

The Role of the Board of Directors in Companies in Gulf Arab Countries

アジア経済研究所 齋藤 純

Corporate governance initiatives in Gulf Cooperation Council (GCC) countries have recently been established. In the case of GCC listed companies, the major feature of corporate governance is that ruling families and family conglomerates control corporate management through boards of directors. The purpose of this study is to analyze the determinants of board structure and the influence of board character on the performance of Gulf Cooperation Council (GCC) listed companies in 2015.

First, our estimate shows that companies with decentralized ownership or a major government owner tend to have a large board. We also find that the role of outside director becomes important in those companies with highly concentrated ownership. In addition, governments operated by a ruling family send family members to affiliated companies. Second, in our GCC company sample, corporate performance may be affected by management factors, but not by board characteristics.