Henry T. C. Hu

Henry T. C. Hu holds the Allan Shivers Chair in the Law of Banking and Finance at the University of Texas Law School. Appointed by Securities and Exchange Commission Chairman Mary L. Schapiro, he was the inaugural Director of the Division of Risk, Strategy, and Financial Innovation (2009-2011) (now called the Division of Economic and Risk Analysis). The first new Division in 37 years, it was created to provide sophisticated, interdisciplinary analysis across the entire spectrum of SEC activities, including policymaking, rulemaking, enforcement, and examinations. From a research standpoint, he is best known for his articles on the law and economics of modern capital markets, financial innovation, and corporate governance. A June 2012 article argues that the SEC’s disclosure paradigm, in place since the Depression, is undermined in fundamental ways by unprecedented innovations in finance and computer-related technologies, and offers ways forward. A series of articles (2006-2009) offered the first systematic analysis of debt and equity “decoupling,” and coined terms that have come into worldwide use, such as “empty creditor” and “empty voter.” His 1993 *Yale Law Journal* article, which is receiving renewed attention in the wake of the global financial crisis, showed how cognitive bias, compensation structure, financial “science,” and other factors were likely to cause major financial institutions to make mistakes as to derivatives. In 2010, the National Association of Corporate Directors named him as one of the 100 most influential people in corporate governance (the “Directorship 100”). He holds a B.S. (Molecular Biophysics & Biochemistry), M.A. (Economics), and J.D., all from Yale.