

**CORPORATE
OWNERSHIP & CONTROL**

**КОРПОРАТИВНАЯ
СОБСТВЕННОСТЬ И КОНТРОЛЬ**

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EDITORIAL

Dear readers!

We hope that you will enjoy the journal content and join the author or subscriber groups of our journal. This issue of the journal is devoted to the issue of corporate governance development in developing countries. This mainly concerns such countries as China, Brazil, the USA, South Africa.

Weian Li and Jianbo Niu tried to explore the relation among three factors: the private benefits that main shareholders can obtain from the firm, the social benefits derived from a certain ownership structure and the ownership concentration costs. Different corporations have different optimal governance mechanism. Noticing the substitute relation between the level of the management-and-shareholder-conflicts and the different governance mechanism, we take use of the data from China's stock market and conduct an empirical analysis on the influence both of the different shareholder's participating in governance and the ownership structure over corporate performance, and have reached two conclusions.

Patricia Saltorato presented a paper calling attention to the cultural dynamics of a deflagrated conflict within the new institutional environment of a privatized electric sector company in São Paulo, opposing those who defend the company's democratization among the entire manufacture community viewing the stakeholders' collective rights (managers, Non-Governmental Organizations, local community, the State, regulatory and certificating agencies, consumers etc...) against those who defend the company's democratization, but just among its shareholders (GRÜN, 2003), central in the individuals rights discourse.

Michael Nwogugu seeks to: a) introduce new applications and models of incentives, b) introduces new incentives models that completely solve the problems of "Back-dating" and "Re-pricing" of employee stock options and equity-based incentives; c) introduce new theories of unwarranted wealth-transfers and Disruption Costs inherent in the use of Equity-based Incentives ("EBIs").

Joseph H. Astrachan, Andrew D. Keyt, Suzanne Lane, Kristi S. Mcmillan raised serious questions as to the applicability of current corporate governance recommendations for family businesses. While perhaps valuable for listed companies, they may be harmful to family businesses because they arise from a *market model* rather than a *control model* of corporate governance. This paper provides guidelines that will lead to greater board accountability and, in turn, positive identifiable results in board and company performance. These guidelines also incorporate propositions for further consideration by family business researchers.

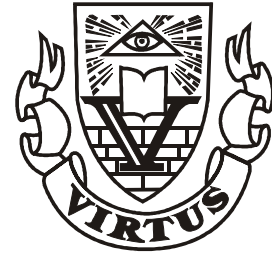
F J Mostert and J H Mostert focused on the improvement of the evaluation process of investment opportunities. The empirical study included enterprises that invest venture capital and private equity as they should be experienced in the evaluation of financial and business risks of investment opportunities. Recommendations are based on the available literature and empirical results of the study and should be valuable to business executives as well as academics. The recommendations should inevitably lead to the improvement of the process according to which investment opportunities is evaluated.

The rest papers have been evaluated by reviewers very well. Therefore, we are sure that you will enjoy reading those papers too.

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