

JAPANESE CORPORATE GOVERNANCE FROM THE PERSPECTIVE OF FAMILY FIRMS

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**23 March 2017, Thursday, 12.30 PM To 1.30 PM (Registration starts at 12noon)
NUS Law (Bukit Timah Campus), Eu Tong Sen Building, Lee Sheridan Conference Room**

Chairperson:

Associate Professor Dan Puchniak

Director, Centre for Asian Legal Studies, NUS Law

ABSTRACT

Corporate governance has been a hot issue across the world, especially since the Enron scandal and the Lehman shock. The Anglo-American model (A-form), which focuses on monitoring management to maximize shareholder value through mechanisms such as hostile takeovers and independent directors, is often criticized as either malfunctioning or short-sighted.

The Japanese model (J-form) differs markedly from the Anglo-American model: there is stronger capacity for internal governance, there exist mechanisms such as “lifetime” employment to incentivize human capital providers, there is greater internal promotion, and shareholder intervention can be limited through cross-shareholding practices. These differences were once cited to explain Japan’s economic miracle, but were also cited as a major factor behind the lost decades of the 1990s and 2000s.

In fact, after the bubble economy of the mid-1980s, the ROAs of Japanese companies declined and were lower than that of Anglo-American companies. Interestingly, Japanese family (J-family) firms have performed better than ordinary J-form firms, particularly after the economic bubble.

This paper attempts to answer the questions: why have the performances of J-form firms deteriorated since the Japanese economic bubble in the mid-1980s, and why have J-family firms generally outperformed non-family firms? The paper will analyze and compare J-form and J-family firms on general issues of corporate governance, including internal and external governance, internal promotion rules, long-run reward systems, and incentive mechanisms.

ABOUT THE SPEAKER



Zenichi Shishido is Professor of Law at Hitotsubashi University, Graduate School of International Corporate Strategy and continues to be a Visiting Professor at UC Berkeley (Boalt Hall) on a regular basis. Professor Shishido taught at Seikei University (1983-2009), and has been a Visiting Professor at Columbia Law School (1998-1999) and Harvard Law School (2005), and a Senior Research Scholar in Law at Yale Law School (2015). Professor Shishido is a well-known authority on Japanese and comparative corporate governance, having written extensively on the subject in both Japanese and English. He has also served on advisory councils to Japan’s Ministry of Economy, Trade and Industry (METI) and Ministry of Justice (MOJ). His publications in English include the books *Enterprise Law: Contracts, Markets, and Laws in the US and Japan* (Edward Elgar, 2014), and *Joint Venture Strategies: Design, Bargaining, and the Law* (Edward Elgar, 2015).

REGISTRATION

There is no registration fee for this seminar but seats are limited.

Register at <http://tinyurl.com/zmjexgu> or scan the QR Code.

For enquiries, please contact Atikah at clb@nus.edu.sg

Registration Deadline: **20 March 2017 (Mon)**

