); Olin Working Paper Series No. 142 (May 1997);

“Insider Trading” and “Agency Costs and Corporate Governance,” in The New Palgrave Dictionary of Economics and The Law (P. Newman, ed., 1998); Olin Working Papers Series No. 138 (Oct. 1996);

“Social Treatment of Catastrophic Risk”, 12 J. Risk and Uncertainty 99 (1996);

“The Evolving Roles of Contract Law”, 152 J. Inst. & Theor. Econ. 55 (1996);

“The Use of Statistics in Judicial Decisions,” in K. Arrow, R. Cottle, C. Eaves & I. Olkin, eds., Education in a Research University (1996);

“Cartels as Ideological or Economic Phenomena,” 151 J. Inst. & Theor. Econ. 26 (1995);

“Bounded Rationality and Social Norms,” 150 J. Inst. & Theor. Econ. 315 (1994);

“Implementing FDICIA - An Interim Assessment,” in G. Kaufman and R. Litan, eds., Assessing Bank Reform (1993);

“CEO Performance, Board Types and Board Performance: A First Cut” (with A. Kleidon), in T. Baums, R. Buxbaum & K. Hopt, eds., Institutional Investors and Corporate Governance (1993); Olin Working Paper No. 101 (Dec. 1992);

“Responding to Collapse: Chilean Banking Legislation after 1983 - Comment,” in P. Brock, ed., If Texas Were Chile: A Primer on Banking Reform (1992);

“Banking Reform: Economic Propellants, Political Impediments” (with B. Weingast), Hoover Essays in Public Policy No. 34 (Sept. 1992); Ch. 2 in C. Stone and A. Zissu, eds.,

**Global Risk-Based Capital Regulations** (1993); Ch. 1 in G. Kaufman, ed., **Reforming Financial Institutions and Markets in the United States: A Progress Report** (1993);

“The New Institutional Economics Meets Law and Economics - Comments,” 149 **J. Inst. & Theor. Econ.** 92 (1993);

“Securitization, Risk and the Liquidity Problem in Banking - Comments,” in M. Klausner and L. White, eds., **Structural Change in Banking** (1993);

“Are the Barbarians After the Bondholders? Event Risk in Law, Fact and Fiction,” in 6 **J. Fin. Services Res.** 187-199 (June 1992); earlier version -- “The Law and Economics of Event Risk,” Olin Working Paper Series No. 62 (1990);

“A Political Logjam Still Blocks Banking Reform” (with D. Brumbaugh), 35 **Challenge** 35 (March/April 1992);

“Yet Another 'Quick Fix' for the S&L Mess,” **The Wall Street Journal**, April 3, 1992, p. A10, col. 4;

Contributor of three chapters to M. Bernstam and V. Aleksin, eds., **Reform Without Shock** (Moscow, Supreme Economic Council of the Russian Parliament, 1992) (in Russian);

“The Moral Hazard Hypothesis,” in R. Herring and A. Shah, eds., **Reforming the American Banking System** (1991);

“Banking and Antitrust: Limiting Industrial Ownership by Banks - Comment,” 147 **J. of Inst. and Theor. Econ.** 202 (1991);

“Never Again: The S&L Bailout Bill,” 45 **Bus. Law.** 1883 (June 1990); Essays in Public Policy No. 17, Hoover Institution (1990) (rev. 2d printing 1991); 26th Ann. Conf. on Bank Structure and Competition--Fed. Res. Bank of Chicago 368-402 (1991); Ch. 6 in G. Kaufman, ed., **Restructuring the American Financial System** 71-94 (1990); E. Furubotn and R. Richter, eds., **The Economics and Law of Banking Regulation** 33-56 (1990);

“Form, Substance, and Welfare Comparisons in the Analysis of Institutions - Comment,” 146 **J. of Inst. and Theor. Econ.** 24 (1990);

**Blueprint for Restructuring America's Financial Institutions**, Brookings Institution, Washington, D.C. (co-author) (1989);

“Scholarship in Banking Law,” 49 **Ohio State L.J.** 1183 (1989);

“Deposit Insurance and Bank Regulation: The Policy Choices,” 44 **Business Lawyer** 907 (May 1989); Olin Working Paper Series No. 46 (August 1988);

“Financial Restructuring--Where Do We Go From Here?,” in The Financial Services Industry in the Year 2000: Risk and Efficiency (FRB of Chi. 1989);

“Domestic Bank Regulation in a World of International Banking,” Ch. 4 in H. Vosgerau, ed., New Institutional Arrangements for the World Economy (1989); Olin Working Paper Series No. 35 (Sept. 1987);

“Contract Remedies: A Need for Better Efficiency Analysis - Comment,” 144 Journal of Institutional and Theoretical Economics 31 (1988);

“The Influence of Market Forces on Financial Regulation - Comments,” W. Haraf & R.M. Kushmeider, eds., Restructuring Banking and Financial Services in America (1988);

“The Defective Design of Federal Deposit Insurance,” 5 Contemporary Policy Issues 92 (Jan. 1987);

“Deposit Insurance -- The Appropriate Roles for State and Federal Governments,” 53 Brooklyn Law Review 27 (1987); Hoover Institution Reprint Series No. 93 (1987);

“Reflections on the Theory of the Firm,” 143 Journal of Institutional and Theoretical Economics 137 (1987);

“The Role of Preconceptions in Policy Analysis in Law: A Response to Fischel and Bradley,” 71 Cornell L. Rev. 299 (1986);

“European Steel Policy after World War II: Comment,” 142 Zeitschrift für die gesamte Staatswissenschaft 152 (March 1986);

“The Design of Retirement Plans,” 14 J. of Midwest Fin. Assoc. 11 (1985);

Review, R. McKenzie, ed., Constitutional Economics: Containing the economic powers of government (1984), 23 J. Econ. Lit. 1198 (1985);

“The Firm as Complex Institution,” 141 Zeitschrift für die gesamte Staatswissenschaft 76 (March 1985);

“Corporate Governance and the New Institutional Economics,” 140 Zeitschrift für die gesamte Staatswissenschaft 136 (March 1984);

“The Future of Bank Regulation,” Ch. 14 in J. Moore, ed., To Promote Prosperity: U.S. Domestic Policy in the Mid-1980s (1984);

“Corporation Law and the American Law Institute Corporate Governance Project,” 35 Stan. L. Rev. 927 (1983); Hoover Institution Reprint Series No. 67 (1984);

“Banking Regulation in Minnesota,” 1 Minn. Reg. News 2 (Mar. 1984);

“Thrift Institutions in a Changing World,” 18 Stan. Law. Rev. 11 (Fall 1983);

“Licensing - By Choice, Chance or Chicanery?,” 35 Admin. L. Rev. 37 (1983);

“Legal Aspects of the New Financial Services Environment,” in Strategic Planning for Economic and Technological Change in the Financial Services Industry (Federal Home Loan Bank of San Francisco 1983);

“The Role of Economic Analysis in Legal Education: Commentary,” 33 J. Legal Ed. 285 (1983);

“Regulation - The First Year - Financial Institutions,” 6 Regulation 32-34 (Jan./Feb. 1982);

“The Uncertain Course of Bank Deregulation,” 5 Regulation 40-45 (May/June 1981); reprinted from Proceedings of the Berkeley Business School Colloquium, “The Deregulation of Depository Institutions” (1981);

“Insider Trading: Rule 10b-5, Disclosure and Corporate Privacy,” 9 J. Legal Studies 801-18 (1980), reprinted in R. Romano, Foundations of Corporate Law (Oxford 1993 and 2010);

“The Patchwork Quilt: State and Federal Roles in Bank Regulation,” 32 Stan. L. Rev. 687-742 (1980);

“Interrelationships Between Federal and State Bank Regulatory Statutes” in L. Lapidus and others, State and Federal Regulation of Commercial Banks, v. 1, pp. 139-97 (FDIC, 1980);

“The Dual Banking System: A Model of Competition in Regulation,” 30 Stan. L. Rev. 1-50 (1977), reprinted in Hearings on the Federal Bank Commission Act of 1977, Senate Committee on Banking, 95th Cong. 1st Session 364 (1977), and as Chapter One in Issues in Financial Regulation (F. Edwards ed. 1979);

“In Quest of Reason: The Licensing Decisions of the Federal Banking Agencies,” 42 U. Chi. L. Rev. 235-98 (1975), reprinted in Compendium of Major Issues in Banking Regulation, Senate Committee on Banking, 94th Cong., 1st Sess., 42 (May 1975);

“Two Models of the Civil Process,” 27 Stan. L. Rev. 937-50 (1975), reprinted in 4 Class Action Reports 51 (1975);

“Standing in the Supreme Court,” 86 Harv. L. Rev. 645-92 (1973); reprinted in R. Cover and O. Fiss, The Structure of Procedure (Foundation Press 1979), and A. Ogus and C. Veljanovski, Readings in the Economics of Law and Regulation (Oxford 1984);

“Risk and Regulation in Banking,” 23 Stan. L. Rev. 857-902 (1971) (with T. Mayer);

“Fears and Phobias: Management Liability and Insurance in Thrift Institutions,” 88 Banking L. J. 124-51 (1971);

**“Savings Association Directors and Officers: Liability, Indemnification and Insurance,” 36 Legal Bulletin 115-35 (1970);**

**Review; Cary, “Politics and the Regulatory Agencies,” 20 Stan. L. Rev. 608-10 (1968);**

**“Some Answers to Account Insurance Problems,” 23 Bus. Law. 493- 509 (1968);**

**“Some Problems of Insurance of Accounts in Financial Institutions,” 20 Bus. Law. 399-409 (1965).**

**HONORARY AND PROFESSIONAL SOCIETIES:**

**Shadow Financial Regulatory Committee, Member (1985-present)**

**Financial Economists Roundtable, Member (1993-present)**

**National Center on Financial Services, University of California at Berkeley, Management Committee, Member (1984-91)**

**State Bar of California, Financial Institutions Committee, Member (1986-90; 1995-present)**

**American Bar Association, Administrative Law Section: Chairman, Banking Committee (1973-75), Council Member (1979-82)**

**Phi Beta Kappa**

**Order of the Coif**

**SELECTED CONSULTING:**

**2009 Waseda Law School (Tokyo): Transnational Program**

**2008 Taiwan: Academy of Banking and Finance**

**2007 Hedge Fund Resource Center: policy report**

**2006 Committee on Capital Markets Regulation: preemption**

**2006 China: International Summit of Company Law Reform**

**2005-07 NASD (FINRA): ATC advisory group**

**1999 World Bank: corporate governance**

**1997 FDIC/RTC: ACE arbitration**

**1994 Bank of America: competition in credit card and deposit accounts**



- 1993 Board of Governors of the Federal Reserve System: bank merger policy**
- 1992 Office of Thrift Supervision: policy issues**
- 1990-91 U.S. General Accounting Office: report, legislation and testimony on deposit insurance reform**
- 1990 Resolution Trust Corporation: review of FSLIC 1988 deals**
- 1989 Bank of New Zealand: problem loans**
- 1988 Sutherland, Asbill & Brennan: PULSE arbitration**
- 1986 Board of Governors of Federal Reserve System: Glass-Steagall applications**
- 1986 Comptroller of the Currency: litigation**
- 1983 Federal Deposit Insurance Corporation: deposit insurance system**
- 1983 Security Pacific National Bank: strategic planning**
- 1982-84 Sears, Roebuck: financial services**
- 1981 Comptroller of Currency: impact of 1980 Act**
- 1978-80 Federal Deposit Insurance Corporation: state-federal bank regulation study**
- 1975-76 Citicorp: implications of EFTS for banking**
- 1975 State of California Energy Resources Conservation and Development Commission: administration of Act; role of public adviser**
- 1973-74 Board of Governors of the Federal Reserve System: bank holding company regulation**
- 1971-77 Administrative Conference of the United States: study of licensing procedures of federal banking agencies; study of dual banking system**
- 1969-71 President's Commission on Financial Structure and Regulation: study of deposit insurance**
- 1968-69 Federal Home Loan Bank Board: savings and loan holding company legislation and regulation**