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Financiers mull causes of the crisis

BY JARED GOODMAN
THE CHRONICLE

Amid chaos in the markets, leaders from some of finance's biggest players came to Duke to debate the causes of the global financial crisis.

A panel discussion, titled "Private Equity, Sovereign Funds and the Global Credit Crunch," drew an audience that filled the School of Law's Star Commons Thursday to discuss the current credit crisis and the future of private equity firms and sovereign wealth funds. The panel was led by James Cox, Brainerd Currie Professor of Law, and featured three influential names in the world of private equity and sovereign wealth funds.

John Canning, Law '69 and co-founder and chairman of Madison Dearborn Partners, and Stephen Schwarzman, co-founder and chairman of The Blackstone Group, represented private equity firms and spoke of the progression of events that led to the current crisis.

"It all looks so obvious in hindsight that the business model for investment banks was not sustainable," Canning said, reiterating a sentiment that seemed to reflect the views of all panelists.

Also present was Gao Xiqing, Law '86

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Vigil mourns Mumbai terror victims



ZACHARY TRACER/THE CHRONICLE

Approximately 100 members of the Duke community gather on the Chapel lawn Thursday to mourn the victims of last week's terrorist attacks in Mumbai.

BY NAUREEN KHAN
THE CHRONICLE

Although 8,000 miles away, last week's terrorist attacks in Mumbai, reverberated as far as the Chapel steps Thursday night.

Bearing candles and sitting in a tight semicircle, approximately 100 people of all faiths and races gathered for a vigil on the Chapel lawn to share personal stories of loss.

"Everything that those terrorists did was to show us all that is ugly in the world," said Tariq Mohideen, a senior and a Chronicle columnist who came to mourn the loss of a close family friend in

the attack. "But Sam lived his life to the fullest and to do what is good.... We owe it to [the victims] to live our lives the best way that we can."

Armed with AK-47s and hand grenades, 10 Muslim assailants laid siege to the economic and entertainment epicenter of India for longer than 60 hours starting last Wednesday, taking more than 170 victims in the city's luxury hotels and tourist attractions, including the five-star Taj Mahal Hotel and an orthodox Jewish center.

Although India has been the site of attacks from religious fundamentalists in the past, this particular act of terror

has captivated the world because of its scale.

"I haven't been able to cry about it because I've been so far away," said senior Sarah Sham, who grew up in Mumbai and helped organize the vigil. "A beautiful city was ripped apart. It's like 9/11 happened to all of our favorite places."

Though fingerpointing between India and Pakistan has dominated the headlines in the aftermath of the attacks, the overriding themes of Thursday evening were unity over divisiveness and hope over despair.

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Trustee Gao builds Duke's China ties

BY WILL ROBINSON
THE CHRONICLE

A Duke School of Law alumnus transformed modern U.S. foreign policy toward China in 1972. But the law school's most prominent Chinese graduate is just glad that his countrymen learned how to spell "Duke."

Since President Richard Nixon, Law '37, held his historic meeting with Premier Chou En-lai and Chairman Mao Tse-tung to normalize U.S. relations with China, the University has struggled to establish its own bond with the world's most populous country.

The July 1 appointment of Gao Xiqing, Law '86, to the Board of Trustees is a development that could greatly aid Duke's effort. Gao, whom Esquire magazine called "one of the most powerful men in the world," was the first Chinese citizen to pass the New York State Bar Exam. He was a Richard Nixon Scholar in the School of Law and he worked for Mudge, Rose, Guthrie, Alexander & Ferdon in New York—the law firm where Nixon worked.

Gao is now the general manager and chief investment officer of the China Investment Corp.—a sovereign wealth fund worth \$200 billion launched in September 2007. He arrived in Durham Thursday to attend his first Board of Trustees meeting this weekend.

The University's reputation in China is "much better" than

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Alumni look to start Latino scholarship

BY EMMA MILLER
THE CHRONICLE

After meeting its \$300 million goal in endowment for financial aid last month, the University may soon have a new, more targeted source of endowment funding.

The Duke University Latino Alumni Association is currently developing a Latino Scholarship Fund to provide need-based scholarships to incoming Latino students. The Financial Aid Office would extract money from the endowment to provide aid to Latino students.

"The reality is that the Latino population is going to need leadership and Duke wants those leaders to be trained at Duke," said Christopher Brandt, Trinity '00 and a Latino alumnus helping to spearhead the

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COURTNEY DOUGLAS/THE CHRONICLE

Gao Xiqing, Law '86 and Board of Trustees member, is the general manager of China Investment Corp., China's \$200-billion sovereign wealth fund.



m. basketball

No. 4 Blue Devils prepare for re-match against Michigan, PAGE 9



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Living group channels Lord of the Rings in its quest to secede from Pegram, PAGE 3