

EDITORIAL: New trends in corporate law and governance — Future expectations

Dear readers!

We are all pleased to present the first issue of 2022 of the journal “*Corporate Law & Governance Review*”.

This new issue contains five contributions that deal with both theoretical and practical aspects related to corporate law and corporate governance. The authors have put together five extremely interesting pieces of work, using a variety of doctrinal and empirical research methodologies and adopting an interdisciplinary perspective. The topics range from corporate governance regulation to due diligence and from corporate entrepreneurship to foreign direct investment, with case studies focusing on Greece, Finland, Sri Lanka, and the Philippines. The research findings confirm the richness that characterises the international corporate landscape and the contemporary character of such intellectual inquiries.

The contribution of *Sathanantham Shiyalini* and *Kanesh Suresh* examines the impact of public debt on domestic and foreign direct investment over a period of 40 years (1980–2020) in a developing market such as Sri Lanka. Through the use of the Autoregressive Distributed Lag (ARDL) cointegration technique, which is used to test the presence of the long-run relationship between the variables, this contribution aimed at investigating whether higher internal and external government borrowing indeed lowers domestic investments in both the short and long terms. The authors found that the existence of internal debt does not have the same impact on foreign direct investment as the existence of external debt both in the short and the long run. Considering the significance of Foreign Direct Investment (FDI) for the economic development, specifically for developing countries, this research offers interesting insights as to the obstacles and the constraints that countries like Sri Lanka face in relation to private lending as well as FDI inflows.

Benedict Sheehy and *Kristoffer Gabriel Laurio Madrid*'s article focuses on corporate governance in state-owned enterprises. Their research touches upon the issue of convergence in the area of international corporate governance and, using the Philippines as a case study, aims to determine whether and to what extent such convergence actually happens. As the focal point is state-owned enterprise law and practice, the authors utilised the Organisation for Economic Co-operation and Development (OECD) Guidelines on Corporate Governance of State-Owned Enterprises and found not only that convergence occurring in the Philippines, but also that the benefits are substantial and hard to be overlooked. Given the attempts that are being made for decades now at regional and international levels to

promote and facilitate convergence in corporate governance, the Philippines can be an example to follow for developing and emerging countries in Asia and — why not — around the world.

Staying on the topic of corporate governance, the next contribution takes us to Europe and the country of Greece. *Georgia N. Kontogeorga, Georgios L. Thanasas, Vassilis S. Smaraidos, and Dimitrios N. Angelaras* write about the Greek corporate governance landscape and the reforms introduced by the new Law 4706/2020 on corporate governance. Their paper performs a comparative analysis with the previous legal framework and assesses the overall project of modernising corporate governance rules and practices in Greece. Apart from the specificities of the Greek business reality, emphasis is given to the timing of the reforms which coincided with the COVID pandemic and its impact on international trade, economy, and financial stability. It remains to be seen whether Greece is ready to take steps forward or it will be a missed opportunity to improve its competitiveness and attractiveness after more than a decade of recession.

The next research of *Nafisa Yeasmin* and *Pavel Tkach* investigates corporate due diligence. Using the topic of cultural security of vulnerable migrants in Europe, they delve into a discussion of how due diligence can contribute to the creation of more efficient regulation of cultural security in the future. The example of Finland and religious minorities offers a basis for an alternative look into this topic; although there has been a plethora of academic contributions discussing due diligence, the focus is mostly on how companies will assess their environmental impacts throughout their operations and down their supply chains as well as how to prevent, mitigate, and remedy identified harms. A wider analysis on human rights-related harms will undoubtedly lead to a better understanding of which direction corporate due diligence should take in the future.

The issue is completed with the paper of *Hardjanto Nusantoro, Erna Maulina, Anang Muftiadi, and Margo Purnomo* that deals with corporate entrepreneurship and organizational learning. Their bibliometric review, which covers the period between 1996 and 2021, follows the development of these important concepts and the challenges that ensued in the era of digitalisation and globalised, interconnected economies. With more than 50 articles reviewed, there was a wealth of material and knowledge about how modern companies can make the most out of new platforms and opportunities, how they can use them to obtain a competitive advantage in their respective markets, and ultimately how they can enhance product innovation.

As it becomes apparent, the current issue of the journal is thought-provoking discussions and confirms how many different pathways are still available for quality research in the area of corporate law and governance. The use of case studies, comparative perspectives, empirical data, and historical reviews

makes the contributions more original but at the same time more connected with the reality of the business world. Many have argued that we are at a crossroads and we observe history in the making; regardless of whether this is really accurate or not, corporate governance will continue to be under the spotlight for the years to come and its developments will not stop attracting the attention of researchers who are keen to get a better idea of how companies should be operated and run.

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