

730-759 Comparative Corporate Governance

Credit Points:	12.500
Level:	Graduate/Postgraduate
Dates & Locations:	2008, This subject commences in the following study period/s: Summer Term, - Taught on campus.
Time Commitment:	Contact Hours: 24 - 26 contact hours per subject. Total Time Commitment: The time commitment for this subject depends on the candidate's background and experience.
Prerequisites:	N.A.
Corequisites:	N.A.
Recommended Background Knowledge:	None
Non Allowed Subjects:	None
Core Participation Requirements:	N.A.
Coordinator:	Dr David Kershaw
Subject Overview:	<p>Objectives:</p> <p>A candidate who has successfully completed the subject should:</p> <ul style="list-style-type: none"> # Understand the meaning of the agency problem in the context of the modern corporation # Understand the tension between authority and responsibility in corporate legal regulation # Understand the types of regulatory strategy that can be deployed to address the identified agency problems # Understand the different approaches of different jurisdictions to effecting these regulatory strategies (jurisdictions include Australian, US, UK and certain continental European jurisdictions) # Understand governance regimes as systems that deploy different combinations of regulatory strategies that complement and fit with each other # Understand the scope or lack thereof for regulatory transplantation # Understand the debate about the scope for and likely outcome of corporate legal convergence process. <p>Syllabus:</p> <ul style="list-style-type: none"> # <i>Introduction to the economic tensions of the corporate form:</i> Authority versus responsibility; the economic agency cost problem; managerial agency costs; controlling shareholder agency costs. Introduction to the regulatory strategies available to address these economic tensions # <i>Shareholder primacy versus director primary/the balance of power in the corporation:</i> Appointment and removal rights; initiation rights and decisions rights (UK, US, Australia and Germany) # <i>Directors Duties I:</i> The duty of care; business judgment rule; duty of care liability waivers (US, UK and Australia) # <i>Directors Duties II:</i> The duty of loyalty and self-dealing; conflicted transactions; corporate opportunities (US, UK and Australia) # <i>Directors Duties III:</i> The duty to promote the success of the company and stakeholder interests; enlightened shareholder value versus pluralism; the costs of decision making and stakeholder interests (US, UK and Australia) # <i>Board structure and composition:</i> Unitary versus two-tier boards; composition themes; committee structures; composition and corporate performance (UK, US and Australia) # <i>Corporate governance and gatekeeper regulation:</i> The role of the auditor as independent gatekeeper; the impact of Enron and US corporate and audit failures; auditor independence regulation (UK, US and Australia) # <i>Executive compensation:</i> Agency cost solution or cost problem; regulatory approaches to executive compensation (US, UK and Australia)

	<p># <i>The market for corporate control</i>: The market for corporate control as agency cost control; the pros and cons of takeover defences; the US and UK models of takeover defence regulation</p> <p># <i>Corporate ownership structures and convergence</i>: Blockholding versus widely held companies; the controlling shareholder agency problem; efficient versus inefficient blockholding; the scope for and likelihood of convergence.</p>
Assessment:	Take-home examination (100%) (4-7 April)
Prescribed Texts:	Core subject materials will be provided free of charge to all students. Some subjects require further texts to be purchased. Please visit the subject homepage on the Melbourne Law Masters website by following the link at the bottom of this subject entry.
Breadth Options:	This subject is not available as a breadth subject.
Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees
Generic Skills:	Please see the Subject Objectives for this information.
Links to further information:	For the latest information on this subject, please visit: http://www.masters.law.unimelb.edu.au/subject/730759