Valedictory Editorial
So-long, and thanks for all the fish

Corporate Governance – an international review was established in 1992. The first issue appeared on 1 January 1993. At that time the phrase 'corporate governance' was scarcely used, the literature was sparse and the subject lacked credibility. After nearly a decade things have changed, but new challenges are now emerging. It is time for your editor to pass on the keys to the editorial keyboard. But allow me, if you will, a few final thoughts.

On corporate governance

This journal was developed as a forum for the exchange of information, insights and knowledge in the field of corporate governance, based on both theoretical developments and practical experience. We defined corporate governance broadly as the exercise of power over corporate entities. Over the past decade thinking about corporate governance has been influenced more by the proliferation of codes of good corporate governance practice than by research-based or theory-building work. Starting with the seminal work of Sir Adrian Cadbury (a founding member of this journal's board of editorial advisers), codes have been produced for many company law jurisdictions and stock exchange domains. Typically, these codes have been based on what business people believe to be sound practice. The emphasis has been on the oversight of executive management by independent outside directors, the division of powers, and on accountability and transparency. Some significant changes have resulted and attitudes at board level have evolved. The codes are compendiums of conventional wisdom, whilst we still do not know the relationship (if any) between adherence to a code and corporate performance. Moreover, these codes have not addressed some fundamental issues: what is a company for, to whom it should be accountable and who should wield power over it? There are deeply divergent views around the world on the purpose of companies and the way they should be governed. Seeking a degree of convergence in governance standards, some institutional investors, such as CalPERS, have sought to influence governance practices in countries around the world, justifying these efforts by the argument that compatible corporate governance is essential if funds are to be raised from international (predominantly American) capital markets. More recently a number of international bodies, such as the World Bank, the OECD and the Commonwealth of Nations, have added their recommendations to the proliferation of codes of good governance practice. Overtly driven by the desire to improve the governance of corporate entities, one has to wonder if some of these efforts have also been concerned with exercising influence over companies, some of which are now far more powerful than many nation-states.

On theories of corporate governance

Corporate governance lacks a unifying theory. The papers we have published have been written, principally, from the perspectives of the social sciences or jurisprudence. But some of the theoretical constructs of economics, psychology, sociology, anthropology, political science and law conflict. Stewardship theory, the under-pinning of the concept of the corporation since the mid-nineteenth century, is now too simple to describe adequately the rich complexity of modern corporate networks and strategic alliances. Sound theory should be simple but not simpler than the circumstances it seeks to explain, as Einstein observed. Agency theory, though providing fertile ground for impressive statistics, constrains reality. Man is more than a utility-maximising animal, incapable of carrying out a fiduciary duty for the benefit of others. Observation of boardroom behaviour shows that material self-interest is seldom the only, or even the major motivator of board-level behaviour. Emotions and irrational reaction, peer pressure and board-level culture, dominant individuals and power cliques, respect, loyalty and trust, malice, envy and spite all affect outcomes. Stakeholder theories, though offering a rich seam for those who are interested in belief systems and changing values, are still more to do with the philosophy of relationships between the individual, the enterprise and the state, than with sound, predictive theory.

On referees

Our referees play a fundamental role in the publication of the journal. Effectively they establish and maintain its standards. The editor's power lies in choosing the referees. I am very grateful to the many referees who have supported me throughout my editorship. All research papers submitted to the journal are reviewed by at least two independent referees. The refereeing process is 'double-blind', with authors and reviewers remaining unknown to each other. Nevertheless, because we believe that the theoretical concepts of corporate governance are still evolving, we encourage authors and reviewers to see the relationship as a dialogue, from which each can benefit. I can recall only three papers in the past eight years on which both referees have said 'publish without amendment'. Unlike some of our distinguished competitor journals, our reviewers are not expected to be gatekeepers of a particular paradigm. Such attitudes produce theory in aspic and thwart paradigm change. To facilitate the interaction between author and referee I can see merit in removing the refereeing blindfold and identifying referees. Unfortunately this might amplify another problem. It is becoming increasingly difficult to persuade people to undertake this time consuming task. In the past refereeing was seen as an essential and proper part of the work of academics. Today there are other pressures on the academic's time. A partial solution might lie in the Internet. At the moment much of our refereeing and editorial work relies on hard copy. I foresee the entire process, from submission of the paper, presentation to referees, referees responses and interaction with authors, right through to the final proof, being done electronically.

On contributors

Our authors are also basic to the journal. Having one's work subjected to rigorous and critical review is not a comfortable process, although final publication can be rewarding. However, I remain amazed at the number of papers submitted that are clearly not ready for the reviewing process, let alone publication: papers which do not follow the 'instructions to contributors'; papers with spelling mistakes; papers with convoluted writing and confused ideas. I wish more writers would, at least, try out their work on colleagues before submitting. It is not part of the editor's job to turn a half-baked paper into a confection suitable for the readers. Journals have their own house style: write the paper in a way that at least suggests you read the journal regularly. Finally, once the paper has been accepted, make sure that the final draft really is final. The proof stage is not the time to have second thoughts. Nevertheless, I am grateful to the authors who have sent their work for review over the years. Moreover, the standard of work has, undoubtedly, improved significantly over the years as expectations have changed. From an uncertain start in 1992, there is now a rewarding set of papers in the editorial pipeline. Over the years the journal has also gradually been recognised by significant citation indexes and abstracting services.

On our editorial advisory board and our publishers

Throughout my tenure as editor, a distinguished advisory board, drawn from around the world, has supported me. They have been enormously supportive and have made valuable suggestions. I record my gratitude to them all. Blackwells, our publishers, also deserve congratulations for the professional way they publish the journal. Thirty-two issues in eight volumes, on time and without any serious mishap is quite a feat. The members of the editorial staff have been a joy to work with: thanks.

On our subscribers and readers

Our subscribers are the ultimate stakeholders in the system. It is gratifying for an editor to find collections of the journal in the libraries of major business schools and universities around the world. In future, institutions may opt for electronic delivery. This edition carries a note on the outside back cover for the first time, announcing the online version for readers of the print version. But individuals also subscribe for personal copies. Pressing for the introduction of a much-reduced private subscription rate was one of your editor's better decisions. Thank you for your continuing interest in the journal.

On our new editor

I am convinced that, just as 19th century was an era of entrepreneurial company builders who stamped their name and influence on family companies, and the 20th century became the era of management with a proliferation of management consultants, schools, books and gurus, the 21st century promises to be that of corporate governance. Your new editor, Chris Mallin, has already made a significant contribution to the subject. Building on the work she began at Nottingham, she has recently been appointed to a chair at the University of Birmingham, where she directs the new Centre for Corporate Governance. I wish her well as she takes on the additional responsibilities as your editor.

Bob Tricker