

# Contents

|                            |   |       |
|----------------------------|---|-------|
| <b>Introduction</b>        | When a Tie Is More Than Just a Tie                  | ix    |
| <b>April 28, 2004</b>      | Steve Benardete Gets His Wish;<br>The World Suffers | xxvii |
| <b>Chapter 1</b>           | The Greatest Story Never Told                       | 1     |
| <b>Chapter 2</b>           | Origins   | 49    |
| <b>Chapter 3</b>           | They Tried to Save Us                               | 71    |
| <b>Chapter 4</b>           | Regulatory Embracement                              | 89    |
| <b>Chapter 5</b>           | Abetting the CDO Party                              | 113   |
| <b>Chapter 6</b>           | VaR Goes to Washington                              | 161   |
| <b>Chapter 7</b>           | The Common Sense That Should<br>Rule the World      | 181   |
| <b>Finale</b>              | The Perils of Making the Simple<br>Too Complex      | 213   |
| <b>Guest Contributions</b> |   | 223   |
|                            | Why Was VaR Embraced?                               |       |
|                            | <i>A Q&amp;A with Nassim Taleb</i>                  | 223   |
|                            | A Pioneer Wall Street Rocket Scientist's View       |       |
|                            | <i>An Essay by Aaron Brown</i>                      | 226   |
| Notes                      |   | 245   |
| Acknowledgments            |   | 251   |
| About the Author           |   | 253   |
| Index                      |   | 255   |