Introduction

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Governance at the micro (corporate) and macro (institutional) level has been an important issue in finance over the recent decades particularly following the Asian crisis in the late 1990s both for financial institutions and non-financial institutions. Therefore, the *International Journal of Governance and Financial Intermediation (IJGFI)*, a new journal, is dedicated to provide an international forum, more particular for empirical papers, on corporate governance and equity ownership structure, financial institutions and financial intermediation, corporate finance, financial markets, strategic finance and other issues related to governance and financial intermediation. The journal focuses on issues of banking, finance and governance (macro and micro level) with particular emphasis on emerging markets, more specifically on the role of financial intermediary institutions as well as corporate governance and finance in institutional (macro level governance) and economic development.

In this first issue of this journal, three empirical papers deal with the issue of ownership structure with agency theory as the theoretical foundation. Furthermore, two other papers published in this issue are in the area of financial intermediation and financial markets, respectively.

In ‘Ownership concentration, institutional ownership, and IPO underpricing: evidence from Indonesia Stock Exchange’, Hanafi and Setiawan emphasises on the role of ownership, more particular ownership concentration and the existence of institutional ownership to explain the IPO underpricing in Indonesia over the 2006–2015 period. He finds that the presence of institutional ownership mitigates IPO underpricing.

By studying French listed firms over the period of 2010–2014, Daadaa and Jouini in ‘Does ownership structure affect dividend policy? A panel data analysis for the French market’ empirically examines the impact of ownership structure on dividend policy using the framework of agency theory. They provide evidence that ownership structure matters in affecting dividend policy. Moreover, they also demonstrate that dividend policy could be a tool in disciplining managers’ behaviour.

Focusing on financial institutions (banks) in German and Italy during 2006–2012, in ‘Is there a relation between capital and ownership on bank performance? The German and Italian cases’, Del Gaudio and Porzio empirically studies the role of ownership structure in the effect of bank capital on performance. She documents that ownership structure matters in explaining the different effect of bank capital on performance.

The paper of Wibowo entitled ‘Identifying credit constraints using direct elicitation methodology: the case of Indonesia’ is a financial intermediation paper discussing the financial access for households in Indonesia. More specifically, he identifies determining factors of credit constraint by applying direct elicitation methodology. He concludes that supply-side constraint is more pronounced in Indonesia rather than demand-side constraint although he also finds that financial literacy of households is important in getting access of finance from formal financial institutions.

The last paper by Srivastava and Shastri entitled 'A study of relevance of Black-Scholes model on option prices of Indian stock market' re-examine the relevance of Black-Scholes model to explain option prices in the context of India markets. They find insignificant relation between the option values and market values.