

Law of Corporate Governance 3735

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Examination, 15 December 2009

Time: 4 hours

Materials: No materials.

Please answer the following questions:

- 1) What are the characteristics of "the classical firm" according to Alchian and Demsetz?
- 2) What is the relevance of the European legal capital regime in corporate governance?
- 3) In what country, Germany or the UK, is it more important for shareholders to act as monitors?
- 4) Define "good corporate governance".
- 5) Design a self-enforcing corporate governance model to be used by a foreign investor in a country with a high level of corruption or lack of rule of law.

Good luck! You may take the exam paper with you, if you want.