FOREWORD

The internationalization of the capital markets represents one of the dominant late twentieth-century trends in the financial world. Issuers domiciled in one country are raising capital in a variety of countries, seeking to take advantage of more favorable market conditions. Investor portfolios are being diversified not only in terms of industry and riskiness, but also geographically. Markets for the trading of securities and options and commodities are being linked across national borders.

The internationalization of the capital markets raises important issues of disclosure and regulation. Accounting stands at the heart of the disclosure process. The editors of the Journal of Comparative Business and Capital Market Law, therefore, have thought it appropriate to take advantage of the fiftieth anniversary of the establishment of the U.S. Securities and Exchange Commission to publish the proceedings of the 1984 Arthur Young Professors' Roundtable which examined in depth the role of the SEC in assuring useful financial reporting. The articulation of accounting principles and standards, the interplay of governmental and private standard-setting bodies, and the need to accommodate the approaches of different jurisdictions are strands which will be given increasing prominence with the growing internationalization of the capital markets. We believe that the Roundtable's review of the U.S. experience will be helpful in furthering these developments.

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