ICGN
International Corporate Governance Network

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Keynote Speech: Robert A.G. Monks Principal, LENS Governance Advisors. Chairman (retired) Governance for Owners, Founder ISS, Lens, The Corporate Library, introduced by Christianna Wood

This is a call to those responsible for the savings and dreams of hundreds of millions of trust beneficiaries. It is a call to you. Like all calls, it may not be welcome. This call requires confrontation of powerful present realities. Many of you are affiliated with institutions having a whole spectrum of financial capabilities which raises the question of conflicting interests. Your beneficiaries suffered unacceptably large losses during the recent financial crisis attributable in substantial measure to your failure, as owners and as trustees, effectively to protect their interest.

Employer-sponsored defined contribution plan assets in the USA fell 22%, which means absolute losses of 1 trillion US dollars, whereas the Mandatory Provident Fund system in Hong Kong has experienced losses of 30%. Other big institutional investors also have been forced to admit gigantic losses. The famous Harvard Endowment Funds lost 8 billion dollars or 22% of its assets. The endowment has been a model for many other institutional investors and board members of big pension funds. (As of this date, there has been some recovery of value in all the funds.)

Globalization has exacerbated the problems of effectively holding corporations to account. In the absence of global institutions, laws and regulations, the only effective enforcer of corporate governance standards is ownership. Owners, like corporations themselves, have global interests and are not limited by national boundaries. Foreign institutional owners generally have stakes in excess of twenty percent in all the largest publicly traded companies. Shareholder involvement is stigmatized as being "short-term" and, therefore, the enemy of long term value creation by management. So your effective assertion of long term value is essential in order to legitimate shareholder activism as a desirable—indeed the essential -- component in the governance of modern corporations. This is as true with respect to shares you own pursuant to an index of an algorithm as with shares you have selected.

Quite simply, you are under attack. Universal acceptance of a role for shareholders in corporate governance cannot be taken for granted. The Western financial crisis and global recession have left champions of free-market capitalism facing an increasingly skeptical international audience. Countries like state-capitalist China have taken a much less severe hit from the slowdown than free-market powers in America and Europe. These and other developing states have cut into US political, economic, and cultural hegemony over the past several years, and Washington has seen its great power advantages begin to shrink, at least on a relative basis. [1] The US has lost its claim as an exclusive model for others to emulate. The desirable principles haven't changed, only the claim that the US uniquely embodies them. Many will claim that both the increased involvement of government and the explicit autocratic prerogatives of management provide greater long term value than the traditional system with its insistence on the accountability of CEO and board to the effective owners. So you are attacked on both sides – for doing too little and for doing too much.

[1] Bremmer, Ian, The End of the free Market. Who Wins the War Between States and Corporations, (Portfolio Hardcover, 2010) at 151

There are critical voices around the globe attacking the legitimacy of activist shareholders. From Japan: "Hostile raiders are 'vultures and hyenas'… When we operate the company, we are not only looking at stockholders, we look at employees and creditors and everybody."[2] "To be blunt, shareholders in general do not have the ability to run a company. They are fickle and irresponsible. They only take on a limited responsibility, but they greedily demand high dividend payments."[3] And from establishment America: "Activist investors are a "terrible thing for corporate America… even more dangerous than the kind of junk bond bust-ups, and the greenmail activiry of the '70s and 80s."[4] French government retains an ultimately controlling position in corporate governance. "French public authorities continue to lobby and exert their influence to retain their control of critical industrial and business sectors. These authorities can deter activism by increasing its cost—for hedge funds, and other players— thereby undermining the probability of its success. "[5] In the UK after much educated consideration, the newly named Institutional Investors Committee (IIC) has retreated from an earlier commitment to the Stewardship Code and adopted a diluted form of its original shareholder engagement commitment. The EU has blamed the crisis on failure of shareholder involvement. "[T]he corporate governance framework is built on the assumption that shareholders engage with companies and hold the management to account for its performance. However, there is evidence that the majority of shareholders are passive and often only focused on short-term profits…. Some of these reasons, such as the cost of engagement, the difficulty of valuing the return on engagement and the uncertainty of the outcome of engagement, including free rider behavior, seem to have an impact on most institutional investors….Conflicts of interest in the financial sector seem to be one of the reasons for a lack of shareholder engagement."[6]

This speech is not the place to document in detail the tone, character, or intensity of the attack. The following quotations will suffice to give one a general idea: Simon Wong writing recently in **McKinsey Quarterly** (September 2010) begins: "While bankers and brokers remain everyone's favorite culprits for causing the great financial crisis two years ago, a less likely suspect – the institutional-investor community is increasingly coming under scrutiny. These investors, in particular pension funds, insurance companies, and investment-management firms, are major players around the world. In the United Kingdom, for example, they own and manage more than 70% of the stock market. Now, politicians and regulators say that such institutions must share the blame for enabling the crisis through passive corporate governance a focus on short-term returns. The European Union recently charged that the financial crisis has shaken the assumption that shareholders can be relied on to act as responsible owners." A recent poll concludes that some 48% of corporate respondents view activist shareholders as short-term market opportunists, with one corporate respondent commenting that companies' long term goals tend to conflict with the short-term goals of activist shareholders."[7] Nor have reforms enacted in response to the recent crisis been effective.

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[2] Masai Yamaguchi, executive director of Teikoku Hormone Manufacturing Company (2004)
[3] Takao Kitabata, vice-minister of Japan's Ministry of Economy, Trade and Industry (Economist, 2008)
[4] Marin Lipton (Quoted in New York Times, 2006)
[5] Tonello, Matteo, The Conference Board, March 13, 2011
[6] European Commission, Green Paper – The EU corporate governance framework, Brussels, COM(2011)164 (April 5, 2011)
[7] Schutte Roth & Zabel, Shareholder Activism Insight, (2008)

"In neither the United States nor Germany did ostensibly pro shareholder corporate governance reforms place adequate checks on managerial recklessness, incompetence, dishonestly and/or opportunism."[8] The U.K. Treasury's 'Walker Review' notes that "…there appears to have been a widespread acquiescence by institutional investors and the market in the gearing up of banks' balance sheets as a means of boosting returns on equity... The atmosphere of at least acquiescence in high leverage on the part of shareholders will have exacerbated critical problems encountered in some instances"[9] (UK Treasury, 2009, pp. 62-63). A June 23, 2010 letter from Business Roundtable Chairman Ivan Seidenberg to OMB director Orszag complains about the implementation of a provision in Dodd Frank authorizing the SEC to create rules allowing for shareholder participation in the director nominating process on the grounds that it "will reduce efficiency, stifle competition and deter capital formation." We have to pause and repeat this extraordinary contention that allowing large long-term shareholders to ***nominate*** a minority of the directors fundamentally threatens the capacity of American industry to raise money or compete. This hyperbole reaches such a level of absurdity as to raise the continuing question – what really is at stake here?

What has been the response of shareholders to this massive assault upon their fundamental economics, upon their right to assert ownership prerogatives, and indeed upon their integrity?

The painfully sad truth is that shareholders, including the great foundations and universities, often have responded - if at all – by appeasement, ineptitude and ignoring the problem. There are, of course, some exceptions to this sweeping generalization. But the net effect of such response as has been made is scarcely visible.

In all fairness, it must be recognized that shareholders have not been trained or equipped to conduct guerilla warfare with those who propagandize against the system, seeking insidiously and constantly to sabotage it. The traditional role of shareholders has been to invest, monitor and fully engage in the optimization of value of the corporations in which they invest. They have not performed these tasks very well. And they have shown little stomach for hard-nosed contest with their critics and little skill in effective intellectual and philosophical debate. In those countries where voting control of corporations lies in publicly traded shares effective shareholder involvement has been elusive. "In both countries [US and UK], individual and institutional shareholders as a group were too weak and beset by collective-action problems to drive reform."[10] Beyond this is the ugly reality that many institutional shareholders – conspicuously those considered educational and philanthropic leaders – simply "choose" not to function as stewards of the equity shares in their portfolios. The failures of conscience and of enforcement agencies and courts to assert the basic informing energies of the law of trusts has poisoned the atmosphere for those many of you who would do the "right thing", but are constrained for competitive reasons to demur. Because the high profile, high prestige, institutions consider themselves "free" to ignore fiduciary standards, they have virtually destroyed the legitimacy of "shareholder activism". Their absence means that the remaining active fiduciaries in the large represent the public employee sector

[8] Cioffi, John W., Public Law and Private Power – Corporate Governance Reform in the age of Finance Capitalism, (Cornell, 2010) at p. 3.
[9] Walker Report, UK Treasury, 2009, 62-63
[10] Cioffi, opcitsupra at 9

and are, therefore, subject to criticism as not being representative of the ownership class generally.

What specifically should be done? The first essential – a prerequisite to any effective action – is for shareholders to confront their dysfunctionality as owners as the primary responsibility of corporate ownership.

The overriding first need is for owners to recognize that the ultimate issue may be survival – survival of what we call the system of democratic capitalism and all that this means for the strength and prosperity of the world. Not all global corporations will be governed by the principles of shareholder accountability, but those that are represent an indispensible market for global investors to achieve attractive rates of return on their investments. It is essential that the system of accountability to shareholders be confirmed and reinforced so that public and private causes can generate the sustaining returns traditionally associated with equity investment.

The day is long past when a trust organization discharges its responsibility by maintaining a satisfactory growth in market values with due regard to the corporations' public and social responsibilities. If our system is to survive, top public fiduciary shareholders must be equally concerned with protecting and preserving the system itself. This involves far more than an increased emphasis on "public relations" or "governmental affairs"—two areas in which fiduciary organizations long have invested substantial sums. We must honorably confront our failures to fulfill our fiduciary responsibility to beneficiaries and to deal openly with the problems of conflicting interests within our own organizations.

But independent and uncoordinated activity of individual fiduciary organizations, as important as this is, will not be sufficient. Strength lies in organization, in careful long-range planning and implementation, in consistency of action over an indefinite period of years, in the scale of financing available only through joint effort, and in the political power available only through united action and nation and international organizations.

Moreover, there is the quite understandable reluctance on the part of any one organization to get too far out in front and to make itself too visible a target.

The role of the ICGN is therefore vital. Other organizations should join in the effort, but no other organization appears to be as well situated as the ICGN. It enjoys a strategic position, with a fine reputation and broad base of support. Also – and this if of immeasurable merit – there are hundreds of local investment groups that can play a vital supportive role.

It hardly need be said that before embarking on any program, the ICGN should study and analyze possible courses of action and activities, weighing risks against probable effectiveness and feasibility of each. Consideration of cost, the assurance of financial and other support from members, adequacy of staffing and similar issues will all require the most thoughtful consideration.

Business and particularly Wall Street captured a generation of young Americans, Europeans and Asians, who in previous times might have become professionals or gone to work for the government. The assault on the democratic capitalism system was not mounted in a few months. It has gradually evolved over two decades, barely perceptible in its origins and befitting from a gradualism that provoked little awareness much less

any real reaction. Economics generated such notions as the "efficient market theory" and finance – particularly investment banking – moved from being a service profession to the largest industry in the land. "Among the economic and intellectual elites, finance became a high prestigious and desirable profession. Working on Wall Street became a widely acknowledged marker for educational pedigree, intelligence, ambition and wealth."[11] Economics and finance captured a generation in the OECD world. No one more epitomized the values of this generation than "all former" Harvard President, US Treasury Secretary, hedge fund millionaire Larry Summers. From the school room through productive life, what is important is what can be quantified. Among the most important factors in Mr. Summers enforced departure from Harvard was: "…. a tension between science and the humanities, or between hard and soft subjects. Mr. Summers made no secret of his personal enthusiasm for the hard sciences; he was scathing about squishy "ologies". [12] Among these, presumably, were such concepts as "fiduciary" and "trust" which formed the legitimating basis for the management of other peoples' money and such categories as "psychology" and "ethics". The wisdom of the "quants" is that the stock market is simply a complex system like the structure of the atom or of human DNA. The fact that the components are shares in corporations whose functioning vitally affects global society is not relevant. Conflicts of interest through which the mega financial institutions service their commercial banking clients as well as acting through trust portfolios as their shareholders have neither been addressed nor resolved. This leaves the beneficial owner in a perilous posture today. Either he is a symbolic component of a mathematical index of model or he is the gelded participant in the prevail state of corporate governance.

The ultimate responsibility for intellectual integrity on the campus must remain on the administrations and faculties or our colleges and universities. Lord Acton famously pronounced "Power tends to corrupt; absolute power corrupts absolutely". This is true whether the exerciser of power is the dictator of a political entity or the Chief Executive Officer of a corporation. Under whatever rubrique – political science, government, ethics, or corporate governance - there needs be a syllabus of the study of power and the need to have power responsibly accountable in order for a free society to survive. Institutional shareholders need to assure that the coming generations have an understanding of the role of privately financed companies and the need for their management to be accountable to someone. All are indebted to the educational leadership provided by the Norwegian Government in its administration of its Pension Fund – Global. The Parliament itself determines that the Fund does not contribute to unethical acts of omissions, and has created a Council on Ethics to help the Ministry of Finance and Norges Bank Investment Management avoid the risk of moral complicity in particular cases. "The concepts of 'cosmopolitan" or "global justice' challenges received distinctions between intranational and international relations, and instead extend consideration of justice across these institutions. Central to this framework is one assumption of globalization, namely that the causal impact of the design of the global institutional order has both direct and indirect causal impact on the living conditions of human beings worldwide. A central normative premise of such cosmopolitan or global theories of justice is that all human beings are subjects of equal moral worth."[13] The

[11] 13 Bankers: The Wall Street Takeover and the Next Financial……., chapter 4.
[12] *ECONOMIST,* The Summers also sets, 2/23/2006
[13] Andreas Follesdal, Cosmopolitanism in Practice? – The Case of the Norwegian Government Pension Fund, http://www.follesdal.net/ms/Follesdal-2011-cosmopolitanism-investment.rtf. (June 4, 2011)

global shareholder – sometimes styled “the universal owner” - is the only existing institution capable of functioning on a holistic basis.

Course designers might consider the concluding sentence of the great Princeton scholar Charles E. Lindbloom: “Enormously large, rich in resources, the big corporations… command more resources than do most government units. They can also, over a broad range, insist that government meet their demands, even if these demands run counter to those of citizens…And they exercise unusual veto powers.” To sum up: “The large private corporation fits oddly into democratic theory and vision. Indeed, it does not fit."[14]

Hundreds of millions of persons have interests as shareholders in publicly traded corporations either directly, through mutual funds, insurance policies or employee benefit plans (including pensions). Because of the revolution in electronic communications shareholders can be informed, their opinion can be asked and their approvals solicited – all through the Internet, all for free, and all in very short time. The average member of the public thinks of “business” as an impersonal corporate entity, owned by the very rich and managed by over-paid executives. There is an almost total failure to appreciate the “business” actually embraces in one way or another most citizens. But the hundreds of millions of shareholders – most of whom are of modest means – are the real owners, the real entrepreneurs, the real capitalists under our system. They provide the capital which fuels the economic system which has produced the highest standard of living in all history. Yet shareholders have been ineffectual in achieving a genuine understanding of our system or in exercising political influence. In America “shareholders were marginalized within corporate governance, their interests framed and protected as participants in the stock market rather than in a firm”.[15] The question which merits the most thorough examination is how can the weight and influence of shareholders - hundreds of millions in voting power – be mobilized to support (i) an educational program and (ii) a political action program.

Individual corporations are now required to make numerous reports to shareholders. Many corporations have expensive “news” magazines which go to employees and shareholders. These opportunities to communicate can be used far more effectively as educational media. The corporation itself must exercise restraint in undertaking political action and must, of course, comply with applicable law. But is it not feasible – through an affiliate of the ICGN or otherwise – to establish a national or international organization of shareholders and give it enough muscle to be influential?

The international television networks should be monitored in the same way that textbooks should be kept under constant surveillance. They are mainly subsidiaries of the largest conglomerate corporations. It is to be expected that they will be loath to publish or opine in a way that threatens the existent state of autocratic capitalism. Television continues to exercise unique influence with respect to federal and local elections and, therefore, has particular leverage on the process of making and administering laws. Close scrutiny of programming and pricing is essential in order to formulate appropriate response. The genius of Rupert Murdoch and Roger Ailes assures that the voice and picture of autocratic capitalism will constantly assert itself. Equal time should be demanded to explain the needs of pensioners and the correlation of good governance and value in the markets.

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[14] Lindbloom Charles E., Politics and Democracy, (1977), concluding sentence.
[15] Cioffi, opcitsupre, at 91.

In the final analysis, the greatest payoff – short of revolution – is in what government does. Yet as every institutional investor all over the globe knows, few elements of society today have as little political influence as the millions of corporate shareholders. If one doubts this, let him undertake the role of "lobbyist" for the shareholder point of view before Congressional, Parliamentary or Assembly committees. One does not exaggerate to say that, in terms of political influence with respect to the course of legislation and government action, the shareholder is truly the "forgotten man". Shareholder responsibility and rights has been neglected by politicians for many years, conspicuously in America. "Nor were shareholders able to mobilize political support:"[16] In recent US congressional proceedings, (now former) Senator Chris Dodd sneeringly repudiated the effort to achieve a modest right for owners to have access to nominating directors. As Senator Schumer looked around the Committee room to determine whether his proposal had any support at all, he reluctantly concluded that he was alone and could only say: "I can count, just register me opposed". One US senator for shareholder rights in 2010. "The empirical evidence simply does not support the claim that shareholders wield great influence or that politicians play such a passive role in the reform process."[17] The United States with its mixture of federal and state laws, regulatory agencies and self regulatory authorities presents a unique problem – shareholder do not have the power to call a special meeting at which a majority can remove any or all directors with or without cause. This is contrary to the situation in Canada, Australia, the UK and the balance of the OECD world where shareholders have the right directly to be involved in governance. So, only in America is there a political scramble for some approximation of this denied fundamental right.

Politicians reflect what they believe to be the majority views of their constituents. It is thus evident that most politicians are making the judgment that the public has little sympathy for the shareholder. This is the measure of communication failure, as statistically it is certain that a majority of every official's constituents have a personal vested interest in the sustaining values of publicly traded shares of companies – and, that in the Financial Crisis of 2007-2009, the net worth of savers and pensioners was savaged.

Shareholders and the enterprise system have been affected as much by the courts as by the executive and legislative branches of government. Throughout the world, there is a concept of "trust" pursuant to which funds are entrusted to a fiduciary who undertakes to manage them with skill and fidelity for the exclusive benefit of the beneficiaries. Many fiduciary organizations are themselves subsidiaries of global financial conglomerate groups. In many instances, the financial implications of the trust relationships are less compelling than those with other members of the group. This phenomenon has encouraged neglect of shareholder activism. And yet, engagement by the fiduciary with portfolio companies is clearly required by law. It is important that these legal principles be manifest in judicial decisions around the world. "Too often trustees defer to advisors. Too often those advisors advocate their trustees use minimum discretion …. We need to reinforce trust law so that trustees are obliged to consider the options available to them. Trust law is not there so that trustees are instructed to act, letter by letter, in everything they do. It is there to allow them discretion within a

[16] Cioffi, opcitsupra at 9
[17] CIoffi opcitsupra at 232

framework of trust."[18] Under the American constitutional system, especially with an activist management prejudiced Supreme Court; the judiciary may be the most important instrument for social, economic and political change. Other organizations and groups, recognizing this, have been far more astute in exploiting judicial action than US shareholders. Perhaps the most active exploiters of the judicial system have been groups ranging in political orientation from "conservative" to "business dominated". The U.S. Chamber of Commerce is one example. It initiates or an intervenes in scores of cases each year and it files briefs amicus curiae in the Supreme Court in a number of cases during each term of that court. The Business Roundtable in the Fall of 2010 took it on itself to challenge the SEC's implementation of the Dodd-Frank bill's mandate to generate regulations enabling shareholder access to the nominating ballot for directors at the annual meeting of corporations.

This is a vast area of opportunity for the ICGN, if it is willing to undertake the role of spokesperson for ownership and if, in turn, owners are prepared to provide the funds. As respects to scholars and speakers, ICGN will need a highly competent staff of lawyers. In special situations it should be authorized to engage lawyers of national standing and reputation. The greatest care should be exercised in selecting the case in which to participate, or the suits to institute. But the opportunity merits the necessary effort.

Shareholder organizations – particular conglomerate financial institutions and their national trade associations – have tried to maintain low profiles, especially with respect to political action. There is an inveterate and long standing predisposition against the power of concentrated ownership. The contrast between hundreds of million beneficially interested persons and maybe a baker's dozen of institutions who act as legal owner raises many questions that the large institutions prefer not to be raised. The most glaring is the conflict of interest that pervades and pollutes the financial structure. The same corporation acts as investment banker and financier to companies whose shares it holds in fiduciary portfolios. An enforced obligation to act as owner, or "steward", of these shares for the benefit of the ultimate owners will necessarily create anxiety with the officials of the corporations who are being monitored and held to account. There should be no such apprehension if all institutions are required by the unmistakable, inveterate and clear mandate of trust law to prefer over all other considerations the best interests of the beneficiaries. Therefore, no institution should worry that acting properly will put it into a competitively disadvantageous position. The shame of the present situation is that the fundamental law of trusts is unenforced and is treated as merely a verbal inconvenience. The extent of the problem was glaringly evident in a 2002 speech Alan Greenspan delivered at NYU's Stern School of Business. "After considerable soul-searching and many congressional hearings, the current CEO-dominant paradigm, with all its faults, will likely continue to be viewed as the most viable form of corporate governance for today's world. The only credible alternative is for large — primarily institutional — shareholders to exert far more control over corporate affairs *than they appear to be willing to exercise.*" The emphasis is mine, added to demonstrate Mr. Greenspan's confusion of a legal obligation with something a trustee can freely choose not to do. That one of the world's most respected and powerful economists is seemingly content to allow fiduciaries to shirk their inveterate obligations and publicly to advertise his ignorance clearly states the current level of neglect. The shame is in the

[18] Pitt Watson, David, Responsible Investor, 4/27/11 http.://www..responsible-investor..com//home/ptrnt//pitt_watson1/

neglect both by regulators and by private shareholders through litigation to challenge this abominable shirking of legal responsibility. It is time for shareholders to apply their talents and resources to the preservation of the system itself.

The type of program described above (which includes a broadly based combination of education and political action), if undertaken long term and adequately staffed, would require far more generous financial support from shareholder institutions than the ICGN has ever received in the past. High-level management participation in ICGN affairs also would be required. The staff of ICGN would have to be significantly increased, with the highest quality established and maintained. Salaries would have to be at levels fully comparable to those paid key business executives and the most prestigious faculty members. Professionals of the great skill in advertising and in working with the media, speakers, lawyers and other specialists would have to be recruited.

The inability and unwillingness of institutional investors effectively to monitor and require accountability of management is one of the principal causes of the continuing financial crisis.

Institutions do not participate as activist shareholders for several reasons: they sense no legal imperative and they calculate no economic benefit from doing so. Indeed, when they do engage portfolio companies they risk loss from unresolved conflict of interest inside their own organization and from customers resenting what appears to be their intrusiveness. In the absence of enforcement of the clear legal requirements that trustees must act as stewards of portfolio companies, the world of “shareholder activism” has, unfortunately, been defined by self selection and many fiduciary organizations have opted not to be involved. This results in a skewing of institutional involvement to those who are active - union and public employee trusts largely. So, the failure of private company pension plans, mutual funds, foundations and universities to participate has been harmful in two related ways: first, it deprives the market of the experience and perspective of their input; and second, it allows the category of “shareholder activism” to be trivialized, and, indeed, to be dismissed by policy makers because activism is unrepresentative of the ownership class as a whole.

Corporate management, and its associations and agents, complain shrilly about shareholder activists, styling them “short termers” and locusts. Much of the public comment relates to hostile takeovers and the change of principal executives. Yet it is within the power of senior management and trustees – indeed it is their legal obligation which they conveniently neglect – to energize and activate the trust funds under their control and thereby reduce the influence of those they now find objectionable. Activists only have power because the vast majority of shareholders are comfortable in foregoing their own participation. Why do the “great and the good” prefer to complain rather than to participate in a system of accountability to ownership in which they would have a strong role. Rather than act as responsible owners they prefer to dilute the credibility and effectiveness of the shareholder based governance system. One conclusion is that they prefer the present ownerless situation where corporate executive power is accountable to government which it easily dominates.

There can be no effective corporate governance, until, unless and to the extent that the major institutions become involved. This will not happen until and unless there is a formal legal policy that shareholder activism is in the public interest and is the national policy. Governmental response to the existing crisis does not give confidence

that there will not continue to be major crises. Direct government involvement has had many unfortunate consequences with which we have not begun to cope, not the least of which is the destruction of the legitimacy of corporate governance. What is at stake is the sustainability of the traditional real return on equity investments - 6% plus or minus per annum. Whether we live in a poor or an adequately financed society depends on the effectiveness of our system of corporate governance. The absence of corporate governance threatens the scenario of adequate resources to meet societies' needs.

Institutions must take the initiative to protect their relevance as a wealth preserving energy in a free society. They cannot wait for others, nor can they decline to act. Institutions must take the lead, because all other courses have failed.