Ernst & Young’s footprint in public policy
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Introduction

► Policymaking is not just for elected officials. Regulators and a wide range of stakeholders play a significant role.
► There are many different routes to a career in public policy.
My public policy path

1980s
Asian financial crisis

1990s
Internet bubble

2000s
Enron

2006

2008
Global financial crisis

2012-?
The global public policy environment is still dominated by the financial crisis

- Fallout from the crisis still occupies regulators, policymakers and politicians around the world
- Corporate governance, risk management, and accounting standards became a matter of concern for the public and politicians
- Roles of all capital markets participants are being re-examined
Heightened attention on the accounting and audit profession

- Accounting profession entered 2008 already heavily regulated around the world

- But regulatory focus has intensified since the crisis

- Underlying themes affect all financial market players post crisis
Three key characteristics define the post-crisis policy environment

► Global/national mismatch

► Public demands for more accountability

► Increasing emphasis on transparency
Global/national mismatch

- Global businesses must navigate global flows of money and people vs. national laws and regulations

- Financial crisis sparked new level of global coordination – emergence of G20

- G20 push for global coordination vs. pull of national demands

- Debate about global accounting standards illustrates dilemma
Public demands for more accountability

- Public expects all capital markets participants to be accountable – and accessible

- What is the accounting profession’s public interest mandate?

- How did the financial crisis affect this mandate?

- Are auditors the “dog that didn’t bark”?
Increasing emphasis on transparency

► New premium on transparency – of companies and corporate reporting, of corporate governance, of regulators and others

► Accounting profession plays a pivotal role in promoting transparency

► How will the audit profession’s role change as corporate reporting changes?
The global public policy environment is changing how companies and governments engage

- Public policy is no longer just a “nice to have” for organizations like Ernst & Young...it’s a strategic investment

- Global organizations have a unique perspective and knowledge to offer national governments and regulators

- Accounting firms have a special policy role to play because of our public interest mandate and our role as a capital markets gatekeeper

- Public policy environment is creating new opportunities for you as private and non-profit sectors engage with government and shape policy
There are many more different channels to make a difference in public policy today

**National governments, legislators and regulators**

- The White House

**International and regional bodies**

- European Commission
- World Bank
- United Nations
- International Monetary Fund

**Private sector**

- Financial markets
- Education
- Healthcare
- Energy
- Defense...