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EDITORIAL

Historical, cultural, political and economic realities play a crucial role in modelling systems of corporate governance. Corporate governance can be defined as a sort of *management of management* or *metamanagement*, since it incorporates the set of relations between the management, board, shareholders and stakeholders of a firm, and defines the framework for setting goals and determining the means to achieve those goals, as well as for monitoring the performance and efficiency of the firm.

A closed system of corporate governance, characteristic of Continental Europe, is defined by a myriad of legal, cultural and institutional relations, through which the influence of individual stakeholders on setting goals and supervising the firm's business policy are determined and is based on the activities of blockholders and banks. Good corporate governance is based on adequate combination of the legal protection of investors and the level of ownership concentration.

South East Europe is a region full of surprises; conflicts and wars in past, on the one side, but huge growth potential on the other side. The history of SEE countries, their characteristics, their resources, their cultural roots and their political structures shape their paths. They have been passing through a difficult transitional period in the past twenty years, burdened with myriads of different post-socialist problems and slow adaptation to the western economic system. In almost all countries of the region, rapid privatization led to a range of long-term problems from which a significant number was related to corporate governance issues. Substantial efforts are required to improve corporate governance practices and even though noticeable improvements are seen in recent years, there is still much work ahead.

South East Europe Corporate Governance Academic Network (SEE CGAN) was initiated and founded in 2012 with the aim to connect scholars in the region, promote joint research projects and papers by focusing on specificity of corporate governance and management practices in the South East Europe region.

This special issue of *Montenegrin Journal of Economics*, titled "Corporate Governance Practices and Problems: Research from the South East Europe", portrays some of the challenges, problems and corporate governance issues in this region.

The focus of the papers was devoted to interesting questions such as the role of boards and top management teams in corporate governance; financial, institutional and legal aspects of corporate governance in SEE region; social responsibility and ethics; transparency and disclosure issues; corporate crises and corporate governance and several other problems in corporate governance and management.

We hope that papers in this special issue are interesting and beneficial for all those engaged in the areas of corporate governance, from academia and the corporate world.

Professor Darko Tipurić, Ph.D.
Professor Veselin Drašković, Ph.D.

Editors