Introduction: The Diversity and Change of Corporate Governance in Japan

Gregory Jackson and Hideaki Miyajima

in Corporate Governance in Japan: Institutional Change and Organizational Diversity

The introductory chapter gives a comprehensive overview of the crisis and transformation of corporate governance in Japan since the mid-1990s. Drawing on the main empirical findings of the book, these changes are examined in relation to three areas: corporate ownership and finance, patterns of corporate organization and employment, and changes in the legal and governance role of the board of directors. Based on data from a Japanese Ministry of Finance survey, a summary typology of corporate governance practices in Japanese firms is developed that identifies three major clusters or types: firms with traditional Japanese-style practices, firms with hybrid practices combining market-oriented finance and governance with relationship-oriented employment, and firms with ‘inverse’ hybrid practices that combine relationship-oriented finance and governance with market-oriented employment. The implications of this growing diversity in organizational practices are discussed in relation to institutional change and the viability of a new Japanese-style model of corporate governance in the future.

Corporate Governance and Employees in Germany: Changing Linkages, Complementarities, and Tensions

Gregory Jackson, Martin Höpner, and Antje Kurdelbusch

in Corporate Governance and Labour Management: An International Comparison
This chapter examines German corporate governance within a sociological framework. It first examines the basic features of post-war German corporate governance and HRM, as they existed through the late 1980s. It then considers the institutional linkages between these features. The chapter also outlines the changes in corporate ownership and finance in Germany during the 1990s, in particular the declining role of banks and the emerging market for corporate control. These changes are related to observed changes in employment and industrial relations, particularly issues of remuneration and codetermination. It is argued that linkages do exist between corporate governance and labour management, although studies often overestimates the extent to which such linkages are tight and coherent.

Introduction
Luis Correia Da Silva, Marc Goergen, and Luc Renneboog

in Dividend Policy and Corporate Governance

Published in print: 2004 Published Online: April 2004
Publisher: Oxford University Press
DOI: 10.1093/0199259305.003.0001

Anecdotal evidence states that German dividend policy is much more flexible than the UK or US dividend policy. Given the different corporate governance environment, dividends may play less of a signalling and monitoring role in Germany than in the US or UK.

Recent Facts and Developments in Corporate Governance
Luis Correia Da Silva, Marc Goergen, and Luc Renneboog

in Dividend Policy and Corporate Governance

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Publisher: Oxford University Press
DOI: 10.1093/0199259305.003.0002

Reviews the different systems of corporate governance and corporate control around the world. Legal devices that separate ownership from control are discussed. The main corporate governance mechanisms that may act as an alternative to dividend policy are also examined.
Research Questions
Luis Correia Da Silva, Marc Goergen, and Luc Renneboog

in Dividend Policy and Corporate Governance

Published in print: 2004 Published Online: April
Publisher: Oxford University Press
Item type: chapter

Discusses the research questions that will be addressed in the next chapters. The research questions relate to the link between dividend levels and corporate control, and dividend flexibility and corporate control.

A Survey of the Literature on Dividends and Control
Luis Correia Da Silva, Marc Goergen, and Luc Renneboog

in Dividend Policy and Corporate Governance

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Item type: chapter

Concentrates on dividend policy as a signalling device and, in particular, as an alternative corporate governance device. We argue that firms with a high concentration of control are less likely to use dividends as a signal of their future prospects. Similarly, firms with a large monitoring shareholder rely less on dividend policy to keep checks on the management. The impact of banks and taxation on dividend policy is also analysed.

Dividend Policy and Corporate Governance
Luis Correia da Silva, Marc Goergen, and Luc Renneboog

Published in print: 2004 Published Online: April
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By reviewing the interactions between dividend policy and other corporate governance mechanisms, this book provides a major contribution to the debate about the best corporate governance system. A conscious effort is made to compare existing empirical studies on the UK and US with those on other countries such as France, Germany, and Japan. The book provides new empirical evidence on German dividend policy, one of the representatives of the corporate governance system.
of Continental Europe – a system that remains largely under-researched. We find major differences between the dividend policy of German firms and that of UK or US firms. First, the conventional wisdom, which states that German dividends are lower than UK or US dividends is not necessarily upheld as on a published profits basis; the exact converse is true. Second, dividends in the UK and US are relatively smooth as they are characterized by frequent, but small changes, whereas dividends in Germany show less frequent, but larger changes. Third, we find a link between corporate control and dividend payouts. Fourth, we report evidence that the existence of a loss is an additional determinant of dividend changes. Finally, we do not find a link between the tax status of the controlling shareholder and the firm's dividend payout. Our results have important implications for the current debate on the best corporate governance system.

Shareholding Cascades: the Separation of Ownership and Control in Belgium
Marco Becht, Ariane Chapelle, and Luc Renneboog

in The Control of Corporate Europe

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Publisher: Oxford University Press
Item type: chapter

This paper analyses the control of Belgian listed companies. The analysis reveals that control of listed companies in Belgium is highly concentrated. Business groups, holding companies, and voting pacts play an important role in bringing about this concentration. The main characteristics of the Belgian corporate ownership and equity market can be summarized as follows: (1) few, merely 140, Belgian companies are listed on the Brussels stock exchange, (2) there is a high degree of ownership concentration with an average largest direct shareholding of 45%, (3) holding companies, families, and to a lesser extent industrial companies are the main investor categories whose share stakes are concentrated into powerful control blocks through business group structures and voting pacts, (4) control is levered by pyramidal and complex ownership structures, and (5) there is a market for share stakes.
The turning of the twenty-first century has been marked by reforms in corporate governance practices around the world. Prevalent ways of doing business are changing with increasing demands for corporate transparency and accountability, shifts in ownership control, empowerment of new types of owner, and so on. Countries and firms have adapted their corporate governance policies and practices accordingly. This chapter explores the current patterns of the ownership structure of publicly listed firms in six emerging countries: Brazil, Chile, South Korea, Czech Republic, Hungary, and Poland in the beginning of the twenty-first century, and compare our data with existing research from the 1990s. The chapter concludes that, although concentration of corporate shareholdings continues to be a common denominator among these emerging countries, the processes and structures controlling firms are remarkably different.

This chapter analyzes the use of the corporate form among nineteenth century manufacturing firms in Massachusetts, from newly collected data from 1875. An analysis of incorporation rates across industries reveals that corporations were formed at higher rates among industries in which firm size was larger. But conditional on firm size, the industries in which production was conducted in factories, rather than artisanal shops, saw more frequent use of the corporate form. On average, the ownership of the corporations was quite concentrated, with the directors holding 45 percent of the shares. However, the corporations whose shares were quoted on the Boston Stock Exchange were ‘widely
held' at rates comparable to modern American public companies. The production methods utilized in in different industries also influenced firms' ownership structures. In many early factories, steam power was combined with unskilled labor, and managers likely performed a complex supervisory role that was critical to the success of the firm. Consistent with the notion that monitoring management was especially important among such firms, corporations in industries that made greater use of steam power and unskilled labor had more concentrated ownership, higher levels of managerial ownership, and smaller boards of directors.

The Control of Corporate Europe

Fabrizio Barca and Marco Becht (eds)

Written by an international team of authors, this book provides the first systematic account of the control of corporate Europe based on voting block data disclosed in accordance with the European Union's Large Holdings Directive (88/627/EEC). The study provides detailed information on the voting control of companies listed on the official markets in Austria, Belgium, France, Germany, Italy, the Netherlands, Spain, Sweden, the UK, and as a benchmark comparison, the US. The authors record a high concentration of control of corporations in many European countries, with a single blockholder frequently controlling more than 50% of the corporate votes. In contrast, a majority of UK-listed companies have no blockholder owning more than 6% of shares. These chapters devoted to individual countries illustrate how blockholders can use legal devices to leverage their voting power over their cash-flow rights or how incumbents prevent outsiders from gaining voting control.

The Rewards for Knowledge

Alan Burton-Jones

in Knowledge Capitalism: Business, Work, and Learning in the New Economy

One of the changes that require the most focus as a result of redefining the firm is the restructuring of corporate ownership. Since the firm's most important knowledge resources will come from individuals, it is appropriate for the firm to recognize the rights of these individuals
regarding their participation in the ownership of the firm. This chapter presents a range of schemes that have offered workers varying levels of participation in the ownership of the firms where they were employed. The chapter also enumerates and explains both the positive and negative determinants of worker ownership and further analyses the emerging trends in worker participation in ownership and its implications on corporate strategies.

Conclusion
Luis Correia Da Silva, Marc Goergen, and Luc Renneboog

in Dividend Policy and Corporate Governance

The study provides new interesting results that are important for the ongoing debate about the best possible corporate governance system. Although, recently, the Continental European system of corporate governance has somehow fallen into disrepute, the system has some clear advantages as compared to the main competing system, the Anglo-American system. One of these advantages is that the average firm in Continental European does not have to rely on costly dividend signalling.

The European Corporation
Richard Whittington and Michael Mayer

This book traces the evolution of the large industrial corporation in France, Germany, and the United Kingdom from the 1950s to the 1990s. It combines long-run trends with illustrative case studies of leading companies and their managers to present a complex picture of corporate change. In particular, it highlights the paradox of increasingly similar patterns of corporate strategy and structure across advanced industrial nations with continuing marked differences in corporate ownership, control, and managerial élites. Despite strong institutional contrasts between the leading European economies, and regardless of the decline of the American model of management, big business in Europe has continued to follow a strategic and structural model pioneered in the United States during the first half of the 20th century and encapsulated long ago in Alfred Chandler's (1962) Strategy and Structure. This finding
of similar patterns of corporate strategy and structure across Europe challenges recent relativist perspectives on organisations found in postmodern, culturalist, and institutionalist social science. Nevertheless, it does not endorse standard universalist accounts of convergence either. The book distinguishes between Chandlerism, with its original ideology of universalism, and the broader Chandlerian perspective, an enduring but evolving core of good sense about the corporation in certain kinds of advanced economies. Thus, the book shows how the surprising success of conglomerate diversification and the increasing adoption of a more ‘networked’ multidivisional structure simply extends the core principles of the Chandlerian perspective.

Ownership Change, Productivity, and Human Capital
Donald S. Siegel, Kenneth L. Simons, and Tomas Lindstrom
in Producer Dynamics: New Evidence from Micro Data

This chapter utilizes the matched employer-employee data from the Swedish manufacturing sector to explore how corporate ownership changes affect the performance of the firm and the composition of the firm’s workforce. In the downsizing of operations, it appears that plants shed workers with short job tenures and these are more likely to be younger and female workers. Plants that changed owners apparently had higher output and employment than comparable plants both before and after ownership change. Plants involved in an ownership change also became more productive after the transaction. Workers with the highest levels of education had the greatest mobility across firms. New employees in ownership change plants experienced lower earnings growth than employees being hired by other plants. It is noted that Sweden has influential unions, with a membership rate of about 70 percent.

Finance capital in Chandlerian capitalism
Mary A. O’Sullivan
in Management Innovation: Essays in the Spirit of Alfred D. Chandler, Jr.
Alfred Chandler wrote a great deal on finance capital in the development of big business. In making bold and provocative statements, he provided scholars with a variety of stimulating ideas. To a large extent, however, we still do not know whether Chandler’s assertions were correct. Ultimately, the value of revisiting Chandler’s research on finance capital in the rise of US big business is to understand how much research needs to be done and the questions it needs to address.

Out of South Africa: South Africa’s Telecommunications Equipment Industry

David Kaplan

in Telecommunications in Africa

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DOI: 10.1093/acprof:oso/9780195102017.003.0012
Item type: chapter

Experiencing a crucial revolutionary period, the telecommunications sector of the Southern African countries has been reformed in terms of their corporate ownership, security of international trade, and rationalization of the industry. These changes are the consequences of innovative opportunities in the exportation of products, specifically in Eastern Europe and other parts of Africa. Although there is increasing competition in the telephone market, growth in equipment production is anchored upon the effectiveness and efficiency of regulations pertaining to the operations of telecom services. Moreover, even if the South African communication technology providers experience further competition in the local scene, modified administration has heightened the expansion rate of technology infrastructure so as to cater to the necessities and demands of previously disadvantaged societies.

“An Individuality All Its Own”: Tourist City and Tourist Citizens, 1876–1915

Catherine Cocks

in Doing the Town: The Rise of Urban Tourism in the United States, 1850-1915

Published in print: 2001 Published Online: March 2012
DOI: 10.1525/california/9780520227460.003.0006
Item type: chapter

This chapter talks about the turn-of-the-century city guidebooks and urban sketches that promoted new ways of approaching and moving about cities, and which helped to create the tourist as a distinct social
type, and tourism as a distinct spatial practice. The sense of corporate
ownership through tourism became most clear in two related forms of
visits: historical walking tours and slumming in the neighborhoods of
ethnic minorities. Both inscribed on city landscapes the legitimate social
authority of well-to-do Americans and encouraged them to repossess
large parts of the city given over to commerce and the immigrant
working class. Both practices contributed to the erosion of refinement
and separate spheres, most obviously by easing the social dangers of
public places. They also exemplified the uses of a historical narrative
and racial ideas to create a broad sense of social ownership that made
genteel self-possession less culturally necessary.

Indirect Financing Structures
Jack M. Mintz and Alfons J. Weichenrieder

in The Indirect Side of Direct Investment: Multinational Company Finance and
Taxation
Published in print: 2010 Published Online: August 2013
Publisher: The MIT Press
DOI: 10.7551/
Item type: chapter

This chapter analyzes the financing opportunities that derive from using
an intermediate corporation in a third country. Such an intermediate
company is referred to as a conduit entity or conduit company. It
begins with a discussion of direct versus indirect financing structures.
It then uses pairwise comparisons of financial instruments and draws
conclusions regarding the tax advantage of indirect holding structures.

Common Knowledge and Political Love
in Tactical Biopolitics: Art, Activism, and Technoscience
Published in print: 2008 Published Online: August 2013
Publisher: The MIT Press
DOI: 10.7551/
Item type: chapter

subRosa is a cyberfeminist collective of cultural producers whose
practice creates discourse and experiential knowledge about the
intersections of information and biotechnologies in women's lives,
work, and bodies. Since the year 2000, it has produced a variety
of performances, participatory events, installations, publications, and
websites as (cyber)feminist responses to key issues in bio- and digital
technologies. Using examples from subRosa's performative work,
including SmartMom, Vulva De/ReConstructa, and Yes Species, this
chapter presents a feminist critique of corporate and military control of
biogenetic and reproductive medicine, which is imposing new concepts of corporate ownership (through intellectual property agreements and patents) on the bodies and cells of individual women and men (and animals). It also reflects how practices of sharing “knowledge in common” might effect more just and pleasurable ways of performing health care and “undoing” gender.