Vermogensmarkt en ondernemingsdoel in de financieringstheorie
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The generally accepted objective of the firm in the theory of corporate finance is the maximization of the value of the firm in the capital market. Based on a survey of the role of capital market value in the most common textbooks in the field, the subject matter of this dissertation is an inquiry into the origins of the objective of value maximization. It appears that this objective is based on a welfare theoretic analysis of firms and consumers in a perfect and complete capital market. In such an idealized market, all consumers participating in a firm are unanimous in their approval of the investment-financing plan of the firm that maximizes its market value. This unanimity allows for a separation of the decision making of the firm from the consumption decisions of its shareholders.

The research in this dissertation is focused on the so-called unanimity theory, that has been developed in the literature. Related to this theory, a critical analysis is being made of the idealizing characteristics of perfection and completeness, that are attributed to the capital market in the finance literature. A major objective of this dissertation is to relate the welfare economics oriented literature of financial equilibrium to the common literature on corporate financial management.

The second chapter presents the mechanism of the basic Fisher separation theorem in the well-known one period certainty model of a partial consumption-investment equilibrium. A preliminary survey is made of the conditions for a perfect capital market, that are generally accepted in the literature. Some implications of market imperfection are identified.

In the third chapter the analysis of value maximization and separation is specified according to the Arrow-Debreu states of the world model of a capital market equilibrium. In a one period framework the basic concepts of elementary state claims and
(subjective) implicit price systems of a securities market are identified, and capital market completeness is defined. The chapter explores the investment and financing equilibrium of the firm, and the separation of its decisions from consumers' decisions in a Pareto optimal allocation on a complete (and perfect) capital market. An intuitive description is presented of the possibilities of a break-down of the separation theorem when the capital market is incomplete.

Chapter four provides a rigorous analysis of the properties of a perfect and a complete market, and the interrelations between these two concepts. Of particular concern is the role of market imperfections in preventing the market from being complete. With respect to incomplete markets, the condition of constant 'spanning' and its relevance for the independence of (implicit) capital market prices is considered.

In the fifth chapter, an extensive review is presented of the major lines of analysis in the literature on value maximization in incomplete capital markets. The theoretical research on shareholder unanimity in a general states of the world approach of uncertainty is summarized, indicating the importance of the conditions of a frictionless market, constant 'spanning', and price independence. The latter has to be defined as "perceived" price independence, since the competitive conditions for actual price independence will in general preclude the undertaking of additional investment projects by firms. As a special case, firm value maximization is considered in the framework of the two parameter capital asset pricing model (CAPM). As a result of the market equilibrium property of portfolio separation, constant 'spanning' is no longer a relevant condition for unanimity and Pareto optimality. Recent research on unanimity in models of a "large economy" indicates that the 'spanning' condition may also be irrelevant in the more general case (i.e. outside the CAPM), in which, moreover, also actual price independence becomes of interest. However, it is concluded that this "large economy" model is a rather artificial construct.
The general conditions for shareholder unanimity are summarized as: (1) frictionless capital markets, e.g. with respect to the distribution of information; (2) constant 'spanning' or a market equilibrium with universal portfolio separation; (3) "perceived" price independence.

In chapter six these assumptions of unanimity theory, and accordingly the relevance of the unanimity analysis, are evaluated from a methodological point of view. The scientific methodology of instrumentalism and its impact on financial economics is considered. Also the transfer from an (equilibrium) analysis on the aggregate level of the capital market to financial decision making of the individual firm (i.e. organization) is critically assessed.

The evaluation indicates that, when accepting value maximization as the unique objective of firms, the theory of corporate finance adopts a concept of decision making of firms that has only limited correspondence with the problems of corporate financial management. It is suggested that the objective of value maximization, as it is assigned to the firm in the present theory of corporate finance, essentially is a normative goal. This may lead to reconsider the existing gap between corporate financial theory and the practice of corporate financial management.