

Abstract

This paper analyses ownership concentration in six European countries and empirically studies the rent-seeking theory. This theory states that ownership concentration not only depends on the level of investor protection but also on company-specific and industry-specific parameters. This study analyses the sector specific ownership patterns of listed corporations. The results only partially confirm the influence of industry-specific characteristics. Different industries are characterised by different shareholder concentration patterns. Hence and in light of the rent-seeking theory it is plausible that company's specific characteristics, like the identity of the largest shareholder, the risk of the firm, etc. influence rent-seeking behavior.