

Contents

<i>Preface</i>	vii
<i>List of Contributors</i>	viii
1 Introduction <i>Hiroshi Osano and Toshiaki Tachibanaki</i>	1
Part I Banking	
2 Liquidity Demand of the Corporate Sector and Soft Budget Constraint <i>Noriyuki Yanagawa</i>	13
3 Incentive Effects of Conditional Bank Recapitalisation: Lending and Disclosure of Non-Performing Loans <i>Philippe Aghion, Patrick Bolton and Steven Fries</i>	31
4 Injection of Public Funds into Banks under Deposit Insurance and Bank Regulation <i>Hiroshi Osano</i>	51
5 Governance Structure of Banks and Their Business Performance <i>Toshiaki Tachibanaki and Hideo Okamura</i>	85
6 A Vacuum of Governance in Japanese Bank Management <i>Masaharu Hanazaki and Akiyoshi Horiuchi</i>	133
Part II Corporate Governance	
7 Corporate Bankruptcy <i>Michelle J. White</i>	183
8 Executive Option Plans and Incentives to Take Risk in Levered Firms: Equity Value or Firm Value Maximisation? <i>Gerald T. Garvey and Amin Mawani</i>	204

- 9 Does the Decision to Retain Retiring Executives
on the Board of Directors Help to Control Agency
Problems in American and Japanese Firms? 233
James A. Brickley, Jeffrey L. Coles and James S. Linck

Part III Capital Market

- 10 Viable Design of a Security with a Pre-existing Market 253
Kazuhiko Ōhashi
- 11 Investment, Security Design and Information 272
Gabrielle Demange and Guy Laroque

Part IV General Comments

- 12 General Comments 291
Masahiro Okuno-Fujiwara

- Index* 297