

EDITORIAL: A geo-context of corporate governance and law scholarly research

Dear readers!

We are pleased to present a new issue of the journal “Corporate Law & Governance Review” introduced in 2020.

This new issue contains four contributions that geographically extend from Tunisia to Germany, China, and post-colonial countries like Kenya and Uganda. This witnesses the international scope of corporate law and governance and its scalable worldwide applicability, eased by local fine-tuning. In spite of this geographical common denominator, the papers evidence spicy differences in their research targets.

The impact of the board of directors on the performance is a classic governance issue that has been deeply investigated (Di Biase & Onorato, 2020; Bekiaris & Papanastasiou, 2020; Chebri & Bahoussa, 2020; Kostyuk, Mozghovyi, & Govorun, 2018; Kyereboah-Coleman & Biekpe, 2006; Davidson & Rowe, 2004; Alshimmiri, 2004), also concerning managerial discretion and the subsequent conflicts of interest between the insiders-managers (with privileged information over the firm) and the other stakeholders.

The paper of *Abdelkader Derbali, Lamia Jamel, Ali Lamouchi, Ahmed K Elnagar, and Monia Ben Ltaifa* considers the specific case on Tunisian banks, showing that non-executive independent (outside) directors negatively affect the financial performance of banks. The composition of the board and the gender parity issues still represent a major concern and target in most countries and especially in Islamic locations.

Severance payments represent another classic issue in the corporate governance literature providing a link between the director compensation and reporting (Sylos Labini & Donofrio, 2020; Eklund, 2020; Soni & Singh, 2020; Kostyuk, 2003), and is often linked to the golden parachutes that top managers may open up during hostile takeovers. If this is frequently the case in the US, compensation amounts for early exit represent a concern even elsewhere. *Alexander Dilger* and *Ute Schottmüller-Einwag* examine the German case, with reference to the disclosure of severance payments to leaving directors of listed firms. Excess payments are still present and compliance with the cap recommended by the German Corporate Governance Code is not always respected.

Jing Wang, Michel Charifzadeh, and Tim Alexander Herberger examine the impact of cross-border M&A activities between China and Germany – the biggest representatives of Asian and European countries, providing a contribution to the previous studies by Pazarskis, Drogalas, Karagiorgos, and Tabouratzi (2019), Asaoka (2019), Muhammad, Waqas, and Migliori (2019). An event study looking for abnormal returns around the announcement date of the international merger is conducted, showing that higher value is created when the German target is unlisted. This may suggest a potential liquidity and marketability premium for unlisted targets that are acquired by listed entities. There is also a potential impact on the mitigation of information asymmetries, traditionally milder in listed stocks due to their disclosure engagement.

Fred Amony considers a trendy and peculiar case, investigating the impact of COVID-19 in the national planning of post-colonial (moulding) states like Uganda and Kenya, the biggest East-African countries with Tanzania. This “tension” paper frameworks macro policy concerns where the State is the pivoting stakeholder.

Governance is evolving towards an increasingly interdisciplinary world, where cross-sectional analysis and pollination from heterogeneous practices converge. Traditional stakeholders like

those represented by managers, shareholders, debtholders, employees, suppliers, customers, or the government, etc., are complemented by emerging stakeholders like patients (in healthcare governance) or, in an increasingly connected world, by digital platforms that represent a new virtual stakeholder, connecting the other ones and linking the firm to its evolving ecosystem. This may represent a new literature strand, and a methodological tool to analyze classic governance concerns with a new interpretation paradigm. Declination to specific cases and countries may then naturally follow.

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