



GCGC GLOBAL CORPORATE GOVERNANCE COLLOQUIA



2015 - 2024

A DECADE OF RESEARCH AND INTERNATIONAL COLLABORATION

HOST BY YEAR

2015 – Stanford University, USA
2016 – Swedish House of Finance, Sweden
2017 – University of Tokyo, Japan
2018 – Harvard University, USA
2019 – Frankfurt University, Germany
2020 – Global 24-hour webinar
2021 – Yale University, USA (online)

2022 – University of Oxford, UK
2023 – Seoul National University, Korea
2024 – Columbia University, USA
2025 – Imperial College London, UK
2026 – National University of Singapore
2027 – Yale University, USA
2028 – Peking University, China

Introduction

The Global Corporate Governance Colloquia (GCGC) is a global initiative to bring together the best research in law, economics, and finance relating to corporate governance at a yearly conference held at 12 leading universities in the Americas, Asia and Europe. The 12 hosting institutions are:

Columbia University, Harvard University, Imperial College London, National University of Singapore, Peking University, Seoul National University, Stanford University, Stockholm University, University of Oxford, University of Tokyo, Yale University and Goethe University Frankfurt (Leibniz Institute for Financial Research SAFE and DFG LawFin Center).

The aim of the conference series is to attract current research papers of the highest scholarly quality in the field of corporate governance. The conferences are primarily 'academic to academic' events with some participants from industry and the public sector including the practitioner partners of GCGC and other invited panelists. Japan Exchange Group (JPX) is a Practitioner Partner.



The inaugural Global Corporate Governance Colloquia (GCGC) 2015 provided a vibrant forum for an international assembly of academics to delve into pressing issues at the forefront of corporate governance. Hosted by Stanford law School, the conference facilitated in-depth discussions and the exchange of ideas on a wide range of topics, reflecting the complexity and dynamism of modern corporate governance.

One of the central themes of the conference was the exploration of **regulatory impacts on corporate structures and strategies**. Scholars presented papers that analyzed how different regulatory frameworks, both in the United States and internationally, influence corporate decisions and policies. For instance, the research presented in *"Corporate Chartering and Federalism: A New View"* explored the nuanced interplay between federal and state corporate laws, highlighting the strategic adaptations firms make in response to these legal landscapes.

"The Great Pyramids of America: A Revised History of US Business Groups, Corporate Ownership and Regulation, 1930-1950" offered a retrospective look at the evolution of business groups in America, illuminating the regulatory and economic factors that led to their decline post-1950s.

Another significant focus was **the relationship between financial markets and corporate governance**. The paper *"Financial Markets and the Political Center of Gravity"* brought to light how political dynamics and long-term shifts in governance affect financial markets. This

discussion highlighted the need for a deeper understanding of the political underpinnings that influence market behavior and corporate governance structures.

"The Wolf at the Door: The Impact of Hedge Fund Activism on Corporate Governance" was notable for its critical examination of the consequences of hedge fund activism on long-term corporate strategy and governance, providing empirical evidence to suggest both positive and negative outcomes.

The conference also tackled **the challenges of financing innovation**, particularly how disruptive technologies are funded. The discussions around the paper *"Financing Disruption"* emphasized the evolving needs of startups and transformative technologies, sparking debate on how regulatory frameworks can adapt to support these innovations without stifling creativity.

Additionally, the topic of **board dynamics and diversity was vigorously debated**, particularly through the lens of gender diversity. The discussions prompted by the paper *"Does gender-balancing the board reduce firm value?"* examined the impacts of gender quotas on corporate performance, challenging attendees to rethink the role of diversity mandates in achieving effective corporate governance.

The conference illuminated the myriad ways in which governance structures and mechanisms continue to evolve in response to both internal corporate needs and external regulatory pressures, making it a critical platform for the progression of corporate governance dialogue.





2015

PAPERS

Audit Oversight and Reporting Credibility

Brandon Gipper, Christian Leuz, Mark G. Maffett

The Review of Financial Studies, Volume 33, Issue 10, October 2020, Pages 4532–4579

Why Do Corporate Charters Waive Liability for Breach of the Duty of Care?

Holger Spamann

Journal of Legal Analysis, Vol. 8, No. 2 (Winter 2016) Pages 337–373,

Corporate Governance and Risk Management at Unprotected Banks: National Banks in the 1890s

Charles W. Calomiris, Mark Carlson

Journal of Financial Economics in 2016, volume 119, issue 3, on pages 512-532

Contractual Governance in the Absence of Law: Bylaws of Norwegian Firms in the Early 20th Century

Mike Burkart, Salvatore Miglietta, Charlotte Ostergaard

The Review of Financial Studies, Volume 36, Issue 5, May 2023, Pages 1788–1836

The Great Pyramids of America: A Revised History of US Business Groups, Corporate Ownership and Regulation, 1930-1950

Eugene Kandel, Konstantin Kosenko, Randall Morck, Yishay Yafeh

Strategic Management Journal Volume40, Issue5 May 2019 Pages 781-808

Financing Disruption

John Armour, Luca Enriques

Seeking Alpha: Excess Risk Taking and Competition for Managerial Talent

Viral Acharya, Marco Pagano, Paolo Volpin

The Review of Financial Studies, Volume 29, Issue 10, October 2016, Pages 2565–2599

Privatized bankruptcy: a study of shipping financial distress

Julian Franks, Oren Sussman, Vikrant Vig

The Wolf at the Door: The Impact of Hedge Fund Activism on Corporate Governance

John C. Coffee, Jr., Darius Palia

The Journal of Corporation Law [Vol. 41:3]

Ownership, Investment and Governance: The Costs and Benefits of Dual Class Shares

Suman Banerjee, Ron Masulis

Journal of Legal Analysis, Vol. 8, No. 2 (Winter 2016) Pages 337–373,

The Changing Nature of Corporate Board Activity

Renée B. Adams, Vanitha Ragunathan, Robert Tumarkin

Do mandatory board gender quotas reduce firm value?

B. Espen Eckbo, Knut Nygaard, Karin S. Thorburn

Harvard Business Law Review in 2022 Vol 12 P408

Financial Markets and the Political Center of Gravity

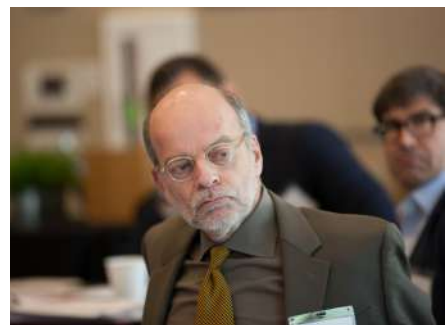
Mark J. Roe, Travis Coan

Journal of Law, Finance, and Accounting, 2017, 2: 125–171



PANEL

The 2015 conference included a panel discussion on *Empirical Finance in the Face of Institutional Complexity*. The session was moderated by Prof. Marco Becht (Solvay Brussels School, ULB, and ECGI) and the panelists were Profs. David Larcker (Stanford University and ECGI) and Michael Klausner (Stanford University and ECGI).





2016

SUMMARY

GCGC 2016, hosted by the Swedish House of Finance at Stockholm School of Economics, brought together a rich array of papers that explored various facets of corporate governance, each contributing novel insights into the mechanisms and effects of governance practices across different jurisdictions and economic sectors.

Themes included the impact of corporate governance structures on firm performance, the role of political and legal environments in shaping corporate behavior, and the evolving responsibilities of directors and shareholders in modern corporations.

Several papers investigated how different governance structures, such as staggered boards and anti-takeover provisions, impact **firm value and operational efficiency**. This theme was central to understanding whether certain governance practices serve to protect incumbent management or genuinely add shareholder value.

There was significant focus on the intersection of governance with **legal and ethical considerations**. Discussions centered around whether corporations should prioritize shareholder value maximization or consider

broader stakeholder interests, reflecting a critical **reassessment of corporate responsibilities beyond profitability**.

Featured research analyzed corporate governance through both global and local lenses, acknowledging that governance practices and their effectiveness can vary widely across different jurisdictions. This included studies on the specific challenges and advantages of **governance structures in markets like the U.S., China, and Europe**.

Participants delved into the **influence of different types of investors**, including state and foreign institutional investors, on corporate strategies and long-term investment. **The role of ownership structures** in shaping governance practices and their implications for corporate policy was a recurring subject.

The conference also explored innovative governance mechanisms, such as **majority voting systems** for board elections and their effect on enhancing transparency and accountability in corporate governance.

Other topics included the **efficacy of traditional governance indices**, and the **socio-economic implications of bankruptcy laws**.

PAPERS

Are CEOs Different? Characteristics of Top Managers

Steven N. Kaplan, Morten Sorensen

The Journal of Finance, Volume 76, Issue 4, August 2021, Pages 1773-1811

Executive Remuneration Standards and the “Conformity Gap” at Controlled Corporations

Roberto Barontini, Stefano Bozzi, Guido Ferrarini

The Responsibility of Business is to Pursue Shareholder Value: True or False?

Oliver Hart, Luigi Zingales

Journal of Law, Finance, and Accounting, 2017, 2: 247-274

Commitment And Entrenchment In Corporate Governance

K. J. Martijn Cremers, Saura Masconale, Simone M. Sepe

Northwestern University Law Review, Volume 110, Issue 4, in 2016, spanning pages 727–810

Contracts versus Institutions: A Critique of Corporate Governance Theory

Martin Hellwig

Price and Probability: Decomposing the Takeover Effects of Anti-Takeover Provisions

Vicente Cuñat, Mireia Giné, Maria Guadalupe

Journal of Finance in 2020, in Volume 75, Issue 5, on pages 2591-2629

Can Staggered Boards Improve Value? Evidence from the Massachusetts Natural Experiment

Robert Daines, Shelley Xin Li, Charles C. Y. Wang

Contemporary Accounting Research, Volume 38, Issue 4, Winter 2021, Pages 3053-3084

Corporate Leverage and Employee Protection in Bankruptcy

Andrew Ellul, Marco Pagano

Journal of Financial Economics, Volume 133, Issue 3, September 2019, Pages 685-707

Three Ages of Bankruptcy

Mark J. Roe

Harvard Business Law Review, Vol. 7 (2017)

Political Determinants of Competition

Mara Faccio, Luigi Zingales

The Review of Financial Studies, Volume 35, Issue 4, April 2022, Pages 1983–2018

Are Foreign Investors Locusts? The Long-Term Effects of Foreign Institutional Ownership

Jan Bena, Miguel A. Ferreira, Pedro Matos

Journal of Financial Economics, Volume 126, Issue 1, October 2017, Pages 122-146

Does Majority Voting Improve Board Accountability?

Stephen J. Choi, Jill E. Fisch, Marcel Kahan, Edward Rock

The University of Chicago Law Review, Vol. 83(2016) Issue 3

Bonded to the State: A Network Perspective on China's Corporate Debt Market

Liwen Lin, Curtis Milhaupt

Journal of Financial Regulation, Volume 3, Issue 1, March 2017, Pages 1–39,

Corporate Governance Indices and Construct Validity

Bernard Black, Antonio Gledson De Carvalho, Vikramaditya S. Khanna, Woonchan Kim

Corporate Governance an International Review, Volume 25, Issue 6, Research Methodology of Governance Studies: Challenges and Opportunities, November 2017, Pages 397-410



2016

PANELS

The 2016 conference included two panel discussions. The first topic was *The Corporate Governance of Infrastructure* moderated by **Erik Berglöf** (LSE and ECGI). The panelists were: Dr. **Rajiv B. Lal**, Founder, MD and CEO of Infrastructure Development Finance Company (IDFC) Bank, India, and **Gordon Bajnai**, former Prime Minister of Hungary, now Group Chief Operating Officer of Meridiam.

Speaking on the second day panel on *'The Governance of Business Groups'* were **Petra Hedengran**, General Counsel and Managing Director, Investor AB, **Claudia Biedermann**, Attorney at Law, Zurich Insurance Group AG, and **Daniela Weber-Rey**, Attorney at Law, Deutsche Bank AG. It was moderated by **Gérard Hertig** (ETH Zurich and ECGI).





2017

SUMMARY

GCGC 2017, hosted by the University of Tokyo, presented a series of influential papers that addressed critical themes in corporate governance, focusing on shareholder dynamics, corporate law, and executive decision-making.

A significant theme throughout the conference was the **impact of ownership structures and shareholder investment horizons** on corporate behavior. The paper *"Common Ownership, Competition, and Top Management Incentives"* examined how common ownership across firms in the same industry diminishes competitive pressure, altering executive compensation and influencing corporate strategy. Similarly, *"Shareholder Investment Horizons and the Market for Corporate Control"* explored how short-term investors drive firms toward immediate financial returns through mergers and acquisitions, while long-term investors promote sustainable decisions.

The conference also highlighted **the role of corporate law and regulatory structures** in shaping corporate governance. In *"Does Agency Structure Affect Agency Decisionmaking? Implications of the CFPB's Design for Administrative Governance"*, the research demonstrated how the independence of agencies like the Consumer Financial Protection Bureau (CFPB) impacts their policy-making processes, shedding light on the balance between regulatory autonomy and democratic accountability.

Additionally, **team dynamics** and their influence on firm performance were a recurring theme. The paper *"Team Stability and Performance: Evidence from Private Equity"* challenged the traditional view that stable teams lead to superior performance. The findings suggested that turnover within private equity teams, particularly the replacement of underperforming individuals, could enhance performance in both the short and long term.

Furthermore, *"Managers' Personal Bankruptcy Costs and Risk-Taking"* examined how bankruptcy reforms in Korea influenced managers' risk-taking behavior, revealing that reducing personal bankruptcy risks encourages more aggressive corporate strategies and investment.

The conference also tackled corporate inversions and tax efficiency, with the paper *"What Drives Corporate Inversions? International Evidence"* demonstrating that tax incentives and governance standards are key drivers for firms seeking to relocate through corporate inversions. This highlighted the complex relationship between **corporate mobility, governance, and financial incentives** in a globalized economy.

The research provided valuable insights into how governance practices adapt to changing market conditions and regulatory environments, shaping the future of corporate behavior.





PAPERS

2017

Common Ownership, Competition and Top Management Incentives

Miguel Anton, Florian Ederer, Mireia Giné, Martin Schmalz

Journal of Political Economy Volume 131, Number 5

Shareholders and Stakeholders around the World: The Role of Values and Culture in Directors' Decisions

Amir N. Licht, Renée B. Adams

Adapting to Radical Change: The Benefits of Short-Horizon Investors

Mariassunta Giannetti, Xiaoyun Yu

Management Science, Volume 67, Issue 7, July 2021 Pages 3985-4642, iii-iv

Leviathan Inc. and Corporate Environmental Engagement

Pedro Matos, Hao Liang, Po-Hsuan Hsu

Management Science, Volume 69, Issue 12 December 2023 Pages 7151-7882, iii-iv

Capital Allocation Efficiency of Firms Outside the Business Group

Yunxiao Liu, Woochan Kim, Taeyoon Sung

Journal of Corporate Finance, Volume 71, December 2021, 102105

Does Agency Structure Dictate Agency Decisionmaking: Implications of the CFPB's Design for Administrative Governance

Roberta Romano

Yale Journal on Regulation Volume 36 | Issue 1

The Value of Takeover Defenses

Martijn Cremers, Robert Jackson, John Morley

Managers' Personal Bankruptcy Costs and Risk-Taking

David Schoenherr, Jan Starmans

The Journal of Finance, Volume 77, Issue 5, October 2022 Pages 2669-2717

Minting Capital: The Role of the Corporation

Katharina Pistor

The Code of Capital: How the Law Creates Wealth and Inequality (Princeton University Press, 2019)

What Drives Corporate Inversions? International Evidence

Burcin Col, Rose C. Liao, Stefan Zeume

The Review of Corporate Finance Studies, Volume 9, Issue 1, March 2020, Pages 165–206

Corporate Employee-Engagement and Merger Outcomes

Hao Liang, Luc Renneboog, Cara Vansteenkiste

Team Stability and Performance: Evidence from Private Equity

Francesca Cornelli, Elena Simintzi, Vikrant Vig



2017

PANELS

The 2017 conference included two panel discussions. The first topic was *Stewardship Codes* moderated by **Marco Becht** (ULB and ECGI). The panelists were: **Yasumasa Tahara** (Financial Services Agency of Japan), **Guy Jubb** (former Global Head of Governance & Stewardship, Standard Life Investments) and **Ronald J. Gilson** (Stanford Law School, Columbia Law School and ECGI).

Speaking on the second day panel on '*The Changing Structure of Ownership*' were **Curtis J. Milhaupt** (Stanford University and ECGI), **Yupana Wiwattanakantang** (National University of Singapore), **Tobias Tröger** (Goethe University Research Center SAFE and ECGI) and **Elisabeth Bechtold** (Zurich Insurance Group). It was moderated by Gérard Hertig (ETH Zurich and ECGI).





SUMMARY

GCGC 2018, hosted by Harvard Law School, featured papers that explored the evolving roles of institutional investors, corporate boards, and ownership structures in shaping corporate behavior and firm value.

A prominent theme was the **influence of institutional investor behavior** on corporate governance. Papers such as "*Monitoring the Monitor: Distracted Institutional Investors and Board Governance*" by Claire Liu, Angie Low, Ronald Masulis, and Le Zhang demonstrated how institutional investor distraction weakens board oversight, reducing directors' monitoring incentives and leading to poorer governance outcomes. This work highlighted the critical role of active investor monitoring in maintaining board effectiveness.

The **role of board structure and director busyness** also emerged as a significant topic. Alexander Ljungqvist and Konrad Raff's paper, "*Busy Directors: Strategic Interaction and Monitoring Synergies*," introduced a nuanced perspective on the impact of busy directors, showing that under certain conditions, having directors serve on multiple boards can be beneficial when monitoring synergies between firms are positive. This challenged the conventional wisdom that busy directors are uniformly detrimental to governance.

Sustainability and corporate social responsibility (CSR) were also key areas of focus. Samuel Hartzmark and Abigail Sussman's paper, "*Do Investors Value Sustainability? A Natural Experiment Examining Ranking and Fund Flows*," provided compelling evidence that investors respond positively to high

sustainability ratings, with significant capital flows favoring firms with higher ESG scores. This highlights the growing importance of sustainability considerations in investment decisions and corporate strategy.

Ownership structures were explored in several papers, such as "*The Perils of Small-Minority Controllers*" by Lucian Bebchuk and Kobi Kastiel, which examined the governance risks associated with small-minority controllers in dual-class firms. Their findings suggest that these structures can lead to governance inefficiencies and value destruction, calling into question the long-term viability of such ownership models.

Another key theme was the interaction between governance mechanisms and firm performance in **emerging markets**. Bernard Black, Hasung Jang, and Woonchan Kim's paper, "*Which Aspects of Corporate Governance Matter in Emerging Markets?*" explored how governance factors such as disclosure and board structure impact firm value in Brazil, India, Korea, and Turkey, demonstrating that country-specific governance practices often outperform generalized indices in predicting firm performance.

The conference provided novel insights into how corporate governance practices evolve in response to changes in investor behavior, ownership structures, and the increasing importance of sustainability. The research emphasized the complexity of governance dynamics and highlighted the need for context-specific approaches to improving firm performance and maintaining effective board oversight.



Unsuccessful Teams

Renée B. Adams and Min S. Kim

Career Risk and Market Discipline in Asset Management

Andrew Ellul, Marco Pagano, Annalisa Scognamiglio

The Review of Financial Studies Vol. 33, No.2 (February 2020), pp. 783-828 (46 pages)

Which Aspects of Corporate Governance Matter? Evidence from Emerging Markets

Bernard S. Black, Antonio Gledson De Carvalho, Vikramaditya S. Khanna, Woonchan Kim, B. Burcin Yurtoglu

Journal of Law, Finance, and Accounting > Vol 5 > Issue 1

Doing Business in Emerging Markets – The Benefits of Being Private

Pablo Slutzky

Journal of Financial Economics Volume 139, Issue 2, February 2021, Pages 606-626

Governance through Shame and Aspiration: Index Creation and Corporate Behaviour

Akash Chattopadhyay, Matthew Shaffer, Charles C. Y. Wang

Journal of Financial Economics Volume 135, Issue 3, March 2020, Pages 704-724

The Rise of Common Ownership

Erik Gilje, Todd A. Gormley, Doron Levit

Journal of Financial Economics, Volume 137, Issue 1, July 2020, Pages 152-178

Board declassification and firm value: Have shareholders and boards really destroyed billions in value?

Emiliano Catan, Michael Klausner

The Perils of Small-Minority Controllers

Lucian Bebchik, Kobi Kastiel

Georgetown Law Journal, Vol. 107, 2019, pp.1453-1514

Is Corporate Governance a First Order Cause of the Current Malaise?

Jeffrey N. Gordon

Do Investors Value Sustainability? A Natural Experiment Examining Ranking and Fund Flows

Samuel M. Hartzmark, Abigail B. Sussman

The Journal of Finance, Volume 74, Issue 6, December 2019, Pages 2789-2837

Monitoring the monitor: distracted institutional investors and board governance

Claire Liu, Angie Low, Ronald W. Masulis, Le Zhang

The Review of Financial Studies, Volume 33, Issue 10, October 2020, Pages 4489–4531

Busy Directors: Strategic Interaction and Monitoring Synergies

Alexander Ljungqvist, Konrad Raff



PANELS

The 2018 conference included two panel discussions. The first topic was *'Index rule makers as a potentially powerful force in corporate governance'* with panelists: **David Blitzer** (S&P Dow Jones Indices), **Matthew Mallow** (BlackRock), and **Jonas Jølle** (Norges Bank Investment Management). The panel was moderated by **Marco Becht** (Solvay Brussels School and ECGI) and **Stephen Davis** (Harvard Law School).

Speaking on the second day panel on *'CSR and Impact Investing: Framing the Questions'* were **Robert H. Sitkoff** (Harvard Law School), **Ron Gilson** (Stanford Law School, Columbia Law School and ECGI) and **John M. Loder** (Ropes & Gray). It was moderated by **Allen Ferrell** (Harvard Law School and ECGI). The dinner speech was delivered by **Lawrence H. Summers** (Harvard University).





2019

SUMMARY

GCGC 2019, hosted by Frankfurt University, provided a compelling blend of research exploring modern challenges in corporate governance with both academic rigor and practical insights.

One focal point of the conference was the **role of managerial and family ownership** in firm performance, particularly under conditions of varying liquidity. The paper *"Why are Firms with More Managerial Ownership Worth Less?"* by Kornelia Fabisik, Rüdiger Fahlenbrach, René Stulz, and Jérôme Taillard challenged established beliefs by revealing a negative correlation between managerial ownership and firm value in a broad sample, contrary to previous findings. This discrepancy was largely attributed to liquidity: in illiquid firms, high managerial ownership persists, often correlating with lower firm value due to difficulties in reducing insider stakes over time.

Similarly, a paper on Japanese family-owned firms, *"Who is the Boss? Family Control without Ownership in Publicly-Traded Japanese Firms"* by Morten Bennesen, Vikas Mehrotra, Jungwook Shim, and Yupana Wiwattanakantang highlighted how founding families retained control through non-traditional mechanisms, even without significant ownership stakes. By leveraging intangibles like reputation, networks, and trusted employees, Japanese family firms continued to hold managerial power, redefining the conventional lifecycle of family-owned firms.

Active ownership by institutional investors also featured prominently. Research by Ruth V.

Aguilera, Vicente Bermejo, Javier Capapé, and Vicente Cuñat on Norway's sovereign wealth fund illustrated how a targeted approach to ESG engagement could shift corporate governance practices across portfolio firms. This was echoed in discussions about index funds, where Lucian Bebchuk and Scott Hirst's paper *"Index Funds and The Future of Corporate Governance: Theory, Evidence, And Policy,"* revealed limitations in stewardship due to the financial incentives of index fund managers, who often under-invest in corporate engagement activities. Such findings prompted calls for regulatory adjustments to enhance the effectiveness of institutional investors as stewards of responsible corporate governance.

The conference also shed light on **regional variations in regulatory impacts**. In Commonwealth Asia, Dan Puchniak and Umakanth Varottil demonstrated that high RPT (related party transactions) rankings did not necessarily translate to better governance due to differences in enforcement and corporate culture.

A paper by Jinhyeok Ra and Woochan Kim on Korean firms' executive compensation transparency law showed unintended consequences, with executives avoiding disclosure through strategic pay adjustments and deregistration. The insights provided by these region-specific studies emphasized the importance of culturally and structurally sensitive regulatory approaches, as one-size-fits-all models often fail to capture local governance nuances.





2019

PAPERS

Investor Ideology

Patrick Bolton, Tao Li, Enrichetta Ravina and Howard Rosenthal

Journal of Financial Economics Volume 137, Issue 2, August 2020, Pages 320-352

Corporate Culture and Liability

Jennifer G. Hill

Index Funds and The Future of Corporate Governance: Theory, Evidence, And Policy

Lucian A. Bebchuk, Scott Hirst

Columbia Law Review, Vol. 119, December 2019, pp. 2029-2146

Active Owners and Firm Policies

Ruth V. Aguilera, Vicente J. Bermejo, Javier Capapé, Vicente Cuñat

The Review of Corporate Finance Studies, cfae009

Who is the Boss? Family Control without Ownership in Publicly-traded Japanese Firms

Morten Bennedsen, Vikas Mehrotra, Jungwook Shim, Yupana Wiwattanakantang

Journal of Financial Economics, Volume 142, Issue 2, November 2021, Pages 831-843

Eastern Medicine for Western Finance: Rethinking Financial Regulation

Dan Awrey, Kathryn Judge

Value of Politically Connected Independent Directors: Evidence from the Anti-Corruption Campaign in China

Chang Zhang

Illuminating the Corporate Governance Black Hole: Contextualizing the Link to Performance

Merritt B. Fox, Ronald J. Gilson, Darius Palia

Boston University Law Review Volume 99, Number 5 (October 2019)

Perils of Limiting the Coverage of Mandatory Pay Disclosure: The Korean Experience

Jinhyeok Ra, Woonchan Kim

Journal of Business Finance & Accounting Volume 50, Issue 9-10 October-November 2023 Pages 1633-1670

Related Party Transactions in Commonwealth Asia: Complicating the Comparative Paradigm

Dan W. Puchniak, Umakanth Varottil

Berkeley Business Law Journal, Vol. 16

The Limits of Limited Liability: Evidence from Industrial Pollution

Pat Akey, Ian Appel

Journal of Finance, 2021, 76(1), pp 5-55

Why Are Firms with More Managerial Ownership Worth Less?

Kornelia Fabisik, Rüdiger Fahlenbrach, René M. Stulz, Jérôme Taillard

Journal of Financial Economics Volume 140, Issue 3, June 2021, Pages 699-725



PANELS

The 2019 conference included two panel discussions. The first topic was '*Sustainable Finance*' and the panelists were **Christian Thimann** (Athora Insurance Holding), **Monica Mächler** (Zurich Insurance Group) and **Carine Smith Ihenacho** (Norges Bank Investment Management). The panel was moderated by **Marco Becht** (Solvay Brussels School and ECGI).

Speaking on the second day panel, moderated by **Uwe Walz** (Goethe University Frankfurt and CFS/SAFE Frankfurt and ECGI), on the topic of *Banking* were **Ignazio Angeloni** (SAFE, ECB (fmr)) and **Florian Drinhausen** (Deutsche Bank).





2020

SUMMARY

GCGC 2020 was scheduled to take place at Yale University, but the programme was cancelled due to the outbreak of the COVID-19 pandemic. On 16 April 2020, ECGI and GCGC hosted a **24-hour global webinar**, convening scholars, practitioners and policymakers with the aim of sharing evidence-based insights for the common good. The event consisted of ten 2-hour sessions commencing at 9:00am in Monash University, Melbourne, Australia, moving through Japan, South Korea, Singapore, China, Israel, Germany, Sweden, the United Kingdom, and the USA, to finish in Stanford University, California. The event emphasized regional challenges and responses to the pandemic's health and economic dimensions, offering a comparative global perspective.

The opening session, hosted in Australia, highlighted how COVID-19 diverges from the 2008 financial crisis by being primarily a supply shock rather than a demand disruption. Panelists discussed Australia's shift in foreign investment rules to safeguard sovereignty while maintaining global engagement. They also highlighted the **tension between directors' duties and broader stakeholder considerations, accelerated by the pandemic**. For instance, Australian banks served as community backstops, prioritizing tenant and landlord relief over shareholder interests—a shift from conventional profit-maximizing roles.

In Asia, sessions focused on business continuity and CSR. In Japan, where strict government-imposed lockdowns are historically avoided, firms voluntarily closed operations or implemented remote work policies. This demonstrated a **CSR-driven mitigation** of externalities like virus spread, though directors faced legal and ethical uncertainties if their decisions were challenged. Korean family-owned conglomerates (chaebols) took advantage of **stock price declines** to facilitate **intergenerational wealth transfers** via stock gifting, raising ethical questions about tax burdens and minority shareholder interests.

Israel's session underscored the vulnerabilities of start-ups, particularly as foreign investors withdrew, creating liquidity crises. The Israeli government responded with targeted interventions, such as **incentivizing local institutional investors** to co-invest alongside venture capital funds. This was contrasted with Germany's €2 billion start-up fund, which co-financed rounds with private investors, avoiding direct subsidies.

The European sessions examined financial stability and innovative recovery mechanisms. Germany proposed an **equity-like funding model for SMEs**, suggesting a tax surcharge repayment system to reduce leverage without increasing debt. This mechanism, discussed as part of a European Pandemic Equity Fund (EPEF), aimed to balance risks and returns across EU member states. Similarly, Sweden's relatively soft lockdown approach was explored for maintaining economic resilience while relying on high public trust to ensure compliance.

The U.S. sessions delved into systemic governance vulnerabilities exposed by the crisis. Bankruptcy laws, particularly under Chapter 11, were critiqued for their inefficiency in handling surges in filings, with recommendations for **streamlined "cookie-cutter" bankruptcy models**. Insider trading also emerged as a critical concern, with discussions on pandemic-induced opportunities for illegal trades by both corporate insiders and politicians. Proposals to enhance disclosure rules and restrict trading activities during crises highlighted the **need for tighter regulatory oversight**.

A common thread across sessions was the **increasing role of state intervention** in corporate governance. In Asia, state ownership and muted markets for corporate control were presented as hallmarks of resilience, while in the U.S. and Europe, concerns about overreach and market distortions were debated.



2020

PANELISTS

SESSION 1: AUSTRALIA

Moderator: **Jennifer Hill** (Monash University and ECGI)

Panel 1: The differential health, economic and financial effects of the COVID-19 crisis

Dr **Malcolm Edey**, Adjunct Professor of Economics, The University of Sydney; former Assistant Governor, Reserve Bank of Australia, Chair of the OECD Financial Markets Committee and member of the Basel Committee on Banking Supervision.

John Laker, Chair, ING Australia; member of the Experts Panel of the International Monetary Fund (IMF); former Chair, Australian Prudential Regulation Authority (APRA)

Diana Nicholson, Partner, King & Wood Mallesons

Professor **Stephen Turner**, Co-Head of Infection and Immunity Program; Head of Microbiology at the Monash Biomedicine Discovery Institute

Panel 2: The impact of the COVID-19 crisis on boards of directors and regulators

Priscilla Bryans, Partner, Herbert Smith Freehills

Sylvia Falzon, Non-executive director, Suncorp Group, Regis Healthcare and Premier Investments Ltd

Kevin McCann, Chair, Telix Pharmaceuticals Ltd; former Chair, Macquarie Bank

John Price, Commissioner, Australian Securities and Investments Commission (ASIC)

SESSION 2: JAPAN AND SOUTH KOREA

Moderators: **Ok-Rial Song** (Seoul National University School of Law) and **Tomotaka Fujita** (Graduate Schools for Law and Politics, University of Tokyo).

Business continuity planning during the COVID-19 crisis

Tomoyo Matsui (Graduate Schools for Law and Politics, University of Tokyo)

Prevention of pandemic and CSR in times of COVID-19

Gen Goto (Graduate Schools for Law and Politics, University of Tokyo)

The COVID-19 pandemic crisis as a MAC

Kyung-Hoon Chun (Seoul National University School of Law)

COVID-19 crisis and family succession

Woochan Kim (Korea University and ECGI)

Discussants: **Jungyeun Kim** (Incheon National University); **Sang Yop Kang** (Peking University and ECGI); **Jon Jungbien Moon** (Korea University); **Kon Sik Kim** (Seoul National University and ECGI); **Joon Hyug Chung** (Seoul National University); **Hidefusa Iida** (University of Tokyo); **Takahito Kato** (University of Tokyo); **Hiroyuki Kansaku** (University of Tokyo); **Hideaki Miyajima** (Waseda University)



2020

PANELISTS

SESSION 3: SINGAPORE AND CHINA

Moderators: **Luh Luh Lan** (National University of Singapore and ECGI) and **Li Jin** (Peking University)

COVID-19: The start of history for asian corporate law?

Dan Puchniak (National University of Singapore and ECGI)

Asset managers and private entrepreneurial activities post-COVID-19

Johan Sulaeman (National University of Singapore and ECGI)

Role of the board in times of crisis and disruption

Luh Luh Lan (National University of Singapore and ECGI)

Capital requirements, share buybacks and resilience

Hans Tjio (National University of Singapore)

Is the glass half full or half empty? Corporate social responsibilities in crisis times

Weina Zhang (National University of Singapore)

Transparency and information disclosure: accounting irregularities of listed overseas Chinese firms

Liyan Wang (Peking University)

Corporate Governance after COVID-19

Li Jin (Peking University)

Pursuing the new order for Chinese capital market

Li Guo (Peking University Law School)

SESSION 4: ISRAEL

Moderator: **Assaf Hamdani** (Tel Aviv University and ECGI).

Panel 1: Startups, scaleups and governments

Eugene Kandel (Hebrew University and ECGI)

Kerem Nevo (Wix.com)

Georg Ringe (University of Hamburg and ECGI)

Steven D. Solomon (Berkeley University and ECGI)

Panel 2: Support in time of crisis: Directors' duties

Amir Licht (IDC Herzliya and ECGI)

Kristin van Zwieten (University of Oxford and ECGI)

Roberto Bonsignore (Cleary Gottlieb Steen & Hamilton)

Ian Ramsay (University of Melbourne)

Robin Dicker QC (South Square)



PANELISTS

SESSION 5: GERMANY

Moderator: **Tobias Tröger** (Leibniz Institute SAFE, Goethe University Frankfurt and ECGI)

Panel: **Central Bank responses: Transmission mechanisms**

Isabel Schnabel (European Central Bank)

Lucrezia Reichlin (London Business School and ECGI)

COVID-19 and financial stability 3.0: Try equity - risk sharing for companies, large and small

Jan Pieter Krahnen (Leibniz Institute SAFE, Goethe University Frankfurt and ECGI)

Discussants: **Yishay Yafeh** (Hebrew University of Jerusalem and ECGI) and **Andreas Engert** (Freie Universität Berlin and ECGI).

SESSION 6: SWEDEN

Moderators: **Bo Becker** (Swedish House of Finance and ECGI) and **Per Strömberg** (Swedish House of Finance and ECGI)

Panel 1: **The Swedish COVID-19 policy response**

Johan Giesecke, Professor Emeritus of Medicine at the Karolinska Institute, former head epidemiologist at the Public Health Agency of Sweden

Anna Kinberg Batra, former head of Moderate Party of Sweden

Per Krusell, Professor of Economics, Institute of International Economics, Stockholm University

Panel 2: **Corporate governance and stakeholders in the crisis**

Liv Forhaug, CEO Martin & Servera

Petra Hedengran, Chief Counsel and Head of Corporate Governance, Investor AB

Martin Linder, President, Unionen, Swedish trade union

SESSION 7: UNITED KINGDOM

Moderators: **Colin Mayer** (University of Oxford and ECGI), **Claudia Custodio** (Imperial College and ECGI), and **David Kershaw** (LSE and ECGI).

Panel 1: **Supporting SMEs during the pandemic**

Diana Bonfim (Bank of Portugal)

Karen Mills (Harvard Business School)

Juanita Gonzalez Uribe (LSE)

Ramana Nanda (Imperial College)



2020

PANELISTS

Panel 2: Business responses to the pandemic

Renée Adams (University of Oxford and ECGI)
Mary Johnstone Louis (University of Oxford)
Colin Mayer (University of Oxford and ECGI)
Judith Stroehle (University of Oxford)

Panel 3: Corporate law during and after the pandemic

John Armour (University of Oxford and ECGI)
Luca Enriques (University of Oxford and ECGI)
Maribel Saez (Universidad Autonoma de Madrid)

SESSION 8: UNITED STATES (PART I)

Moderator: **Jeffrey N. Gordon** (Columbia Law School and ECGI)

I. Government responses to the pandemic crisis

The Fed to the rescue: Unprecedented scope; stretched authority
Lev Menand (Columbia Law School)

The role of the Fed in containing the fallout: made central but now exposed
Kathryn Judge (Columbia Law School and ECGI)

What Wall Street got from the CARES Act
John C. Coffee (Columbia Law School and ECGI)

How to help small businesses survive COVID-19
Todd Baker (Columbia Law School)

II. Private responses to the pandemic crisis

COVID-19 as a force majeure in corporate transactions
Eric Talley (Columbia Law School)

III. Enduring questions through the pandemic lens

Corporate finance in the age of shadow banking
Katharina Pistor (Columbia Law School and ECGI)

Short selling and short selling disclosure in a pandemic
Joshua Mitts (Columbia Law School)

Shareholder value, systematic stewardship, and the missing government
Jeffrey N. Gordon (Columbia Law School and ECGI)



2020

PANELISTS

SESSION 9: UNITED STATES (PART II)

Moderator: **John Coates** (Harvard University and ECGI)

COVID-19, corporate finance stress, and bankruptcy

Macro costs of clogged bankruptcy courts?

Mark Roe (Harvard Law School and ECGI)

Forecasting bankruptcy court congestion

Benjamin Iverson (BYU Marriott School of Business)

Bailouts to bankruptcy

Ed Morrison (Columbia Law School)

The case against (ordinary) bankruptcy

David Skeel (Penn School of Law and ECGI)

The case against CARES

Luigi Zingales (Chicago Booth Business School and ECGI)

Current bankruptcy practice and outdated bankruptcy law

Alan Schwartz (Yale Law School)

Discussants: **Adi Sunderam** (Harvard Business School) and **Kristin W. Mugford** (Harvard Business School)

SESSION 10: UNITED STATES (PART III)

Moderator: **Michael Callahan** (Stanford University)

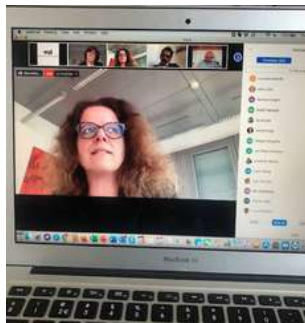
Managing through the pandemic: Silicon Valley firms general counsels' perspective

In conversation with **Louise Pentland**, Executive Vice President, Chief Business Affairs and Legal Officer at PayPal, Board member of Hitachi, and Former global Chief Legal Officer at Nokia.

COVID-19 and insider trading in and out of government

Jonathan Macey (Yale Law School and ECGI)

Discussant: **Mariana Pargendler** (FGV Law School, São Paulo and ECGI)





2021

SUMMARY

GCGC 2021, hosted virtually by Yale Law School due to pandemic restrictions, showcased pivotal research addressing **the expanding roles of institutional investors**, the effects of **concentrated ownership**, and the integration of **stakeholder interests** alongside shareholder goals.

A prominent theme was the role of large institutional investors in promoting **systematic risk mitigation**—such as climate change and social stability—through diversified portfolio strategies. Jeff Gordon’s *Systematic Stewardship* introduced a model encouraging asset managers to target these broader risks rather than focus on firm-specific performance, positioning institutional investors as key players in addressing economy-wide challenges. This approach, he suggested, can enhance risk-adjusted returns by addressing systemic issues that impact entire economies, **aligning investor and societal interests**.

Complementing this was the exploration of **stakeholderism** in Lucian Bebchuk, Kobi Kastiel, and Roberto Tallarita’s *For Whom Corporate Leaders Bargain*, which questioned the effectiveness of constituency statutes that permit leaders to consider stakeholder welfare in acquisitions. In private equity acquisitions, they found that corporate leaders prioritize shareholder returns, with limited protections for other stakeholders. This finding questions the reliance on managerial discretion for stakeholder protections and suggests a need for enforceable regulatory approaches.

Research on **family firm governance** was presented in the study “*Underperformance in Family Successions: The Role of Outside Work Experience*” by Irena Kustec, Charlotte

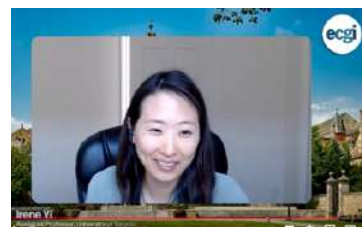
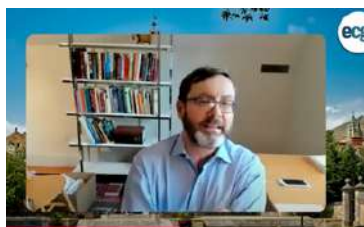
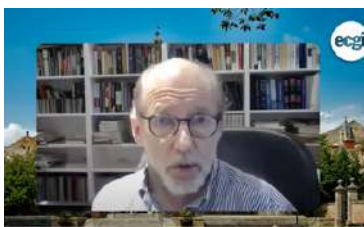
Ostergaard, and Amir Sasson. Their findings revealed that CEO succession performance depends on the successor’s experience. The study highlighted the benefits of outside experience for family business successors, showing how diverse perspectives enhance firm performance—a finding that resonates with the growing emphasis on diversity in leadership.

Alon Brav, Matthew Cain, and Jonathon Zytnick’s work on *Retail Shareholder Participation in the Proxy Process* further examined the **impact of retail investors**, revealing that retail shareholders, often overlooked, meaningfully influence corporate voting outcomes.

Bertrand, Bombardini, Fisman, Trebbi, and Yegen’s study, *Investing in Influence: Investors, Portfolio Firms, and Political Giving*, revealed how institutional investors may shape the political contributions of firms in which they hold substantial stakes, thus amplifying their **political influence**.

Finally, discussions of *The Corporate Governance Machine* by Pollman and Lund and *The Sustainability Wage Gap* by Meyerick, Niessen-Ruenzi, Schmid, and Solomon emphasized the **embedded structures and trade-offs** in governance, from entrenched shareholder primacy norms to employee preferences for sustainable roles at lower wages.

These papers collectively illustrate a shift in corporate governance toward integrating diverse stakeholder and systemic considerations, broadening the scope of investor influence, and adapting to global social and environmental imperatives.





2021

PAPERS

Retail Shareholder Participation in the Proxy Process: Monitoring, Engagement, and Voting

Alon Brav, Matthew D. Cain and Jonathon Zytnick

Journal of Financial Economics Volume 144, Issue 2, May 2022, Pages 492-522

Which Firms Require More Governance? Evidence from Mutual Funds' Revealed Preferences

Irene Yi

The Corporate Governance Machine

Dorothy S. Lund and Elizabeth Pollman

Columbia Law Review, Vol. 121, p. 2563, 2021

LBO Financing

Mike Burkart, Samuel Lee and Henrik Petri

As California goes, so goes the nation? Board gender quotas and the legislation of non-economic values

Felix von Meyerinck, Alexandra Niessen-Ruenzi, Markus Schmid, Steven Davidoff Solomon

Investing in influence: Investors, portfolio firms, and political giving

Marianne Bertrand, Matilde Bombardini, Raymond J. Fisman, Francesco Trebbi and Eyub Yegen

Tunneling Through Group Trademarks

Sojung Kim and Woochan Kim

Journal of Corporate Finance Volume 76, October 2022, 102274

The Sustainability Wage Gap

Philipp Krueger, Daniel Metzger and Jiaxin Wu

Underperformance in Family Successions: The Role of Outside Work Experience

Irena Kustec, Charlotte Ostergaard, and Amir Sasson

For Whom Corporate Leaders Bargain

Lucian A. Bebchuk, Kobi Kastiel and Roberto Tallarita

Southern California Law Review. It appeared in Volume 94 in 2021

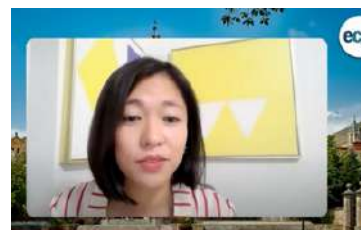
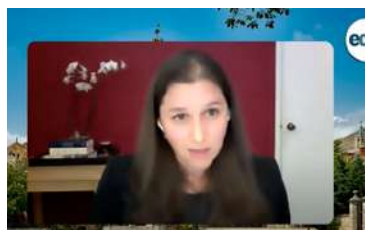
The Voting Premium

Doron Levit, Nadya Malenko and Ernst G. Maug

Systematic Stewardship

Jeffrey N. Gordon

Iowa Journal of Corporation Law





2022

SUMMARY

GCGC 2022, hosted by University of Oxford, gathered researchers to examine the responsibilities of corporations beyond traditional shareholder primacy, delving into themes of environmental, social, and governance (**ESG**) **integration**, gender pay disparities, and legal accountability within corporate structures. The presentations explored **how corporate governance can adapt to societal needs**, reflecting an era marked by intensified scrutiny of corporate behavior and increasing demand for accountability.

A central theme was the critique and potential of ESG as a corporate governance tool. Elizabeth Pollman's paper, *The Origins and Consequences of the ESG Moniker*, traced **the rise of ESG** from a United Nations initiative to its current status as a dominant, though often ambiguous, framework in finance and governance. Pollman highlighted how ESG's flexibility allows firms to adopt varied and sometimes inconsistent practices, creating both opportunities and challenges. While ESG terminology has promoted broader adoption of sustainable practices, the lack of definitional clarity has led to accusations of "greenwashing" and concerns over "sustainability arbitrage." Pollman's insights suggest that while ESG frameworks have undoubtedly influenced corporate priorities, they may also obscure accountability if left loosely defined.

The colloquium also tackled corporate responses to social justice issues, with significant attention to **pay equity**. The study, *The Gender Pay Gap: Pay for Performance and Sorting across Employers* by Daniel Bradley, April Knill, Michelle Lowry, and Jared Williams, examined gender pay disparities within academia, particularly in Florida business schools. Despite controls for rank and productivity, the authors revealed a persistent pay gap, especially pronounced among senior faculty, and attributed part of this gap to

differential pay-for-performance and sorting into lower-paying institutions. This work highlights that even in structured and regulated environments, gender-based pay inequalities endure, reflecting systemic biases that may require more aggressive institutional reforms to address fully.

Corporate **legal accountability** emerged as a provocative topic, especially in light of Anat Admati and Greg Buchak's paper, *Corporate Victims: Which Stakeholders Get Legal Redress?*. This study demonstrated that the U.S. legal system disproportionately favors shareholders over other stakeholders when corporations cause harm. Notably, the study found that cases involving shareholder harm are far more likely to lead to criminal prosecution and individual accountability than cases where customers, employees, or the public suffer losses. Such findings challenge the prevailing notion that maximizing shareholder value aligns with broader societal welfare, instead suggesting that legal structures may perpetuate inequalities in justice depending on the stakeholder impacted.

Other papers expanded on how corporate governance influences **market practices and executive compensation**. Peter Cziraki and Dirk Jenter's research, *The Market for CEOs*, revealed that CEO appointments in large U.S. firms are overwhelmingly internal, highlighting the restricted pool from which top executives are selected. This insularity suggests that corporate leadership structures may prioritize firm-specific knowledge over external talent acquisition, raising questions about the efficiency and competitiveness of CEO labor markets in the face of contemporary corporate challenges.

The conference highlighted the need to rethink governance mechanisms to foster equity, accountability, and sustainability in modern corporations.



2022

PAPERS

The Effects of Hedge Fund Activism

Andrew Baker

The Market for CEOs

Peter Cziraki and Dirk Jenter

The gender pay gap: Pay for performance and sorting across employers

Daniel Bradley, April M. Knill, Michelle Lowry and Jared Williams

Workplace Inequality in the U.S. and Managerial Rent Extraction: Evidence from Pay Growth Gaps

Jie He, Lei Li, Tao Shu

Sustainability or Performance? Ratings and Fund Managers' Incentives

Nickolay Gantchev, Mariassunta Giannetti and Rachel Li

Journal of Financial Economics Volume 155, May 2024, 103831

The Origins and Consequences of the ESG Moniker

Elizabeth Pollman

Harvard Business Law Review, Vol. 14, p. 403, 2024

Which Corporate Victims Get Justice?

Greg Buchak and Anat Admati

China's Corporate Social Credit System and the Dawn of Surveillance State Capitalism

Lauren Yu-Hsin Lin and Curtis J. Milhaupt

The China Quarterly Volume 256

Strategic Leadership in Corporate Social Responsibility

Rui A. Albuquerque and Luis M. B. Cabral

Does Socially Responsible Investing Change Firm Behavior?

Davidson Heath, Daniele Macciocchi, Roni Michaely and Matthew C. Ringgenberg

Review of Finance, Volume 27, Issue 6, November 2023, Pages 2057–2083,

Foundation Ownership and Sustainability International Evidence

Steen Thomsen and David Schroeder

Controlling Externalities: Ownership Structure and Cross-Firm Externalities

Dhammika Dharmapala and Vikramaditya S. Khanna

Journal of Corporate Law Studies Volume 23, Issue 1, on January 2, 2023



2022

PANELS

The 2022 conference included two panel discussions. The first topic was '*Beneficial Owner Voting Choices*' and the panelists were **Sandy Boss** (BlackRock) and **Luigi Zingales** (University of Chicago and ECGI).

The panel was moderated by **Tom Gosling** (LBS and ECGI) (replacing Marco Becht).

Speaking on the second day panel, moderated by **Colin Mayer** (University of Oxford and ECGI), on the topic of *Embedding purpose into regulatory frameworks* were **Gabriela Figueiredo Dias** (International Ethics Standards Board for Accountants) **Mikkel Friis-Thomsen** (PFA Pension) and **Stefano Micossi** (Assonime).





SUMMARY

2023

GCGC 2023, hosted by Seoul National University, offered a sophisticated understanding of how governance mechanisms can address contemporary issues. Themes of ESG integration, shareholder influence, and evolving regulatory pressures were discussed, presenting new insights into balancing economic performance with social and environmental responsibilities, underscoring the relevance of corporate governance research in an increasingly complex regulatory and socio-economic landscape.

A central theme was **the formalization of ESG**, as highlighted in *"The Hardening of ESG: Challenges and Opportunities"* by Geneviève Helleringer and Christina Parajon Skinner. Their paper examined the shift of ESG practices from voluntary, principle-driven initiatives to increasingly binding regulatory frameworks in regions like the EU. They argued that this hardening of ESG practices raises potential legal and reputational risks for companies, suggesting that while regulatory rigor may enhance transparency and consistency, it could inadvertently stifle the flexibility and innovation that ESG policies once encouraged.

Another significant theme was the impact of governance frameworks on social goals, particularly in **gender diversity**. The study *"Empower Women by Index Membership: Evidence from Japan"* presented by Yupana Wiwattanakantang provided empirical evidence from Japan's MSCI Empowering Women Index (WIN), demonstrating how index membership effectively motivates firms to improve gender diversity in the workforce, particularly at senior levels. The paper revealed that firms close to the inclusion threshold showed marked improvements in female representation and a shift toward more inclusive corporate cultures, as indicated by increased paternity leave uptake among male employees. This work emphasized the potential of targeted ESG indices to enact real social change without sacrificing profitability.

The conference also examined the relationship between corporate governance structures and **firm innovation**. In *"Innovation: The Bright Side of Common Ownership,"* the authors explored how **common ownership** across competing firms in high-tech sectors can stimulate innovation by mitigating the "business-stealing" effect. However, in industries where market competition dominates, common ownership could suppress innovation efforts. This nuanced perspective on common ownership added depth to the debate, balancing competitive dynamics with innovation incentives.

Discussions on **shareholder rights and defensive strategies** featured prominently, particularly in the context of growing activism. *"The Rise of Anti-Activist Poison Pills"* by Eldar Kirmse and Wittry, provided insights into how firms have adapted traditional defensive mechanisms, such as **poison pills**, to deter activist hedge funds rather than solely hostile takeovers. The study demonstrated that these anti-activist provisions, often implemented at low trigger thresholds, have successfully deterred activist interventions, highlighting the evolving nature of corporate defenses in modern governance.

Other themes included the impact of **legal uncertainty** on economic performance, highlighting how systematic legal uncertainty constrains credit supply; **tenure limits** for outside directors, finding that shorter tenures can lead to improved board independence and more frequent dissent against management - particularly in poorly governed firms; and **supply chain risks** and vertical integration, showing that firms under high supply chain risk increasingly partner with local, reliable suppliers and, if financially able, pursue vertical mergers to strengthen their control over supply networks. Supply chain resilience has become a priority for governance, illustrating the need for more comprehensive risk mitigation strategies.



PAPERS

The Economics of Legal Uncertainty

Jiwon Lee, David Schoenherr, Jan Starmans

Outside Director Tenure Limit: Expertise-Enhancement versus Entrenchment

Minjae Kim, Sojung Kim and Woochan Kim

The Hardening of ESG: Challenges & Opportunities

Genevieve Helleringer and Christina Parajon Skinner

The Global ESG Stewardship Ecosystem

Tim Bowley, Jennifer G. Hill

The Rise of Anti-Activist Poison Pills

Ofer Eldar, Tanja Kirmse and Michael D. Wittry

Shareholder Rights and the Bargaining Structure in Control Transactions

Ryan Bubb, Emiliano Catan and Holger Spamann

Empower Women by Index Membership: Evidence from a Unique Experiment from Japan

Vikas Mehrotra, Lukas Roth, Yusuke Tsujimoto and Yupana Wiwattanakantang

Supply Chain Risk: Changes in Supplier Composition and Vertical Integration

Nuri Ersahin, Mariassunta Giannetti, and Ruidi Huang

Journal of International Economics Volume 147, January 2024, 103854

Governance Transparency and Firm Value: Evidence from Korean Chaebols

Akash Chattopadhyay, Sa-Pyung Sean Shin and Charles C. Y. Wang

Corporate Governance and Firm Value

Emiliano Catan

Innovation: The Bright Side of Common Ownership?

Miguel Anton, Florian Ederer, Mireia Gine and Martin C. Schmalz

Forthcoming: Management Science (August 2024)

Common Ownership Directors

Ofer Eldar, Yaron Nili, James Pinnington





PANELS

The 2023 conference included two panel discussions. The first topic was *'Pension Fund Stewardship'* and panelists were **Kenji Shiomura** (Government Pension Investment Fund (GPIF)), **Inhyug Lee** (Special Committee on Responsible Investment & Governance, NPS), and **Yoo-Kyung Park** (APG Asset Management). The panel was moderated by **Marco Becht** (Solvay Brussels School and ECGI).

Speaking on the second day panel, moderated by **Luh Luh Lan** (National University of Singapore and ECGI), on the topic of *Shareholder Activism in Asia* were **Changhwan Lee** (Align Partners), **Christie Tang** (Partner, MBK Partners), and **Eijiro Imai** (Farallon Capital).





2024

SUMMARY

GCGC 2024, hosted by Columbia Law School, NYC, showcased innovative research tackling critical governance challenges, with themes that spanned corporate purpose, environmental responsibility, and the evolving role of stakeholders in corporate law, particularly in the Global South. A central theme emerging from the discussions was the movement toward a broader, stakeholder-inclusive view of corporate governance—a trend mirrored across diverse legal and financial landscapes.

One of the most novel contributions came from Mariana Pargendler’s paper on “*Corporate Law in the Global South: Heterodox Stakeholderism*,” which argued that countries in the Global South are pioneering alternative approaches to **stakeholder governance**. Unlike the shareholder-centric models prevalent in the Global North, these jurisdictions, including Brazil and South Africa, are implementing legal reforms that emphasize social welfare and accountability to a wider range of stakeholders. The paper highlighted how these legal systems are creating a “reverse convergence,” as Northern jurisdictions increasingly recognize the need for similar stakeholder considerations.

On the environmental front, Pedro Matos presented findings from his co-authored study, “*Decarbonizing Institutional Investor Portfolios*,” that raise questions about the **efficacy of investor-led climate initiatives**. The research showed that while climate-conscious investors often decarbonize their portfolios by divesting from high-emission firms, this strategy, termed “portfolio greening,” does not directly reduce emissions. Instead, these divested shares are frequently picked up by investors with less environmental focus, limiting the impact of such efforts on overall emissions. This finding supports the need for regulatory interventions to complement voluntary investor-led initiatives in combating climate change.

Other papers addressed the implications of governance structures and responsibilities. Yaron Nili and Roy Shapira’s study on “*Specialist Directors*” examined the increasing appointment of board members with specific expertise, such as cybersecurity or climate risk, and the potential impact on **board dynamics**. While these appointments may bring valuable knowledge to corporate governance, they also risk authority bias and “board washing,” where the mere presence of experts may not necessarily translate to effective change.

The conference offered new insights into **corporate activism and the political entanglement of firms**, particularly in Jill Fisch and Jeff Schwartz’s paper, “*How Did Corporations Get Stuck in Politics and Can They Escape?*” The study argued that corporations face growing pressure to take public stances on social issues, often resulting in unpredictable backlash and reputational risks, sometimes finding themselves “caught” in a feedback loop where stakeholders’ demands for political engagement conflict with core business interests. The misalignment between corporate interests and social objectives is challenging for businesses to navigate.

Elisabeth Kempf and Oliver Spalt’s paper analyzed how various corporate actions are perceived as moral issues by the public. Their findings showed that traditional corporate decisions, such as layoffs and CEO pay, are often viewed as **moral concerns**, sometimes even more critically than certain ESG policies.

Other themes included the rise of private equity and continuation funds; specialized board composition; the mandatory bid rule; the evolution of public markets; and family firm succession. The array of topics highlighted the conference’s focus on governance as a dynamic field, continuously influenced by global shifts, public expectations, and evolving regulatory environments.



PAPERS

2024

“Glossy Green” Banks: The Disconnect Between Environmental Disclosures and Lending Activities
Mariassunta Giannetti, Martina Jasova, Maria Loumiotis, and Caterina Mendicino

Decarbonizing Institutional Investor Portfolios: Helping to Green the Planet or Just Greening Your Portfolio?

Vaska Atta-Darkua, Simon Glossner, Philipp Krueger and Pedro Matos

Half the Firms, Twice the Profits: Public Firms' Transformation, 1996-2022

Mark J. Roe and Charles C. Y. Wang

How Did Corporations Get Stuck in Politics and Can They Escape?

Jill E. Fisch and Jeff Schwartz

Corporate Actions as Moral Issues

Elisabeth Kempf, Oliver Spalt

Flows, Financing Decisions, and Institutional Ownership of the U.S. Equity Market

Alon Brav, Dorothy S. Lund and Lin Zhao

Placeholder CEOs

Mario Daniele Amore, Morten Bennedsen, Vikas Mehrotra, Jungwook Shim, Yupana Wiwattanakantang

Specialist Directors

Roy Shapira, Yaron Nili

Corporate Law in the Global South: Heterodox Stakeholderism

Mariana Pargendler

The Global Corporate Purpose Continuum: The Case for Diversity

Aurelio Gurrea-Martinez, Geneviève Helleringer, Dan W. Puchniak and Wolf-Georg Ringe

Does Mandatory Bid Rule Discourage Acquisitions above the Threshold?

Yongjoon Lee, Bushik Kim, and Woochan Kim

The Rise of Private Equity Continuation Funds

Kobi Kastiel and Yaron Nili





2024

PANEL

The 2024 conference included a panel discussion on “What the Government Asks of Firms”. The session was moderated by Prof. **Kathryn Judge** (Columbia University and ECGI) and the panelists were **Peter Goodman**, Economics Reporter, New York Times, **Bharat Ramamurti**, Former Deputy Director of the National Economic Council, USA.





DELEGATES

Viral Acharya
 Renée Adams
 Sumit Agarwal
 Dhruv Aggarwal
 Ruth Aguilera
 Tsuyoshi Akiyama
 Rui Albuquerque
 Michela Altieri
 Mats Andersson
 Ignazio Angeloni
 Ian Appel
 John Armour
 Jun Kyung Auh
 Laurent Bach
 In Gyun Baek
 Ramin Baghai
 Gordon Bajnai
 Andrew Baker
 Johannes Barg
 Bianca Barilla
 Jeanine Baumert
 Theodor Baums
 Lucian Bebchuk
 Marco Becht
 Elisabeth Bechtold
 Bo Becker
 Erik Berglof
 Wolfgang Bessler
 Claudia Biedermann
 Bernard Black
 David Blitzer

Patrick Bolton
 Sandy Boss
 Thomas Bourveau
 Tim Bowley
 Alon Brav
 Volker Brühl
 Greg Buchak
 Marcel Bucsesu
 Mike Burkart
 Charles Calomiris
 Emiliano Catan
 Alvin Chen
 Albert Choi
 Kyung Hoon Chun
 Joon Hyug Chung
 John Coates
 John C. Coffee, Jr.
 Burcin Col
 Paul Coombes
 Francesca Cornelli
 Vicente Cuñat
 Cláudia Custódio
 Magnus Dahlquist
 Bob Daines
 Paul Davies
 Stephen Davis
 David Devlin
 Bala Dharan
 Florian Drinhausen
 Michelle Edkins
 Horst Eidenmueller

Ofer Eldar
 Luca Enriques
 Kornelia Fabisik
 Matilde Faralli
 Eilis Ferran
 Guido Ferrarini
 Daniel Ferreira
 Allen Ferrell
 Fabrizio Ferri
 Gabriela Figueiredo Dias
 Jill Fisch
 Vyacheslav Fos
 Merritt Fox
 Julian Franks
 Jesse Fried
 Mikkel Friis-Thomsen
 Tomotaka Fujita
 Stavros Gadinis
 Nickolay Gantchev
 Matteo Gatti
 Martin Gelter
 Mariassunta Giannetti
 Andrej Gill
 Ron Gilson
 Mireia Giné
 Ola Peter Gjessing
 Paul Gompers
 Peter Goodman
 Jeff Gordon
 Tom Gosling
 Gen Goto



DELEGATES

Sean	Griffith
Moqi	Groen-Xu
Arpit	Gupta
Sangeun	Ha
Brigitte	Haar
Assaf	Hamdani
Henry	Hansmann
Oliver	Hart
Samuel	Hartzmark
Rainer	Haselmann
Jie (Jack)	He
Davidson	Heath
Petra	Hedengran
Geneviève	Helleringer
Alexander	Hellgardt
Martin	Hellwig
Gerard	Hertig
Jennifer	Hill
Scott	Hirst
Colleen	Honigsberg
Takeo	Hoshi
Ruidi	Huang
Hidefusa	Iida
Eijiro	Imai
Fumiko	Inoue
Mats	Isaakson
Robert	Jackson
Ivika	Jäger
Martina	Jasova
Matthew	Jennejohn
Dirk	Jenter

Li	Jin
Jonas	Jølle
Guy	Jubb
Kathryn	Judge
Hideki	Kanda
Sang Yop	Kang
Hiroyuki	Kansaku
Steve	Kaplan
Oğuzhan	Karakaş
Fiona	Kasperk
Kobi	Kastiel
Takahito	Kato
Kunihiro	Kawasaki
Vikramaditya	Khanna
Kenneth	Khoo
Kon Sik	Kim
Woochan	Kim
Woojin	Kim
Michael	Klausner
Wolfgang	König
Tomotsugu	Kono
Reinier	Kraakman
Jan Pieter	Krahn
Anne	Lafarre
Yi Chen	Lai
Rajiv	Lall
Luh Luh	Lan
David	Larcker
Inhyung	Lee
Changhwan	Lee
Chang-Min	Lee

Christian	Leuz
Doron	Levit
Hao	Liang
Amir	Licht
Erik	Lidman
Ernest	Lim
Lauren Yu Hsin	Lin
Yair	Listokin
Kate	Litvak
Qiao	Liu
Alexander	Ljungqvist
John	Loder
Michelle	Lowry
Hai	Lu
Dorothy	Lund
Monica	Mächler
Matthew	Mallow
John	Manning
Angela	Marcarino Paris
Ron	Masulis
Ronald	Masulis
Pedro	Matos
Tomoyo	Matsui
Takumi	Matsuo
Ernst	Maug
Colin	Mayer
Joe	McCahery
Ewan	McGaughey
Floris	Mertens
Stefano	Micossi
Curtis	Milhaupt

DELEGATES

Geeyoung	Min	Ellen	Quigley	Katsunori	Shirouzu
Joshua	Mitts	Youcef	Rahmani	Zenichi	Shishido
Hideaki	Miyajima	Bharat	Ramamurti	Robert	Sitkoff
Kyohei	Mizukoshi	Enrichetta	Ravina	Rolf	Skog
Jon Jungbien	Moon	Asaf	Raz	Pablo	Slutzky
John	Morley	Hyeok-Joon	Rho	Carine	Smith Ihenacho
Alan	Morrison	Georg	Ringe	Jun Myung	Song
Peter	Muelbert	John	Roberts	Ok-Rial	Song
Sophie	Nachemson-Ekwall	Adriana	Robertson	Oliver	Spalt
Giovanna	Nicodano	Edward	Rock	Holger	Spamann
Yaron	Nili	Mark	Roe	Sebastian	Steuer
Tom	Noe	Ailsa	Roell	Christian	Strenger
Thomas	Noe	Roberta	Romano	Per	Stromberg
Toshiaki	Oguchi	Francesco	Sangiorgi	René	Stulz
Ji Yeol Jimmy	Oh	Paola	Sapienza	Johan	Sulaeman
Gaizka	Ormazabal	Motoya	Sasaki	Lawrence H.	Summers
Akio	Otsuka	Toshihiko	Sato	Oren	Sussman
Alessio	Paccas	Takafumi	Sato	Kazunori 'Icko'	Suzuki
Marco	Pagano	Zacharias	Sautner	Yasumasa	Tahara
Anete	Pajuste	Martin	Schmalz	Roberto	Tallarita
Darius	Palia	David	Schoenherr	Eric	Talley
Mariana	Pargendler	David	Schroeder	Cheng Han	Tan
Yoo-Kyung	Park	Alan	Schwartz	Wataru	Tanaka
Jennifer	Payne	Miriam	Schwartz-Ziv	Christie	Tang
Annette	Petow	Masaki	Sekimoto	Jennifer	Taub
Adrian	Peyer	Simone	Sepe	Viktor	Thell
Katharina	Pistor	Merih	Sevilir	Christian	Thimann
Elizabeth	Pollman	Matthew	Shaffer	Randall	Thomas
William	Powley	Roy	Shapira	Steen	Thomsen
Gilda Sophie	Prestipino	Sean	Shin	Karin	Thorburn
Dan	Puchniak	Kenji	Shiomura	Hans	Tijo

DELEGATES

Tobias	Tröger	Masanori	Wakita	Toshiaki	Yamanaka
Albert	Tsang	Uwe	Walz	Haruyuki	Yamashita
Kazuma	Tsunoda	Walter	Wan	Dong	Yan
Robert	Tumarkin	Charles	Wang	Yifan	Yang
Kenichi	Ueda	Daniela	Weber-Rey	Zheng	Zhang
Boris	Vallée	Alexis	Wegerich	Chang	Zhang
Kristin	van Zweiten	Thom	Wetzer	Longkai	Zhao
Cara	Vansteenkiste	Simon	Witney	Jiaqi	Zheng
Umakanth	Varottil	Yupana	Wiwatanakantang	Haoran	Zhu
Belen	Villalonga	Peng	Xu	Luigi	Zingales
Philipp	von Randow	Yishay	Yafeh	Florian	Zinoecker
Alexander	Wagner	Mina	Yagi	Jon	Zytnick





COMING UP...

2015 – Stanford University, USA
 2016 – Swedish House of Finance, Sweden
 2017 – University of Tokyo, Japan
 2018 – Harvard University, USA
 2019 – Frankfurt University, Germany
 2020 – Global 24-hour webinar
 2021 – Yale University, USA (online)

2022 – University of Oxford, UK
 2023 – Seoul National University, Korea
 2024 – Columbia University, USA
 2025 – Imperial College London, UK
 2026 – National University of Singapore
 2027 – Yale University, USA
 2028 – Peking University, China

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 THE UNIVERSITY OF TOKYO



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