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https://www.100test.com/kao_ti2020/239/2021_2022__E7_96_AF_E7_8B_82_E8_8B_B1_E8_c96_239832.htm U.S

telecommunications giant WorldCom has filed for bankruptcy in the largest corporate 1)collapse in American history. Under investigation for 2)fraud, amidst a massive accounting scandal, WorldCom is now seeking protection from its creditors as it attempts to remain in business. As Jeremy Austin reports, the bankruptcy filing 3)recaps a spectacular 4)fall from grace for one of the 5)icons of 1990s technology boom. Caught up in a huge accounting scandal and weighed down by 41 billion U.S. dollars in debt, WorldCom finally fell to the inevitable. The Chapter 11 bankruptcy filing is the latest in a series of collapses, which have 6)stunned investors, financial markets and regulators 7)alike. With 107 billion U.S. dollars in declared assets, WorldCom ' s bankruptcy is the biggest in U.S. history, far exceeding that of Enron last year and Texaco in 1987. From humble beginnings in a rural telephone company, WorldCom expanded aggressively during the technology boom in the 1990s, becoming the second largest long distance telephone service provider in the U.S., and transmitting half the world ' s Internet traffic. The company ' s fall has been even 8)swifter. CEO and founder Bernie Ebbers resigned in April, after U.S. securities regulators launched a wide-ranging investigation into the company ' s finances. In June, WorldCom was charged with fraud after revealing that 9>false accounting had inflated earnings by nearly 4

billion dollars. The company's new CEO, John Sidgmore, says that the bankruptcy filing will not cover WorldCom's international operations, and should have no effect on customer services. Using temporary financing, he hopes to restructure the company, and pull it out of bankruptcy within 12 months.

10) Bargain hunting and a 11) boost in investor confidence were behind the rebound on Wall Street overnight. When the final bell rang, the Dow Jones Industrial Average closed up nearly 489 points, the second largest point gain for a day, ever. Investors took heart on progress made on legislation to 12) crack down on corporate fraud. Stocks also rallied on the arrest of John Rigas, the founder of Adelphia Communications. But now, the 13) Securities and Exchange Commission is investigating AOL Time Warner for accounting irregularities. Investors were initially reassured, by J.P. Morgan Chase and Citigroup that they are more than equipped to handle any 14) fallout from Enron's collapse. It's feared the two financial giants could suffer from Enron-related lawsuits, if they are 15) implicated in disguising the energy trading company's financial problems. The market also got a lift from news that the government had arrested John Rigas and his two sons, charged with stealing from Adelphia, America's 6th largest cable company while they were its top executives. Larry Thompson (US Deputy Attorney General): In less than four years, the 16) complaint 17) alleges, they stole hundreds of millions of dollars and, through their fault, caused losses to investors of more than \$60 billion. Another boost came from words that the House and Senate conferees have finally agreed on a corporate reform bill. It's now

increasingly likely both chambers will pass it soon. President George W. Bush wants the bill on his desk to sign next week. But one 18) glitch could send stocks back on a downward spiral again as AOL Time Warner. Chief Executive Richard Parsons told analysts that the Securities and Exchange Commission is conducting a fact-finding inquiry in several transactions. And the specter of even still more accounting scandals could linger up until August 14th. On that day, chief executive officers of almost a thousand companies have to swear that their most recent financial reports are not misleading. The question is how many CEOs will be willing to stick their neck out and meet that deadline. In this week ' s cover story, investor confidence. The wave of corporate scandals has taken its 19) toll on individual investors, and it may take some major changes before Americans regain their trust in corporate America and the financial markets. With former WorldCom executives on the Congressional hot seat this week over the company ' s accounting scandal, the question individual investors are asking is, who ' s next? Bill Staikos (Investor): Considering someone of that type of public presence such as a WorldCom, I ' m sure that there are other people out there. 28 year-old Bill Staikos, like many other money investors angered by the wave of corporate scandals, is now wondering how many companies are also 20) tainted. Bill Staikos: I have a feeling that there will be more. He ' s not alone. Pedestrian: There are other companies out there that are surely doing it. Thinking that there is only just those two, there ' s got to be more that are out there. We just haven ' t found them yet. In fact, according to a recent Wall

Street Journal poll, two thirds of Americans believe that financial fraud is a frequent occurrence in corporate America. A crisis in trust, some scholars, say could take years to reverse. Richard Sylla (Financial historian): It wouldn't surprise me a bit if it took a few years, at least, to undo the damage that's been done lately. Dick Sylla teaches financial history at New York University, and says you'd have to go back almost 75 years to find a time of scandal and mistrust like this. Richard Sylla: It's the biggest wave of scandal we've seen in some decades. Minor scandals go on all the time, but I think you have to go back to almost the era of the stock market crash of '29 and the Great Depression of the 1930s to see quite so much major scandal at the top of American businesses. Back in the 30s, it took the Dow Jones Industrial Average nearly 25 years to recover its losses. And although Sylla says it won't take as long this time around, the current turmoil is taking its toll. According to a monthly survey by the UBS and the Gallup Organization, investor optimism fell 20 points in June, to the lowest level in nearly a year. Pedestrian: I'm just numb, really, as to everything that's going on. So what will it take for investors to regain their trust in corporate America, and the financial markets? Experts say it depends on how many corporate scandals are yet to be uncovered. Robert Shiller (Economist): The question is how much of Enron-type phoniness, even to a much lesser degree, but how much of that is in the system now? Behavioral Economist Robert Shiller says in order to restore investor trust, companies must change the way they select their leaders, focusing more on ethics than image. Robert Shiller: It

' s the way we select people. It ' s who we put in those positions. We can put in people who are very sober, experienced people or we can put in showman. President Bush: Our administration will do everything in our power to end the days of cooking the books, shading the truth. New regulations called for by President Bush may help in the battle to bring investors back, especially when it comes to holding executives accountable for the financial statements they give. Richard Sylla: The mantra of investors that you hear again and again now is that I ' m in it for the long term. Well, people have a great deal of faith in the long term, but for that faith to be rewarded, we have to have people who are watching for the long term who are running the companies that make the earnings. Even so, some experts believe that no matter what changes come in the short term, the damage is too severe for a quick fix. 100Test 下载频道开通 , 各类考试题目直接下载。详细请访问 www.100test.com