

Corporate Financing in the New Member States: Firm-Level Evidence for Convergence and Divergence Trends

[EVGENI PEEV](#)

University of Vienna - Department of Economics

[B. BURCIN YURTOGLU](#)

University of Vienna - Center for Business Studies - Department of Economics

September 2006

Abstract:

The paper presents results of an ongoing research project on corporate financing patterns in Central and Eastern Europe (CEE) since 1999. It addresses three broad issues. Which are the specifics of corporate financing in CEE compared to countries in Western Europe? Which country institutional and company factors may explain the similarities and differences of capital structures in the EU-15 and New Member States (NMS)? Which are the major convergence and divergence trends in corporate financing patterns in an enlarged Europe? The study analyzes the interactions between country institutional differences, firm ownership structures, other firm-specific characteristics and corporate financial patterns in both the EU-15 and NMS. It summarizes the firm-level evidence and outlines several unresolved questions and major dimensions for further research.

Keywords: capital structure, transition countries, ownership structure

Peev, Evgeni and Yurtoglu, B. Burcin, "Corporate Financing in the New Member States: Firm-Level Evidence for Convergence and Divergence Trends" (September 2006). Available at SSRN: <http://ssrn.com/abstract=938526>