

# **Rumble in the Boardroom ?**

## **The Change of Japanese Corporate Governance Schemes**

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### I. INTRODUCTION

Corporate governance has become widely discussed in Japan since the 1990s and a variety of books and papers have been published since these organisations, study groups, scholars and business people have all discussed the ways by which owners of companies could protect their interest in the firm and influence the management to act in their interest.

The question of who the owners of a company are is complicated in Japan. In contrast to the Anglo-Saxon system where shareholders are the owners, in Japan (and in Germany as well) a corporation has to provide work for the employees and has to operate within a network of several stakeholders.<sup>1</sup> In addition to that, there are other peculiarities in the Japanese industrial organization.<sup>2</sup> Some result from ownership structures: as shown in FIGURE 1, for a long time the ratio of stocks owned by individuals ...

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1 M. YOSHIMORI, *Whose Company Is It? The Concept of the Corporation in Japan and the West*, in: *Long Range Planning* 28 (1995) 33-44. The German-Japanese comparison is the explicit topic of T. TAKAHASHI (ed.), *Corporate Governance - Nihon to doitsu no kigyō system* [Corporate Governance - the Japanese and German Enterprise System] (Tokyo 1995).

2 T. IGARASHI, *Where are we going? The Process of Change in Japanese Corporate Governance*, in: *ZJapanR* 6 (2001) 70.