

CORPORATE GOVERNANCE & FINANCE 2023

Course description

Economic efficiency may be undermined by any misallocation of financial resources. This course discusses corporate law and financial regulation from the perspective of the correction of financial markets failure. The course focuses on the various legal, contractual and extra-legal mechanisms available to protect (minority) shareholders and other stakeholders from the self-serving behaviour of managers and of controlling shareholders. Moreover, the course addresses the problem of financial distress and its consequences for the financing of private and public enterprises, as well as for financial stability.

Course responsible

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Teaching format

Teaching takes place in person in room 1083a (VMP5).

Course Book

Kraakman et al., THE ANATOMY OF CORPORATE LAW, 3rd edition (2017),
either available as

- paperback book
- on Campus, this book is available online at
<https://oxford.universitypressscholarship.com/view/10.1093/acprof:oso/9780198739630.001.0001/acprof-9780198739630>
- within the University network, you may access the book at
<https://oxford-1universitypressscholarship-1com-100c37aef052a.emedien3.sub.uni-hamburg.de/view/10.1093/acprof:oso/9780198739630.001.0001/acprof-9780198739630>

SYLLABUS

Classes 1-2

Corporate Governance & Finance – Introduction and Theory

- Kraakman et al., Anatomy, ch 1-2
- Henry Hansmann & Reinier Kraakman, [The End of History for Corporate Law](#), 89 Geo. L.J. 439 (2001)
- Rafael La Porta, Florencio Lopez-de-Silanes & Andrei Shleifer, [The Economic Consequences of Legal Origins](#), 46 Journal of Economic Literature 285 (2008)
- Mark J. Roe, [Political Conditions for Separating Ownership from Corporate Control](#), 53 Stan. L. Rev. 539 (2000)

Class 3

The Board of Directors in Corporate Governance

- Paul Davies & Klaus J. Hopt, [Boards in Europe—Accountability and Convergence](#), 61 American Journal of Comparative Law 301 (2013)

- Renée Adams, Benjamin E. Hermalin & Michael S. Weisbach, [The Role of Boards of Directors in Corporate Governance: A Conceptual Framework and Survey](#), 48 *Journal of Economic Literature* 58 (2010)
- W. Georg Ringe, [Independent Directors: After the Crisis](#), 14 *European Business Organization Law Review* 401 (2013)

Class 4

Shareholders and capital markets I

- Kraakman et al., *Anatomy*, ch 3-4
- Lucian A. Bebchuk, [The Case for Increasing Shareholder Power](#), 118 *Harv. L. Rev.* 833 (2005)
- Ronald J. Gilson, [Controlling Shareholders and Corporate Governance: Complicating the Comparative Taxonomy](#), 119 *Harv. L. Rev.* 1641 (2006)
- Robert J. Jackson, Jr., [Statement on Shareholder Voting](#), Harvard Law School Forum on Corporate Governance and Financial Regulation (September 15, 2018)
- W. Georg Ringe, [Changing Law and Ownership Patterns in Germany: Corporate Governance and the Erosion of Deutschland AG](#), 63 *American Journal of Comparative Law* 493 (2015)

Class 5

Shareholders II – activism, shareholder engagement and stewardship

- Ronald J. Gilson & Jeffrey N. Gordon, [The Agency Costs of Agency Capitalism: Activist Investors and the Revaluation of Governance Rights](#), 113 *Colum. L. Rev.* 863 (2013)
- Lucian Bebchuk and Scott Hirst, [Index Funds and the Future for Corporate Governance: Theory, Evidence, and Policy](#), 119 *Colum. L. Rev.* 2029 (2019)
- Iris H-Y Chiu, [Turning Institutional Investors into ‘Stewards’: Exploring the Meaning and Objectives of ‘Stewardship’](#), 66 *Current Legal Problems* 443 (2017)

Class 6

Creditor protection and financial distress

- Kraakman et al., *Anatomy*, ch 5
- John Armour, [Legal Capital: An Outdated Concept?](#) 7 *EBOR* 5 (2006)
- Wolf-Georg Ringe, [Bank Bail-In between Liquidity and Solvency](#), 92 *American Bankruptcy Law Journal* 293 (2018)

Classes 7 & 8

Takeovers and the Market for Corporate Control

- Kraakman et al., *Anatomy*, ch 8
- John Armour & David A. Skeel, [Who Writes the Rules for Hostile Takeovers, and Why? The Peculiar Divergence of US and UK Takeover Regulation](#), 95 *Geo. L. J.* 1727 (2007)
- Luca Enriques, Ronald J. Gilson & Alessio M. Paces, [The Case for an Unbiased Takeover Law \(with an Application to the European Union\)](#), 4 *Harv. Bus. L. Rev.* 85-127 (2014)

Class 9

Lawmaking and Regulatory Competition

- Marcel Kahan, [The State of State Competition for Incorporations](#), in: Jeffrey N. Gordon & W. Georg Ringe (eds), *THE OXFORD HANDBOOK OF CORPORATE LAW AND GOVERNANCE* (2018)

- John Armour & W. Georg Ringe, [European Company Law 1999-2010: Renaissance and Crisis](#), 48 Common Market L. Rev. 125 (2011)
- W. Georg Ringe, [Corporate Mobility in the European Union – A Flash in the Pan? An Empirical Study on the Success of Lawmaking and Regulatory Competition](#), 10 Eur. Company and Fin. L. Rev. 230 (2013)
- Karsten E. Sorensen, [‘Free movement of companies under the new Trade and Cooperation Agreement between the EU and the UK’](#), 18 Eur. Company L. 117 (2021)
- [UK-EU Trade and Cooperation Agreement](#), Articles 124-130

Class 10

Revision, exam preparation and conclusion