



Hedge Fund Activism in Japan

Hedge fund activism is an expression of shareholder primacy, an idea that has come to dominate discussion of corporate governance theory and practice worldwide over the past two decades. This book provides a thorough examination of public and often confrontational hedge fund activism in Japan in the period between 2000 and the full onset of the global financial crisis in 2008. In Japan this shareholder-centric conception of the company espoused by activist hedge funds clashed with the alternative Japanese conception of the company as an enduring organisation or a 'community'. By analysing this clash, the book derives a fresh view of the practices underpinning corporate governance in Japan and offers suggestions regarding the validity of the shareholder primacy ideas currently at the heart of US and UK beliefs about the purpose of the firm.

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Hedge Fund Activism in Japan

The limits of shareholder primacy

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Note on transcription of Japanese words

Japanese words are transcribed using the Hepburn Romanisation, with macrons to indicate long vowels except where place names are considered to have become adopted into the English language through frequent use (e.g. ‘Tokyo’ and ‘Osaka’ rather than the strictly correct ‘Tōkyō’ and ‘Ōsaka’). Where corporate names currently exist in a Romanised version promoted by the company which does not follow this orthography we have generally followed their usage (e.g. ‘Sotoh’ rather than ‘Sotō’ and ‘Nihon Keizai Shimbun’ rather than ‘Nihon Keizai Shinbun’) although we have added macrons to some company names to indicate pronunciation where it is not already evident. Japanese personal names are shown in Japanese order, with surname first.