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Were models responsible for the financial crisis?

Public Lecture by John Kay

28th October 2009, 6pm

Lecture Theatre M405, James Weir Building
75 Montrose Street, Glasgow G1 1XJ

Abstract

In this public lecture, organised by the IAS programme *Investing in an Uncertain Future*, John Kay will address the following questions:

- What were the models used in risk assessment and securities rating in the financial sector in the last decade?
- What role did they play in regulation, management (and mismanagement) and product design?
- What lessons can be learnt from the crisis about these models and more generally about the ways in which models are used?
- What is the role of modelling in finance and in social sciences more generally?

About the speaker

John Kay is a visiting professor of economics at the London School of Economics and a Fellow of St John's College, Oxford. He has been Professor of Management at Oxford University and Professor of Economics at the London Business School. He was also Director of a think tank, the Institute for Fiscal Studies, and founder and executive chairman of the consultancy London Economics. He has been a non-executive director of several public companies, including Halifax plc and investment companies. He has acted for many businesses and governments, and their agencies.

His principal activity today is writing, and he commutes between London, Oxfordshire and the south of France. *The Truth about Markets* was published in 2003. He contributes a weekly column to the *Financial Times* and two collections of articles can be found in *Everlasting Light Bulbs* (2004) and *The Hare & the Tortoise* (2006).

John Kay's latest book, *The Long and the Short of it: finance and investment for normally intelligent people who are not in the industry* was published in January 2009.

Participation

Attendance is free and open to all, but please book a space by email to: participate@instituteadvancedstudies.org.uk