

ISDA

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Letters to the Editor
Financial Times
1330 Avenue of the Americas
New York, New York 10019

Dear Sir:

The Financial Times' deservedly high reputation for objectivity and accuracy is based in large part on its reporters' ability to see through self-serving corporate arguments. Please do not overlook the possibility of the self-serving regulatory arguments evident in your January 7 article "OTC regulation flaws exposed by Enron".

Your article falls prey to an all too common fallacy that merely because one event follows another event in time it was necessarily caused by the earlier event. Specifically, the article is founded on the questionable premise that because Enron went bankrupt less than a year after comprehensive regulatory reform, that regulatory reform is somehow implicated in Enron's downfall. This is a revisionist characterization from those who opposed that long overdue reform and it is not supported by the facts.

The regulatory environment in which Enron operated was an important factor in its ability to deliver innovative and competitive products to its customers. We believe that innovation and competition are measures of success in the global marketplace and that the regulatory reform described in the article promoted both innovation and competition.

Sincerely,



Robert G. Pickel
Executive Director and Chief Executive Officer
International Swaps and Derivatives Association
New York