

Work Session 20

Angel or Devil – What is the Role of Private Equity?

Theses

1. *Private equity's emergence reflects both failures in public equity markets and the cheapness of debt.*
2. *The impact of private equity on companies is positive when failures in equity markets reflect, or cause, failures in companies.*
3. *The distribution of gains from private equity activity must now be up for negotiation.*
4. *Public companies should try to replicate the good side of private equity.*

CV

Born in 1946. Martin Wolf obtained a Master of philosophy in economics from Oxford University in 1971.

After his graduation, he joined the World Bank where he became a senior economist for the India division in 1974 and a member of the team for the first World Development Report in 1977. Between 1979 and 1981, he acted as senior economist for the World Bank's international trade division. Martin Wolf was appointed director of studies at the Trade Policy Research Centre, London, in 1981 and joined the *Financial Times* as chief economics leader writer six years later. Since 1990, he has served as Associate Editor and additionally became Chief Economics Commentator in 1996. Furthermore, he is a visiting fellow of Nuffield College, Oxford University, and a special professor at the University of Nottingham.

Martin Wolf was a member of the Council of the Royal Economic Society between 1991 and 1996 and is currently an honorary fellow of the Oxford Institute for Economic Policy (Oxonia). He published many articles and books including *Why Globalization Works*, which was published in 2004.

Martin Wolf was joint winner of the Wincott Foundation senior prize for excellence in financial journalism for 1989 and 1997. He won the RTZ David Watt memorial prize for 1994 and the Accenture Decade of Excellence at the Business Journalist of the Year Awards of 2003. He also won the Newspaper Feature of the Year Award at the Workworld Media Awards 2003. In December 2005, he was given First Magazine's Special Advocacy Award at its annual Award for Responsible Capitalism. He was awarded the Commander of the British Empire in 2000 "for services to financial journalism". Moreover, he was made a Doctor of Letters by Nottingham University in 2006 and a Doctor of Science of London University by the London School of Economics in the same year.



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