

TRANSLATED BY GEORGE HOLOCH

SMOKE AND MIRRORS, INC.

ACCOUNTING FOR CAPITALISM

NICOLAS VÉRON, MATTHIEU AUTRET
AND ALFRED GALICHON

SMOKE & MIRRORS, INC.

Accounting for Capitalism

**NICOLAS VÉRON,
MATTHIEU AUTRET, & ALFRED GALICHON**

Translated by George Holoch

233 Pages

Cloth ISBN 978-0-8014-4166-6 \$29.95 £16.95

Special 20% Discount Order Form

Please send me _____ copies in cloth of *Smoke and Mirrors, Inc.* at \$23.96 (£13.56) each.

Check enclosed AMEX Discover MasterCard Visa Expiration date ____/____

Card # _____ Signature _____

Name _____

Address _____

City _____ State _____ Postcode _____

Telephone _____

Make checks payable to Cornell University Press in U.S. dollars, drawn on a U.S. bank. California residents, please add 8.25% sales tax. Indiana residents please add 6% sales tax. New York residents, please add 8% sales tax (including on postage & handling). Canadian residents, please add 7% GST. Please include \$5.00 for postage and handling of first book in United States or Canada (\$5.50 outside North America), and \$1.00 (\$2.00) for each additional book. Unless you specify otherwise, we will ship North American orders by UPS or RPS, and we will ship orders outside North America by USPS or ISAL. Other methods of shipment require additional charges.

**PR CODE:
CAU2**

TO ORDER BY

Phone: 607-277-2211

Email: orderbook@cupserv.org

Fax: 1-800-688-2877 (U.S. and Canada only)

Web: www.cornellpress.cornell.edu

Mail: CORNELL UNIVERSITY PRESS, P.O. Box 6525, Ithaca, NY 14851-6525





NEW July 2006
Cornell University Press

***Yes, It's True — An Entertaining & Practical Look at
Accounting Principles That Everyone Can Understand!***

SMOKE & MIRRORS, INC.

Accounting for Capitalism

**NICOLAS VÉRON,
MATTHIEU AUTRET, & ALFRED GALICHON**
Translated by George Holoch

Enron, Arthur Andersen, Parmalat, AIG: business headlines over the last few years have stimulated worldwide interest in accounting responsibilities and standards. *Smoke & Mirrors, Inc.*, is a remarkable introduction to contemporary accounting and its central importance for the operation of modern capitalism. Nicolas Véron, Matthieu Autret, and Alfred Galichon show how accounting always mirrored the features of contemporaneous financial systems, while remaining intrinsically subject to judgment and uncertainty and thus leaving scope for manipulation that can convert a rotten balance sheet into a picture of robust financial health.

Beginning with the story of the fictional company Smoke & Mirrors Inc., Véron and his coauthors provide a brief history of accounting's emergence and its key concepts and practices. They then shift their focus to the political economy of the various actors involved in the preparation, auditing, and use of financial information and the new challenges facing regulators as capital markets spread across national boundaries. The authors challenge widespread beliefs that accounting practices are neutral and involve the mere reporting of objective data. They trace how different accounting standards, which alter the calculus of what counts as a "fair representation" of business dealings, can change economic behavior. Along the way they provide numerous examples and case studies, including a detailed account of the tricks with which Enron cooked its books.

For students of corporate finance, practicing accountants and businesspeople, and general readers who have followed a seemingly endless parade of financial scandals with disbelief, *Smoke & Mirrors, Inc.*, provides a clear and concise overview of the use and abuse of accounting and of the underlying changes in today's capital markets.

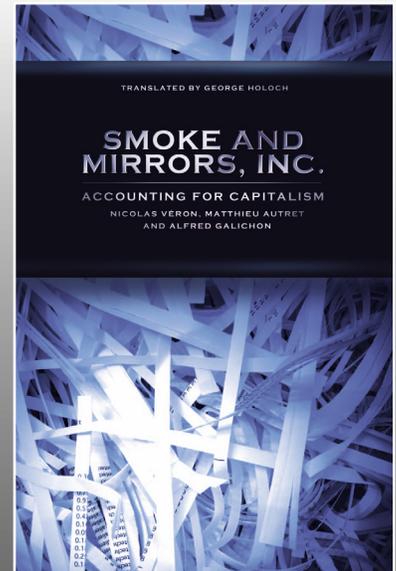
Advance Praise for *Smoke & Mirrors, Inc.*:

"This book is a fascinating and lively read. I know of no other book that shows with the concreteness of *Smoke & Mirrors, Inc.*, how different economic and political systems demand and produce different kinds of financial information and how the information shapes business practices."

—Suzanne Berger, MIT, author of *How We Compete*

Nicolas Véron is a research fellow at Bruegel (Brussels) and an independent consultant on financial services. He has been corporate advisor to France's government and CFO of MultiMania, a listed Internet company. Matthieu Autret is a national expert at the European Commission in Brussels. Alfred Galichon is a Ph.D. candidate in economics at Harvard University. George Holoch is a professional translator and lives in Vermont.

Cornell University Press | Sage House | 512 East State Street
Ithaca, New York 14850
www.cornellpress.cornell.edu



SMOKE & MIRRORS, INC.

Accounting for Capitalism

233 pages
Cloth ISBN: 0-8014-4416-0
Price: \$29.95 £16.95

For additional information
please contact:

Jonathan Hall
Phone: 607-277-2338 x252
Fax: 607-277-2397
email: JLH98@cornell.edu