

Bankrupt: November and December 2001

... Lay, who had risen from rural poverty to the top of the corporate ladder, was now relegated to meeting with bankruptcy lawyers. Together they explored the pros and cons of declaring either Chapter 11 bankruptcy, which protected the company from creditors while reorganizing, or Chapter 7 bankruptcy, an instant liquidation of assets.¹

DECISION CHOICE. *If you were Ken Lay would you declare:*

(1) Chapter 11 bankruptcy and reorganize, or

(2) Chapter 7 bankruptcy and put an end to everything? Why?

¹ Cruver, *Anatomy of Greed*, 189.