Corporate Governance And Governmental Intervention: Evidence From The Usa, Uk, Russia, Malaysia And Nigeria – REVISED VERSION

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Most academic literature and media reports on corporate governance in recent times have begun by citing the collapse of the once seventh largest company in America. The Enron scandal can be seen as a catalyst to the recent scrutiny of corporate governance due to the enormity of its impact which is still being felt. Following several other corporate scandals and questionable business practices in the last decade and in particular the 2009 global economic recession, there has been increased scrutiny around governance and demands that business practices be ameliorated. Historically, corporate crisis and reforms have been largely cyclical; corporate governance scrutiny and subsequent reforms have followed a sequence of corporate scandals. Since the 1992 Cadbury report in the UK, research on corporate governance particularly in the area of regulation has escalated. Across the world, we have seen several other codes of conducts and best practices alongside various reforms in the legal underpinnings of corporations. This research evaluates the fundamental reasons for the increasing role of government in corporate governance. It surveys relevant literature including the various codes of conducts and other regulatory guidelines to provide an overview of the rationale behind the role of government in the corporate governance systems of the USA, UK, Russia, Malaysia and Nigeria. It further borrows insights from the corporate governance regulatory frameworks of some other countries in order to provide a richer and more comparative analysis. As such, this cross-national study informs the underlying facts behind government's increasing intervention in the corporate governance regulatory framework of different countries.