Transnational Forces and Corporate Governance Regulation in Postsocialist Europe

This dissertation provides an analysis of the influence of transnational forces on the mode and content of corporate governance regulation in East Central Europe since the collapse of state socialism. From the early 1990s onwards countries in this region have gone through a process of economic restructuring aimed at the establishment of liberal market economies. Transnational actors such as the European Union, the International Monetary Fund and transnational corporations have been quite influential in this process. As a result of their involvement, corporate governance institutions in the region look surprisingly similar despite the fact that the countries initially opted for different paths. Moreover, the institutional set-up of the region is remarkably different from the institutional arrangements in Western Europe and the US.

As this dissertation points out, the convergence in the corporate governance systems has been fuelled by three important developments: the process of European Union enlargement, the spread of transnational codes of ‘good’ corporate governance and the attempts of national governments to make their countries as attractive to foreign capital as possible. What these three developments have in common is that they are based on the neoliberal assumption that capital providers’ rights must be afforded the highest level of protection. In this respect, there is a clear trend in the development of the corporate governance systems towards emphasising issues such as financial transparency and shareholders’ rights.

This research project was made possible by funding from the Shifts in Governance programme of the Netherlands Organisation for Scientific Research (NWO).

Arjan Vliegenthart is an assistant professor in political science at VU University Amsterdam.