CORPORATE OWNERSHIP & CONTROL

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findings show that the extent of voluntary communication is generally low, albeit showing an increase from 1996 to 2001. There is an increase in the number of corporate governance characteristics adopted by firms, suggesting firms exhibiting an improvement in the corporate governance structure. While corporate governance structure is not a significant explanatory variable in 1996, our results suggest that a firm's corporate governance structure has a significantly positive impact on voluntary disclosure in 2001. Large companies voluntarily disclose more information in both years. The implications are that a greater focus on corporate governance is resulting in an increase in transparency in the Malaysian setting. Corporate change is generating better corporate communication.

We investigate upon the influences on the Board exerted by politicians concerning strategic management and corporate governance, an invasive activity which we characterize as moral governance. We present a list of actions through which politicians and other outside parties who intervene in the political arena show power in influencing corporate policies. We analyze three Italian clinical cases some of which can be considered reluctant forms of privatization. At crossroads between corporate governance and stakeholder management, our model could be used as a guideline and checklist for insiders to interact with politicians, for cross-country comparisons of business environment, and for assessing transparency of companies in developed and developing countries.

This article is focused on the interdependencies between corporate governance and controlling from a German perspective. An impact analysis based on the area of auditing, supervision and control will follow. Using the example of intangible assets and long-term manufacturing contracts according to IFRS, the influences of internationalisation on controlling will be presented. The details show that the development of financial accounting into an integral business reporting system together with an increase in importance of controlling goes hand in hand. In the future, controlling will form the central link between corporate governance and business reporting.

Given the potential damage to the target's stakeholders, LBOs have been strongly debated and even prohibited in Italy. The institutional uncertainty surrounding the legitimacy of LBOs had a negative impact on the Italian private equity market. Recently, Italy issued an innovative corporate governance reform which offered a more favorable legal environment to this type of transactions and represented an important turning point for the domestic private equity market. The institutional change, induced by the above reform, provides scholars and policy makers with guidelines on how PE transactions may be spurred with an appropriate regulation aimed at legalizing LBOs, as well as protecting the interests of the target firm and its stakeholders. Notwithstanding the new reform, several issues remain unsolved and the admissibility of certain types of LBOs is still under debate.

SECTION 2. CORPORATE GOVERNANCE OF FAMILY FIRMS

Through an analysis of 54 family firms, all displaying excellent growth over a 5-year period, two hypotheses have been examined concerning the role that financial institutions play in the development of this type of enterprise. The first addresses the existence of different paths for financial growth; the second centers on the presence of numerous models for relationships with financial institutions.

entrenchment hypothesis, a 1% increase in the managerial ownership decreases asset utilization efficiency by 0.32% and 0.5%, respectively. However, managerial ownership is between 51.35% and 59.06%, consistent with the convergence of interest hypothesis, a 1% increase in the managerial ownership increases asset utilization efficiency by 0.21%.

We examine the relationship between corporate ownership and fund performance in Taiwan. Using the panel regression after controlling for fund attributes, the proportional share held by foreign institutional investors is positively correlated with fund performance. Furthermore, we also find a negative relationship between the number of board members and the return gap measure of fund performance, but ownership concentration are not effect on fund performance. Our results imply that foreign institutional shareholders are now playing a significant monitoring role of fund companies in Taiwan.

This study uses investment opportunity set (IOS) as an environmental factor, and investigates its moderating effect on the relationships between corporate governance mechanisms (including internal and external corporate governance mechanisms) and firm performance. The empirical results using regression analysis show: (1) The IOS does not have a moderating effect on audit quality and firm performance. (2) The negative relationship between institutional investor ownership and firm performance is stronger for firms with higher investment opportunities. (3) When CEO is the chairman of the board, high growth firms can lead to better firm performance. (4) The relationship between the IOS and pledged shares ratio of directors and supervisors has positive influence on firm performance.

SECTION 4. PRACTITIONER'S CORNER

White-collar crime is a notable phenomenon attending economic activity. But although both prominent individual cases and more systematic statistics on claims indicate a considerable and pressing problem, rather little is known about particular types of offenses, patterns of response, situational contexts, or offender profiles. Nor is much known about which instruments effectively prevent and fight white-collar crime. Utilizing an extensive dataset of 329 organizations and over 400 case descriptions from Germany, Austria and Switzerland, this analysis offers a first detailed inquiry into the relevance and characteristics as well as prevention and redress of five basic kinds of white-collar crime: corruption, fraud, theft, anti-competition, and money laundering. In addition to an explication of overarching commonalities and specific differences, we strive to show that these five types can furthermore be reorganized into two differing classes that are each internally rather homogenous. This finding is of great relevance and importance to effective strategies for preventing and countering white-collar crime.