

**Securities Class Actions, Creditors Rights and Enhanced Corporate  
Governance: The Dawn of a New Age  
Corporate Law Teachers Association Conference  
Business Law and Taxation  
Australian School of Business  
University of New South Wales  
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**The return of the state as shareholder: sovereign wealth funds and their impact  
on shareholder rights and corporate governance**

The liberalisation and internationalisation of finance and trade, the growth of transnational enterprise and the privatisation of state owned assets foreshadowed the death of the state as shareholder and also the significance of national legal systems in corporate regulation. Sovereign wealth funds have revealed that the state is still a shareholder and national regulatory regimes have been reasserted. The national interest invoked often overlooks the wider implications for corporate governance represented by Swfs. Swfs add to existing problems of transparency and minority shareholder protection, create new opportunities for insider trading and market manipulation, and further exaggerate conflicts of interests within national and international regulatory regimes. Because of their different backgrounds and objectives Swfs will be difficult to regulate. Assisted by international financial firms, in which they have become significant shareholders, proposed regulatory regimes are based on existing ones devised for commercial and corporate transactions which centre on negotiated agreements between non-state actors. These continue to assume that states exist as regulators rather than participants. Such regimes are likely to add to the problems of corporate governance and shareholder protection. It will also be difficult to define to what entities such regimes apply. Transparency about government control and influence will be difficult to eradicate and appears to be already diminishing.

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