

**CORPORATE
OWNERSHIP & CONTROL**

**КОРПОРАТИВНАЯ
СОБСТВЕННОСТЬ И КОНТРОЛЬ**

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EDITORIAL

Dear readers!

This issue of the journal *Corporate Ownership and Control* is devoted to several issues of corporate governance.

Jakobus Daniël (JD) van Heerden investigate the relationship between the South African private equity industry and government's black economic empowerment (BEE) legislation. The study suggests that the need to earn black economic empowerment credentials is one of the major driving forces behind the growth experienced in the South African private equity industry, and at the same time this growth leads to an accelerated BEE transformation process, resulting in an interrelationship between the industry and BEE.

Miroslav Mateev examines the corporate governance problem in Central and Eastern European (CEE) countries and the major implications of highly concentrated ownership in these countries on their economic development. The author's empirical results support Berglöf and Pajuste (2003) findings that controlling shareholders (strategic investors) are critical to the successful restructuring of privatized firms; minority protection is also important to attract outside capital, but it may reduce the disciplinary role of the market for corporate control

Abdul Hadi Zulkafli , Fazilah Abdul Samad and Izani Ibrahim analyze the corporate governance involving ownership monitoring mechanism of listed banking firms in nine Asian emerging markets which are Malaysia, Thailand, Philippines, Indonesia, Korea, Singapore, Hong Kong, Taiwan and India. It is found that ownership monitoring mechanisms of the banking firms in Asian emerging markets are negatively related with firm value measured by Tobin's Q.

David R. Wolfe investigates firms issuing high-yield debt and the impact on their stock price by identifying determinants of the negative abnormal return that surrounds the announcement of an issue in the short-run. It is learned the length, coupon payment and amount of the issue are significant in explaining the CAR as is the age of the firm, first-time issuers and the marketplace where its stock trades. Firm performance ratios including the current and total-asset-turnover ratio also have explanatory

power. These determinants of the CAR have an explanatory power approaching 55%.

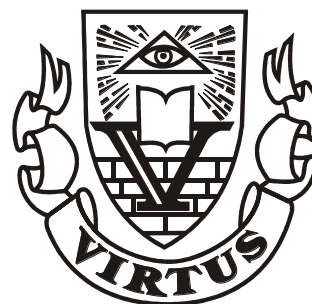
Walter Block states the level of competition can be calculated to a nicety based on the number of competitors in an industry. In the alternative Austrian viewpoint, there can only be presence or absence but not degrees of competition; it exists if there are no legal barriers to entry, and does not if there are any such. The present paper plays out this distinction through the prism of DiLorenzo's (2004) publication.

Michael Nwogugu shows that the present regime of real property taxation and location incentives are inherently unconstitutional. The analysis in this article pertains to US state/local laws/regulations governing tax assessment, tax collection, tax foreclosures and incentives offered to firms to relocate to states (although much of it is applicable in most common law jurisdictions.

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