

Part 2: Comparative Financial Systems



Finance 686

Part 2. Comparative Financial Systems

- ❑ Different countries' financial systems are very different from the financial system of the USA, which is the focus of most textbooks. Running a company or investing in a country without understanding these differences can cause major problems.
- ❑ This section is about how different countries' financial systems differ and why these differences arose

Part 1. Behavioral Finance & Inefficient Markets

- ❑ The equations in most finance models assume perfect rationality, complete arbitrage and efficient markets.
- ❑ Financial history shows that psychological factors also matter
- ❑ This section is about how psychology affects finance

Introductory lecture. Finance and Economic Growth

- ❑ Financial history shows how prosperity requires an efficient financial system
- ❑ This section shows how finance is linked to economics in ways that make the financial system of major importance to economic growth

金融686

第2部分。比较金融制度

不同

本

第1部分。行为金融学与无效市场

金融

这一

介绍性讲座。金融与经济增长

金融史

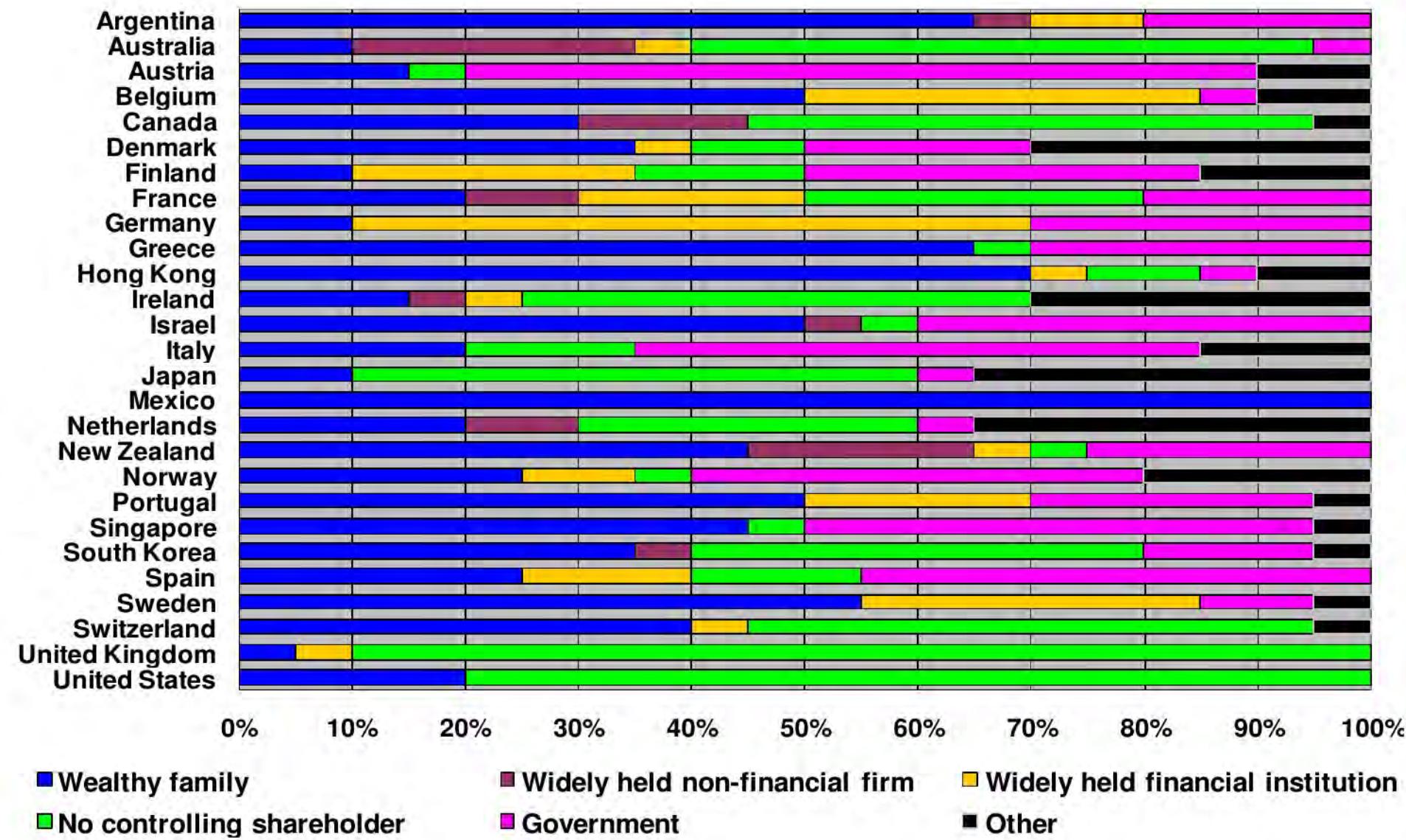
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How Do Different Systems Work?

How Did Different Countries Financial Systems Develop?



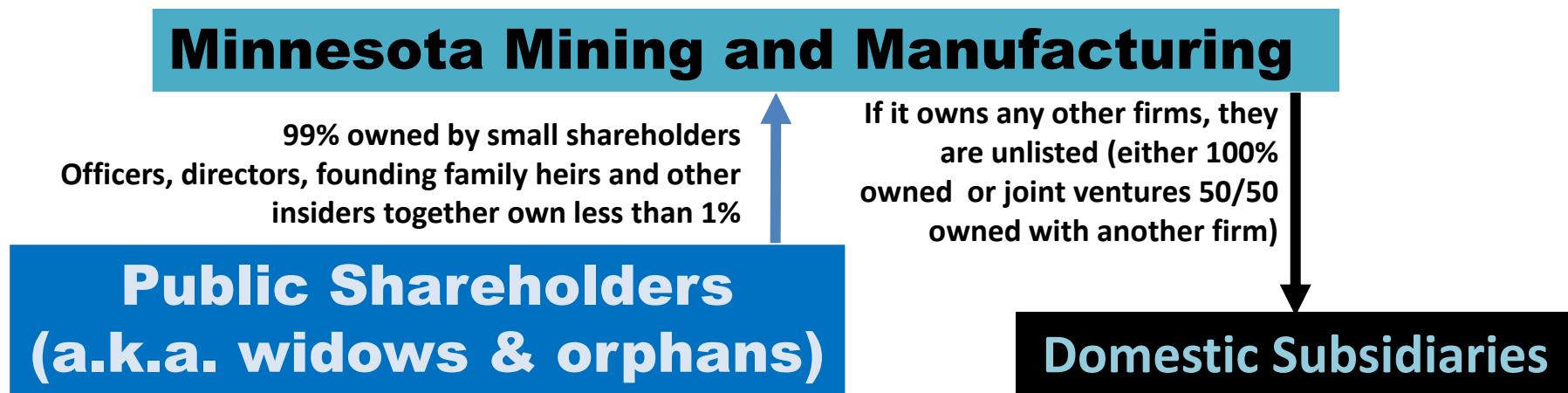
不同的系统是如何工作的?不同国家的金融体系是如何发展的?



Firms in Finance Textbooks

A reasonably accurate description of large US and UK firms

1. Widely held: No big shareholder, lots of small shareholders
2. Freestanding: Listed firms don't control other listed firms



Jensen, M., Meckling, W.H. 1976. Theory of the Firm: Managerial Behaviour, Agency Costs & Ownership Structure. *Journal of Financial Economics*

Primary corporate governance concern in USA

- Agency problem: CEOs should be “faithful agents” of shareholders, but aren’t
- CEOs spend firm’s money on private jets, luxuries, friends, etc.
- Shareholders are mostly middle class people trying to save for retirement
- Hostile takeovers replace incompetent or self-serving CEOs
- Shareholders can band together to force out bad CEOs

金融教科书中的企业

对美国和英国大公司的相当准确的描述。广泛持有：没有大股东，有很多小股东。独立型：上市公司不控制其他上市公司

明尼苏达矿业与制造业

99%由小股东、高管、董事、创始家族继承人等持有

局内人合计持股不足1%

公众股东(又名寡妇和孤儿)

如果它拥有任何其他公司，他们
未上市(100%
独资或合资企业各占一半
与另一家公司共同拥有)

国内子公司

詹森,M。梅克林, W.H. 1976。《企业理论:管理行为、代理成本与所有权结构》。《金融经济杂志》

美国公司治理的主要问题

代理问题：首席执行官应该是股东的“忠实代理人”，但难道首席执行官不应该把公司的钱花在私人飞机、奢侈品、交友等方面吗？

股东大多是试图为退休储蓄的中产阶级。敌意收购取代了不称职或自私的首席执行官

股东可以联合起来迫使糟糕的首席执行官下台

Big Firms in Most Countries Are Family Firms

Inherited talent?

- IQ (& many personality traits) appear to run in families
- Should the prevalence of family firms trouble people who believe in equality?

Family values?

- Spokespeople for business families often laud the family's reputation for fair dealing
- Are the families that run great family business empires unusually ethical?

Long term view?

- Family firms insiders can ignore shareholders & not care if the firm's Q falls far below 1
- Is this a good thing? Does it let family firms take "long term" views and invest in projects whose cash flows only come in the distant future?

Firm & family as one?

- Do business families "care" about their firms more than professional CEOs do?
- Do business families consider their workers to be family members, etc.?

大多数国家的大公司都是家族企业

☒ 继承人才?

智商(以及许多性格特征)似乎是家族遗传的
家族企业的盛行是否会让那些相信平等的人感到不安?

☒ 家庭价值观?

企业家族的发言人经常称赞家族在公平交易方面的声誉
都是那些经营着伟大家族企业帝国的家族异常道德?

是否有长远眼光?

家族企业的内部人士可以忽略股东,也不在乎公司的Q是否远低于1
这是一件好事吗?它是否让家族企业有了“长远”的眼光并投资于项目
谁的现金流只能在遥远的未来才会到来?

公司与家庭合二为一?

企业家庭是否比职业ceo更“关心”他们的公司?
企业家族是否将员工视为家庭成员,等等?

Skepticism re. Family Firms

Inherited talent?



Family values?



Long term view?

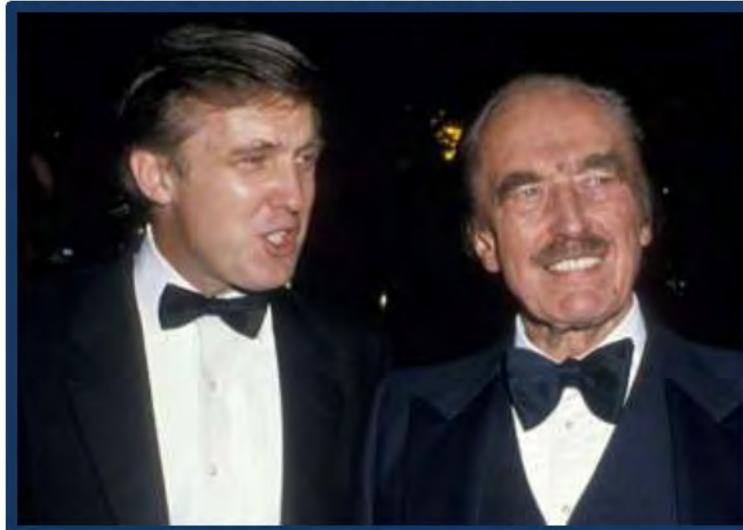


Firm & family as one?



怀疑论:家族企业

Inherited talent?



Family values?



企业与家族合二为一?



Empirical Evidence on Family Firms

Pattern: Family firms = best firms in worst economies & worst firms in best economies

Details of the research on family firms

Family firm succession event studies in Canada, Japan, US, ...

Smith & Amoako-Adu (2005); Pérez-González (2006); Mehrotra et al. (2013); others

↑share price on news family selling out

↓share price on news an heir to take over (unless heir has elite university degree)

Inherited family firms Q ratios $$Q \text{ ratio} = \frac{\text{share price} \times \text{shares outstanding}}{\text{total assets} - \text{total debt}}$$

Daniels et al. (1997); La Porta et al. (1999); Morck, Stangeland & Yeung (2000); Villalonga & Amit (2006); Miller, Le Breton-Miller, Lester & Cannella (2007); Bennedsen, Nielsen, Pérez-González & Wolfenzon (2007); others

Khanna & Palepu (various); Pagano, Panetta & Zingales (1998); Pagano & Röell (1998); La Porta et al. (1999); Khanna & Rivkin (2001); others

Anderson & Reebe (on founders/family) firms in US

Lower than other firms' Qs in less corrupt countries, higher in more corrupt countries

Sraer & Thesmar (2007) on unusual patterns in France

Exception: French family firms have higher Q ratios – linked to lower wage costs

No evidence family firms have longer term investment horizons

McConnel & Muscarella (1985), Chan et al.(1999, 2001); Hall(1990) ;Andersen & Reebe ((2003); others

This claim is often stated, but no solid empirical work supports it

Event studies show widely held US firms' shares rise sharply on news of long term investments (e.g. increased R&D budget, large capital spending projects, ...)

Historical & economy-level research

Chandler (1977); Carnegie (1899); Landes 1949, 2006); James (2008); Haber (various); but Anderson & Reebe (2003); James (2006); Landes (2006); others

Family firms steadily less important as economies develop

La Porta et al. (various); Morck, Stangeland & Yeung (2000); Morck & Yeung (2003,4); Almeida & Wolfenzon (2006ab); Morck & Nakamura (2007); Fogel (2007); Khanna & Yafeh (2007); Fogel, Morck & Yeung (2008); others

Economies with more family firms are poorer, grow slower, undertake less innovation, ...

继承的家族企业Q比率

$$QRATIO = \left(\frac{SHAREPRICE \times SHARESOUTSTANDING}{TOTALASSETS - TOTALDEBT} \right)$$

Daniels et al. (1997); La Porta 等人(1999); 莫克, 斯坦格兰和杨(2000); 维拉隆加和阿米特(2006); 米勒、勒布雷顿-米勒、莱斯特和坎内拉(2007); 本内森、尼尔森、psamrez-González & Wolfenzon (2007); 其他人

Khanna & Palepu(各种); Pagano, Panetta & Zingales (1998); 帕加诺& Röell (1998); La Porta 等人(1999); Khanna & Rivkin (2001); 其他人

Anderson & Reebe(美国创始人/家族公司)

在腐败程度较低的国家比其他公司的q低, 在腐败程度较高的国家比其他公司的q高

Sraer & Thesmar(2007)关于法国不寻常模式的研究

例外: 法国家族企业的Q比率较高, 这与较低的工资成本有关

没有证据表明家族企业有更长远的投资眼光

McConnel & Muscarella (1985), Chan et al.(1999,2001); Hall(1990); Andersen & Reebe (2003); 其他人

这种说法经常被陈述, 但没有可靠的实证工作支持

事件研究表明, 被广泛持有的美国公司的股票在长期投资的消息(例如股票投资)下会大幅上涨。

增加研发预算, 大型资本支出项目, ……

历史和经济层面的研究

钱德勒(1977); 卡内基(1899); 朗德斯(1949,2006); 詹姆斯(2008); 哈伯(各种); 但Anderson & Reebe (2003); 詹姆斯(2006); 兰德斯(2006); 其他人

随着经济的发展, 家族企业的重要性逐渐下降

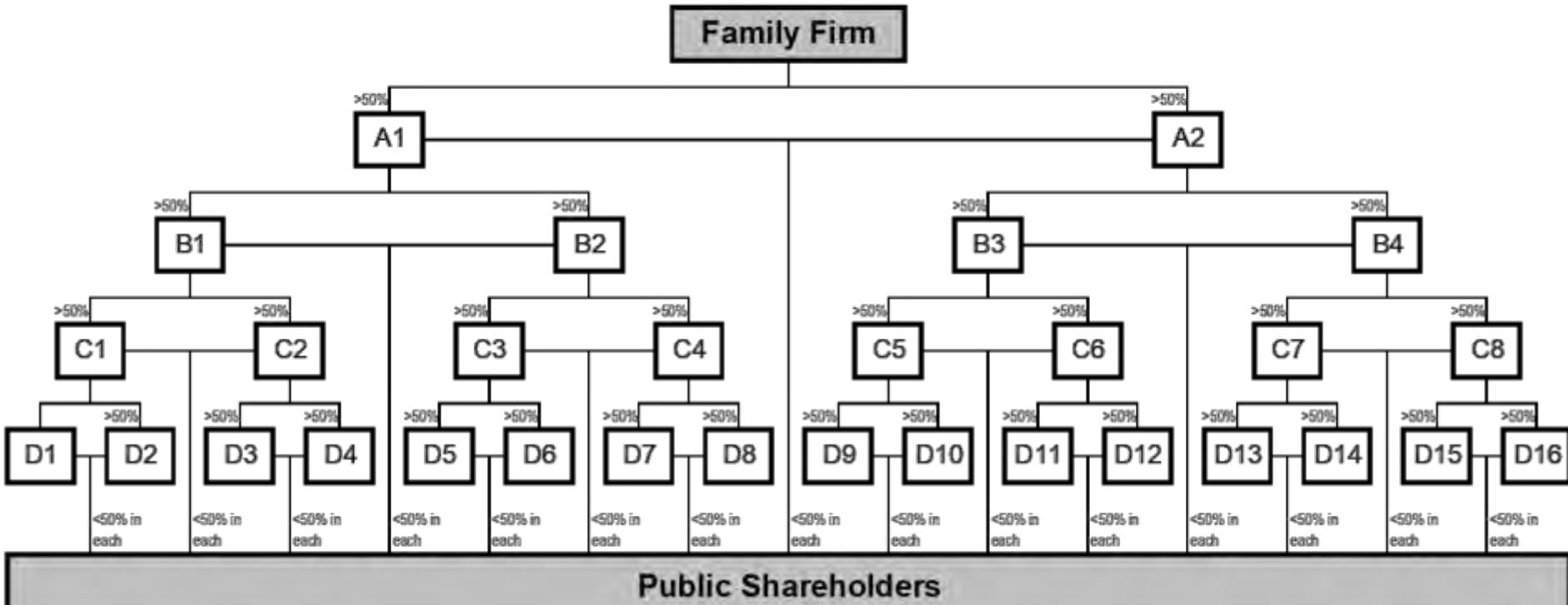
La Porta et al.(各种); 莫克, 斯坦格兰&杨(2000); 莫克与杨(2003,4); 阿尔梅达和沃尔芬宗(2006ab); 莫克&中村(2007); 佛格尔(2007); Khanna & Yafeh (2007); 福格尔、莫克和杨(2008); 其他人

拥有更多家族企业的经济体更贫穷, 增长更慢, 创新更少, ……

Family Business Groups

In many countries, a few families control most big firms

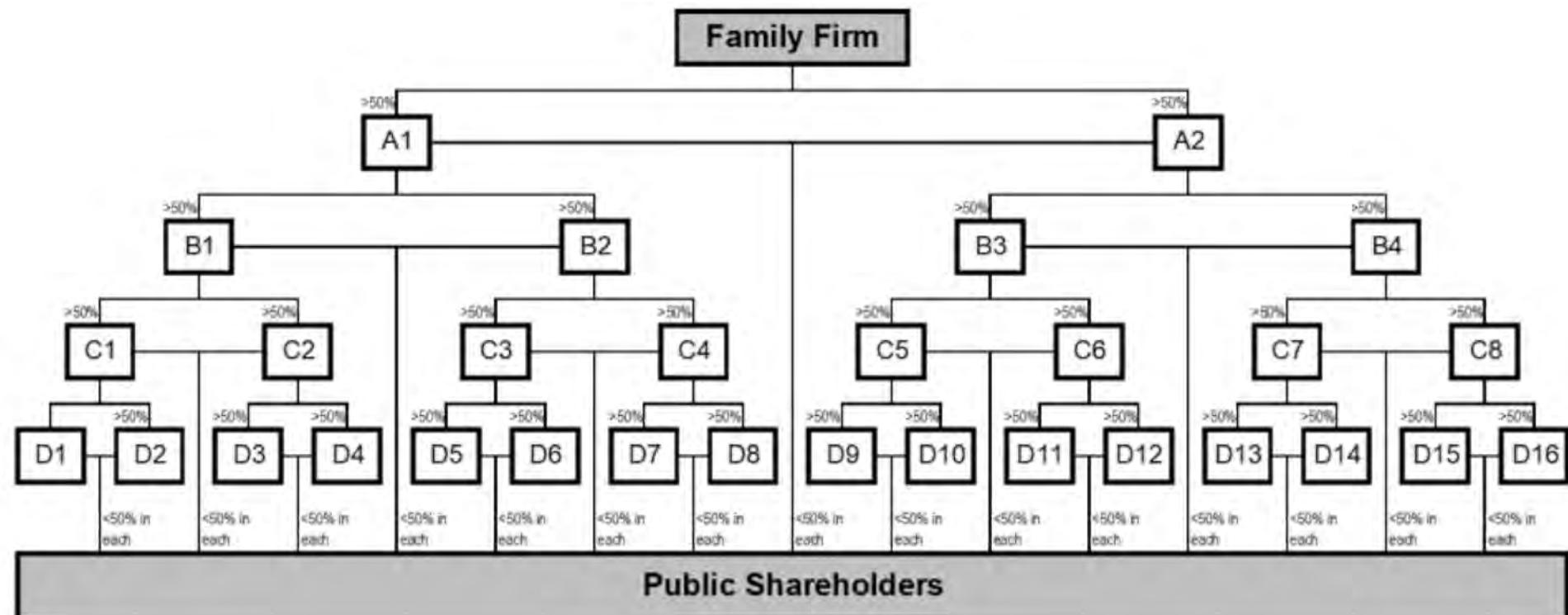
- Old-money family business dynasties control most large firms in most countries
- A family can control many large firms organized as a “pyramidal business group”
- The family only needs enough wealth to control the top-level firm
- Many layers of firms controlling firms can let a family control dozens or even hundreds of separate firms, each with its own CEO, board, traded shares, etc.
- The largest family groups are substantial fractions of their nations’ economies



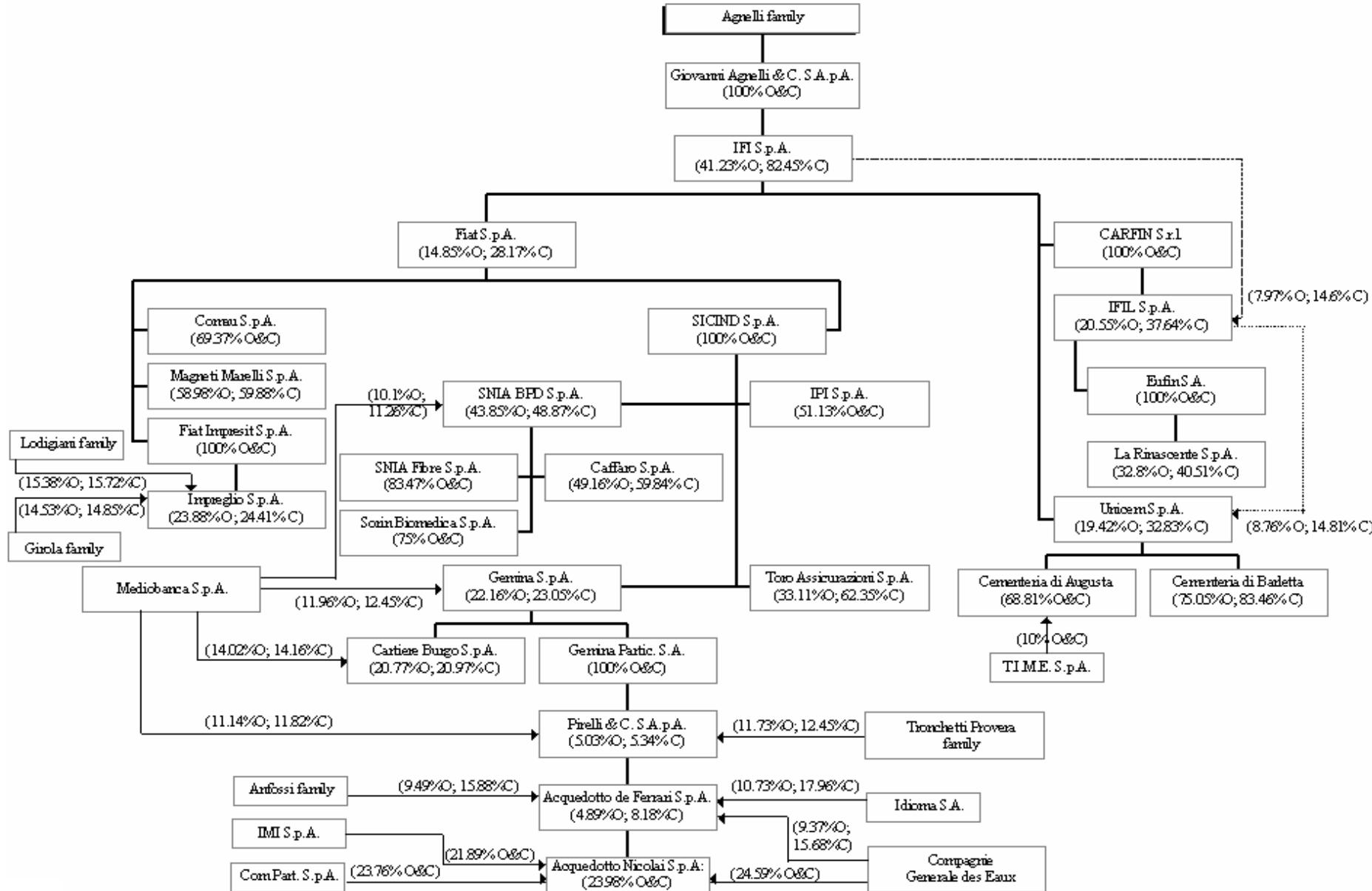
家族企业集团

在许多国家，少数家族控制着大多数大公司

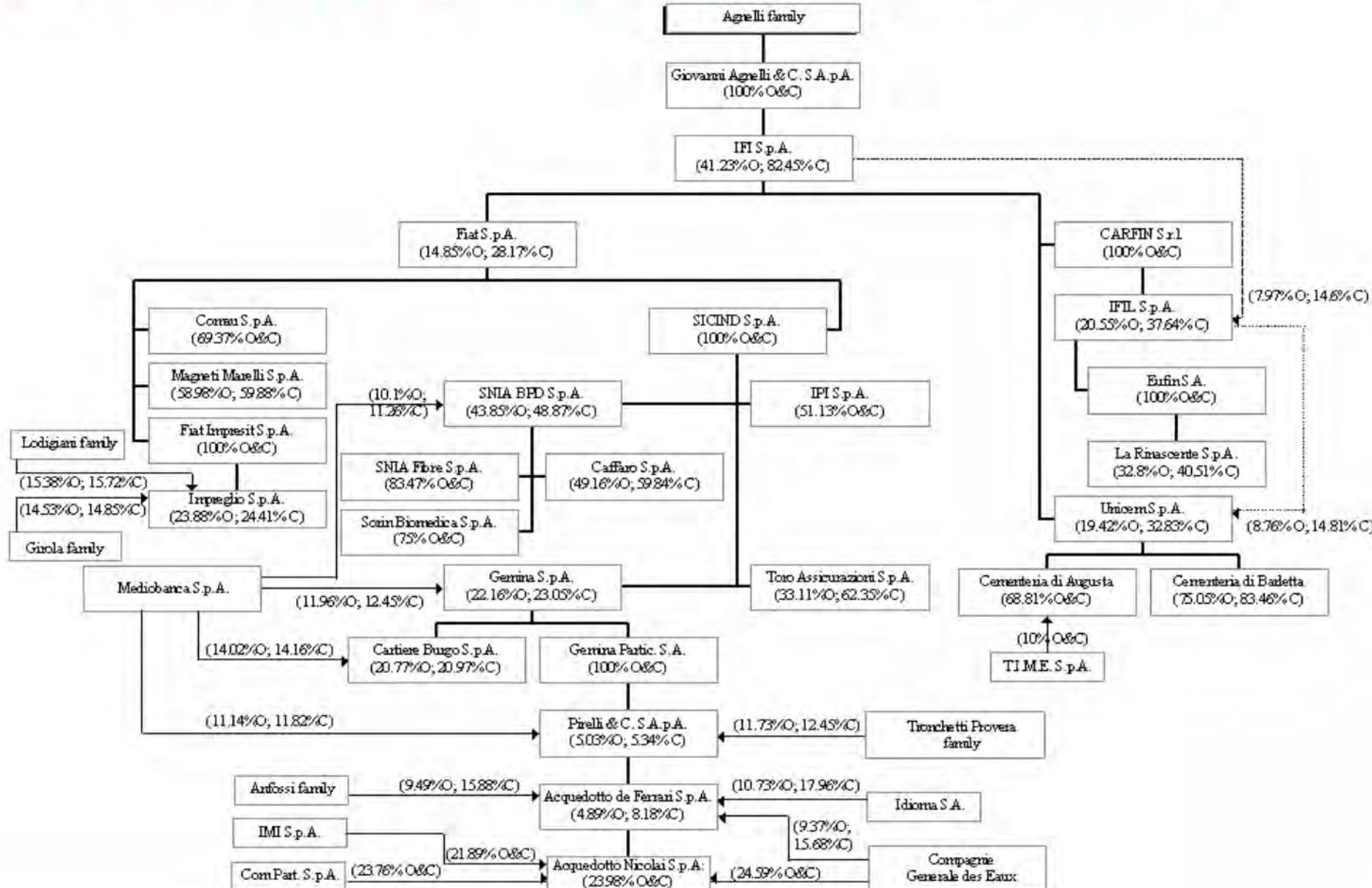
- ☒ 老牌家族企业王朝控制着大多数国家的大多数大公司
- ☒ 一个家族可以控制许多组织成“金字塔式商业集团”的大公司
- ☒ 家族只需要足够的财富来控制顶级公司
- ☒ 多层公司控制公司可以让一个家族控制几十个甚至数百个独立的公司，每个公司都有自己的首席执行官、董事会、可交易股票等。
最大的家族集团是其国家经济的重要组成部分



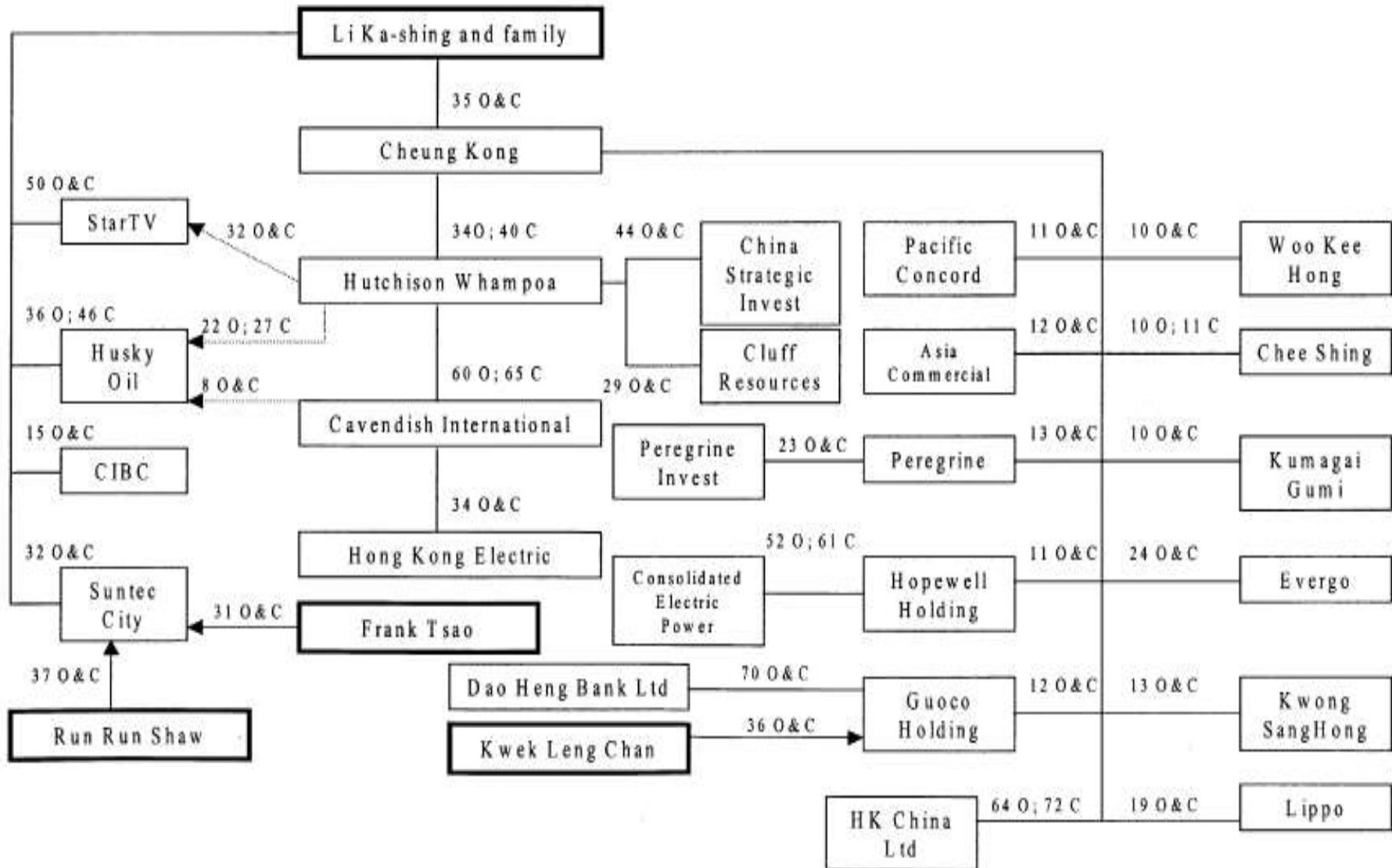
Agnelli Group – An Italian Pyramid



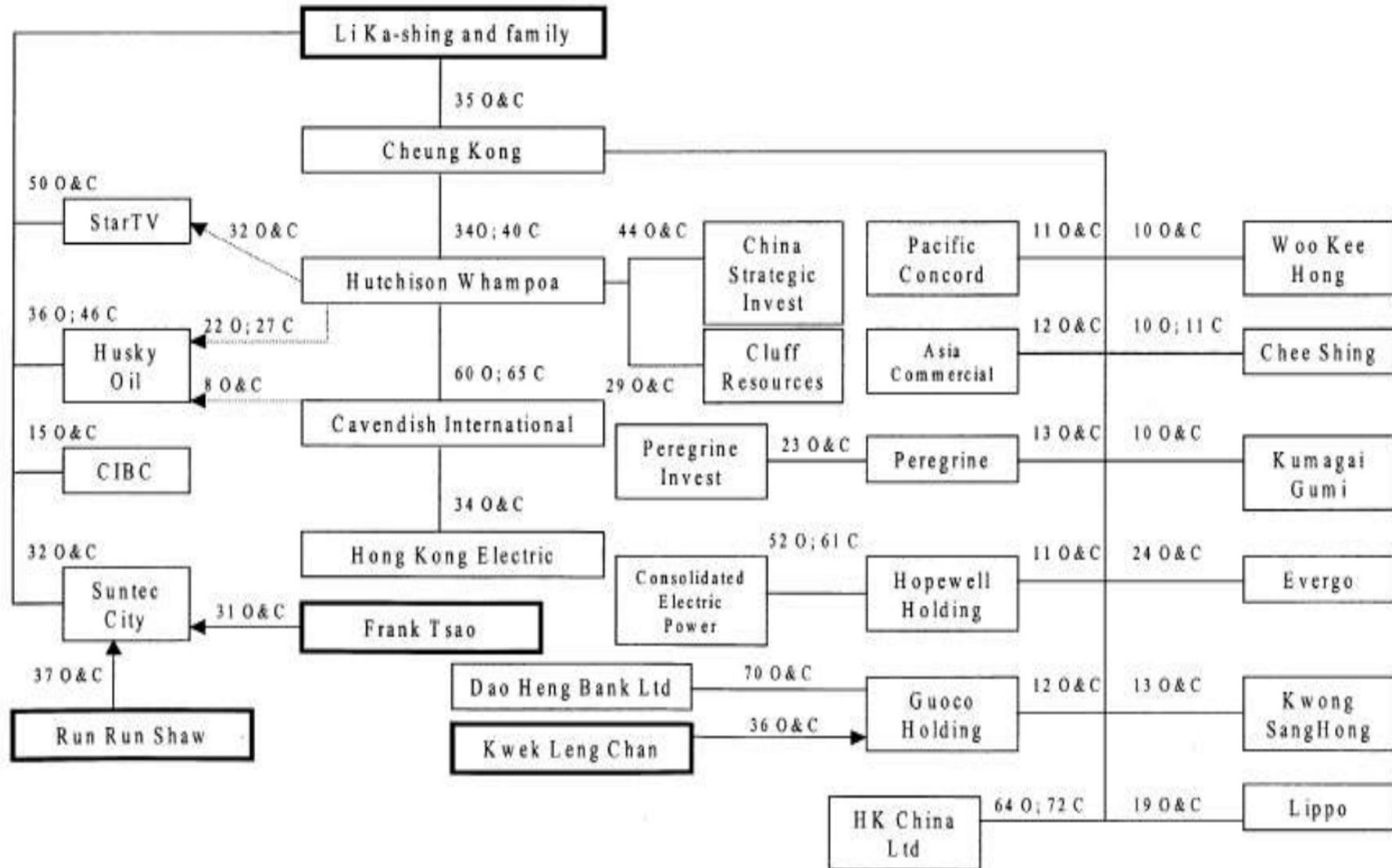
Agnelli Group – An Italian Pyramid



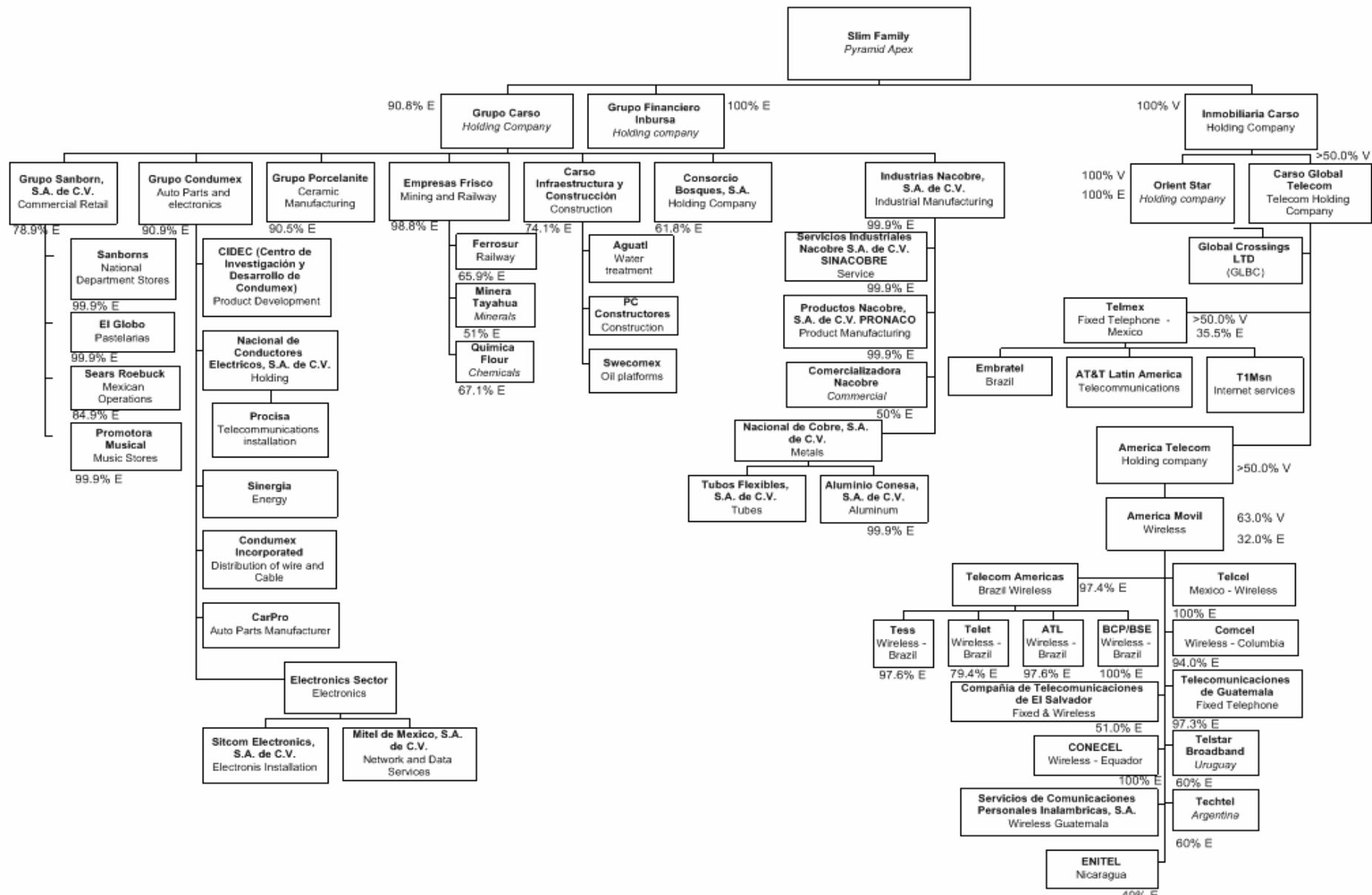
Li Ka-shing Group – a HK Pyramid



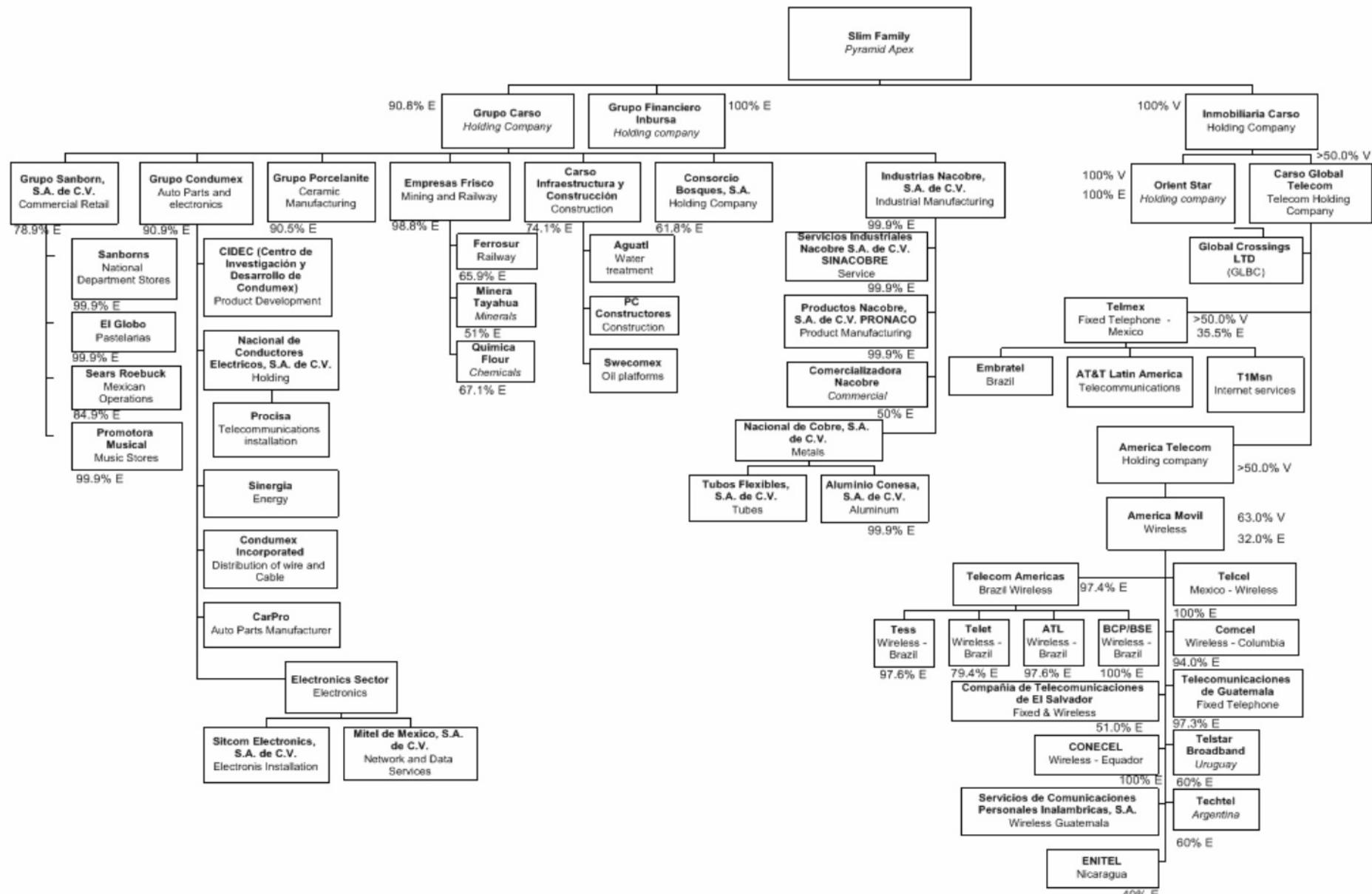
李嘉诚集团-香港金字塔



Slim Helu Group – A Mexican Pyramid

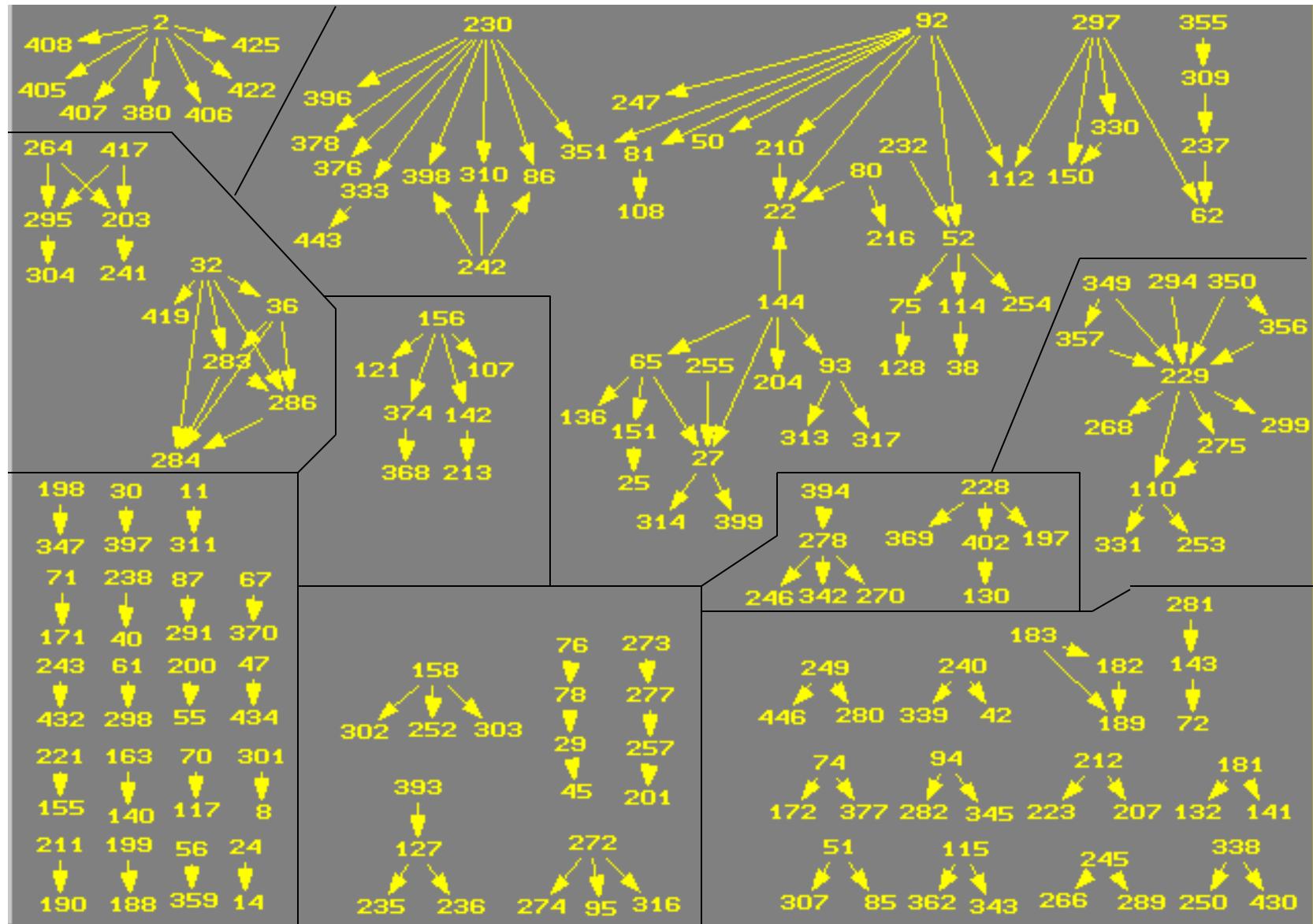


Slim Helu Group -墨西哥金字塔



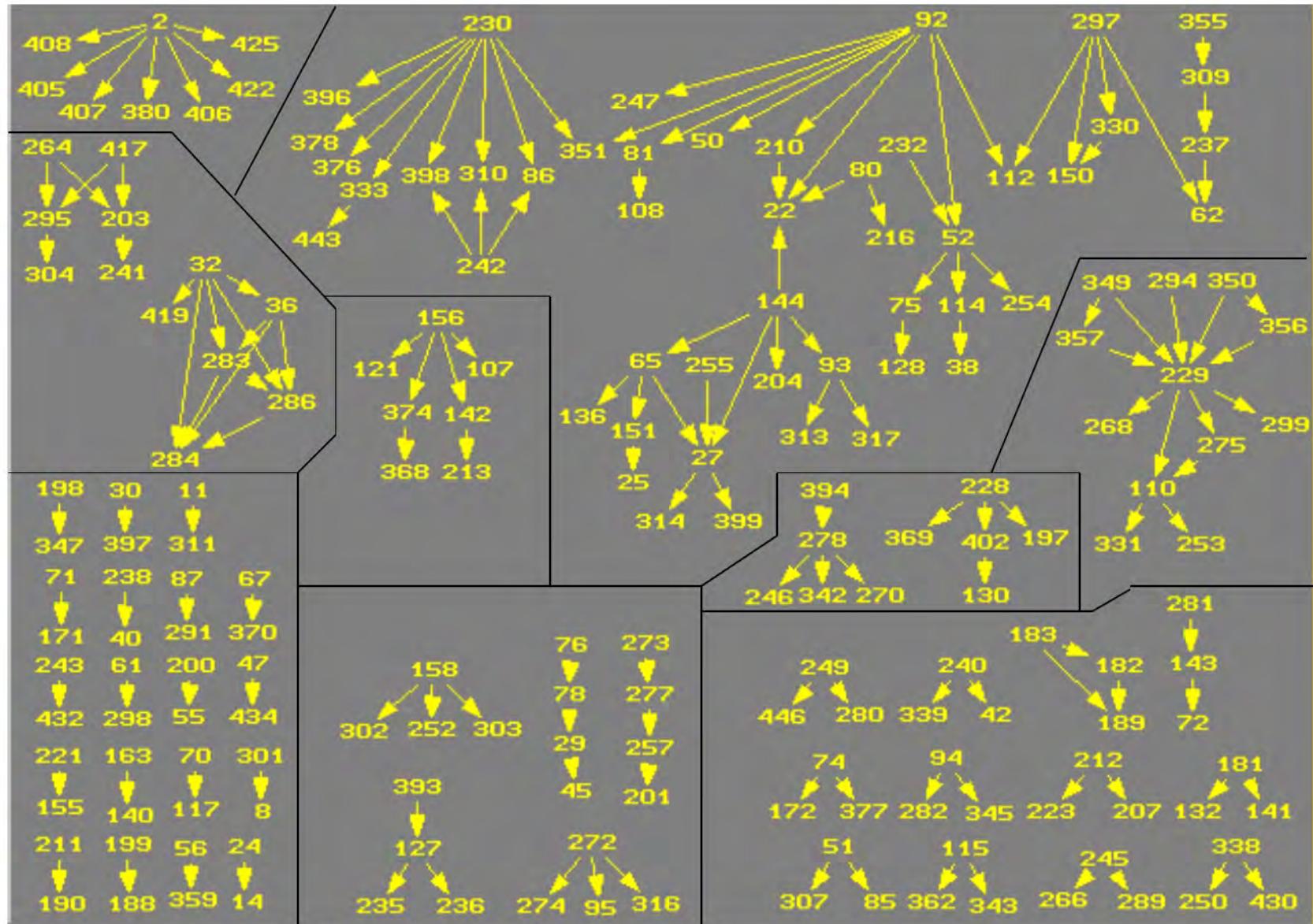
A Governance Map of Chile

❑ Oligarchic capitalism: A few families control most large firms via pyramidal groups

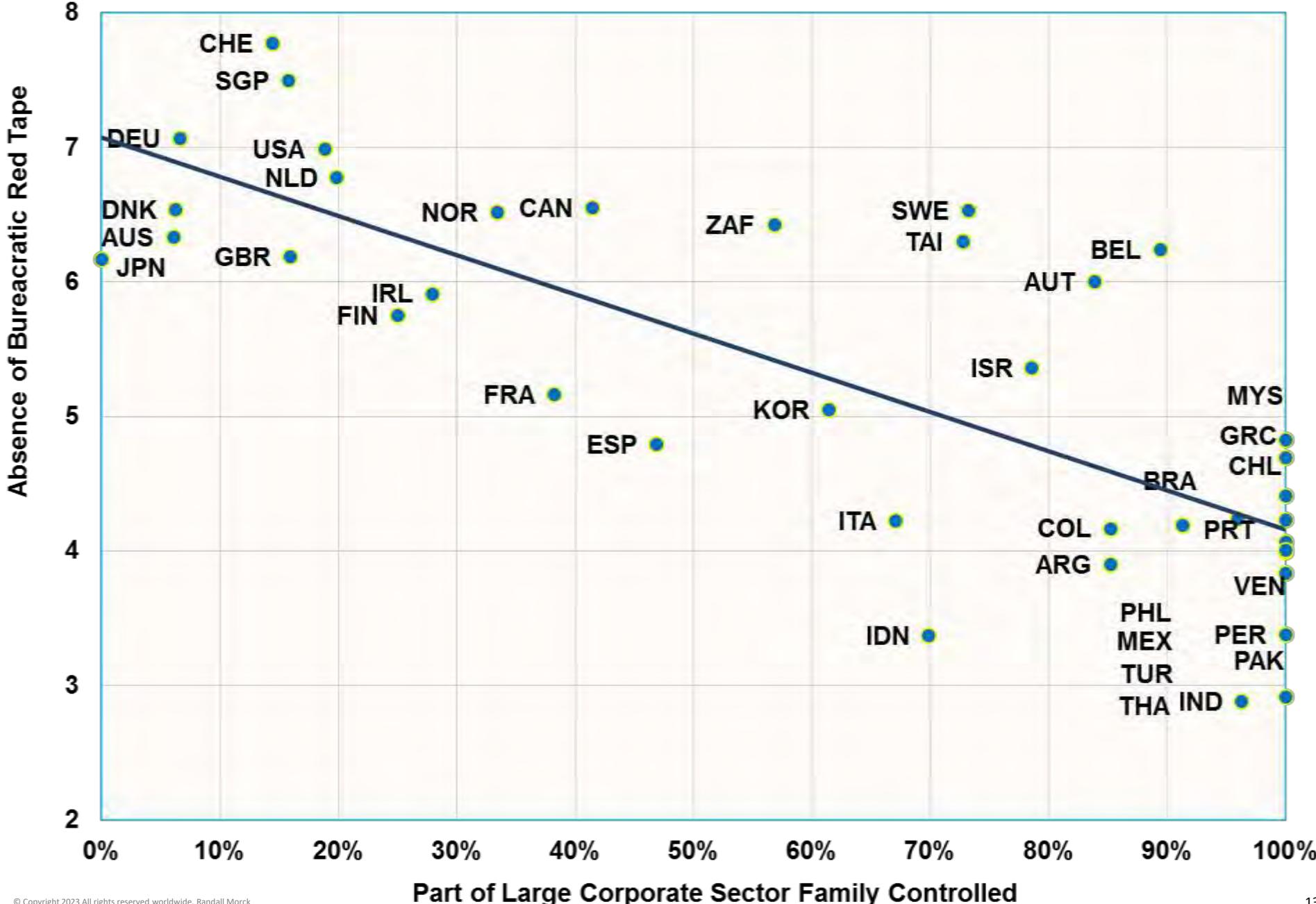


《智利治理地图》

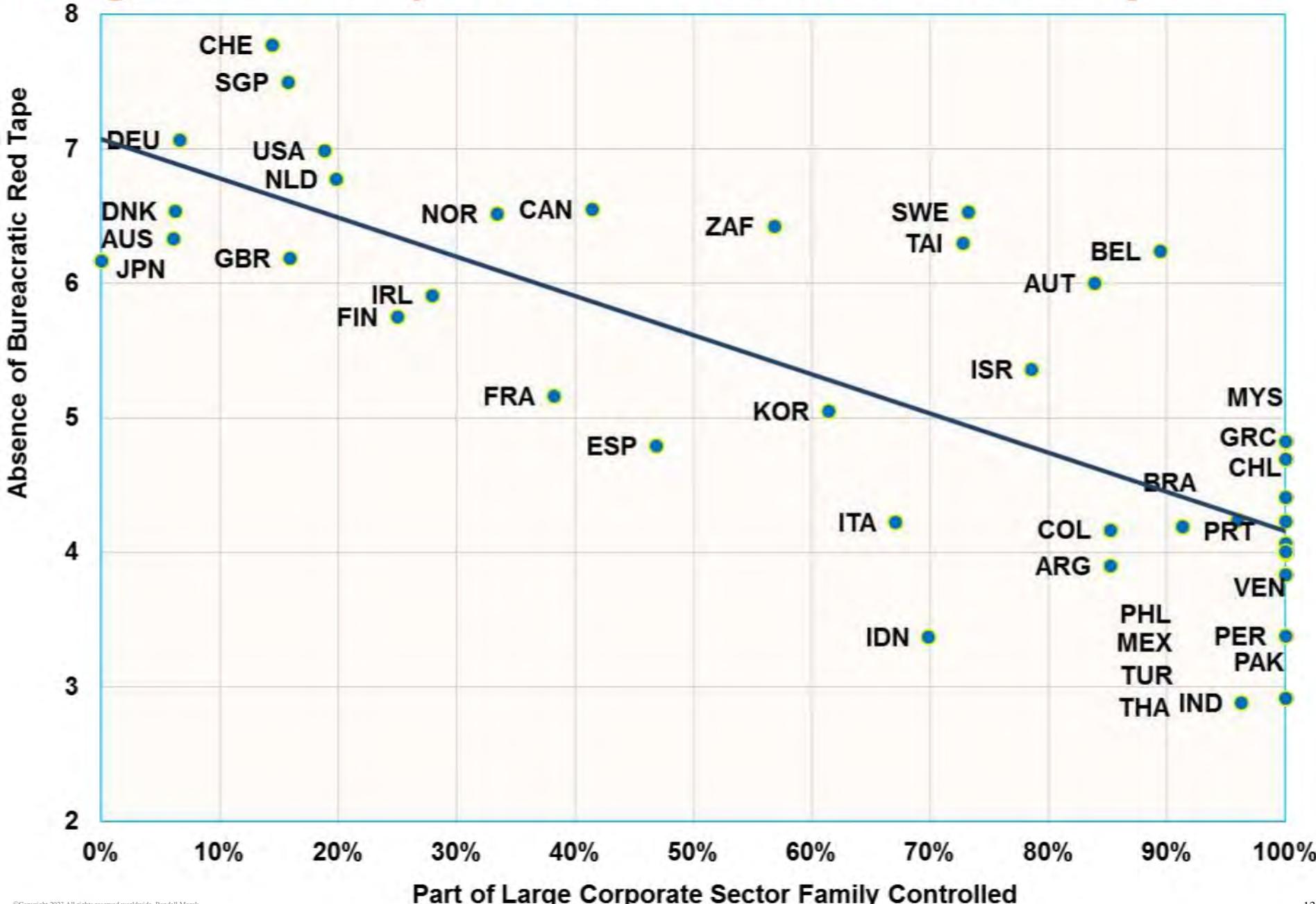
寡头资本主义: 少数家族通过金字塔式集团控制大多数大公司



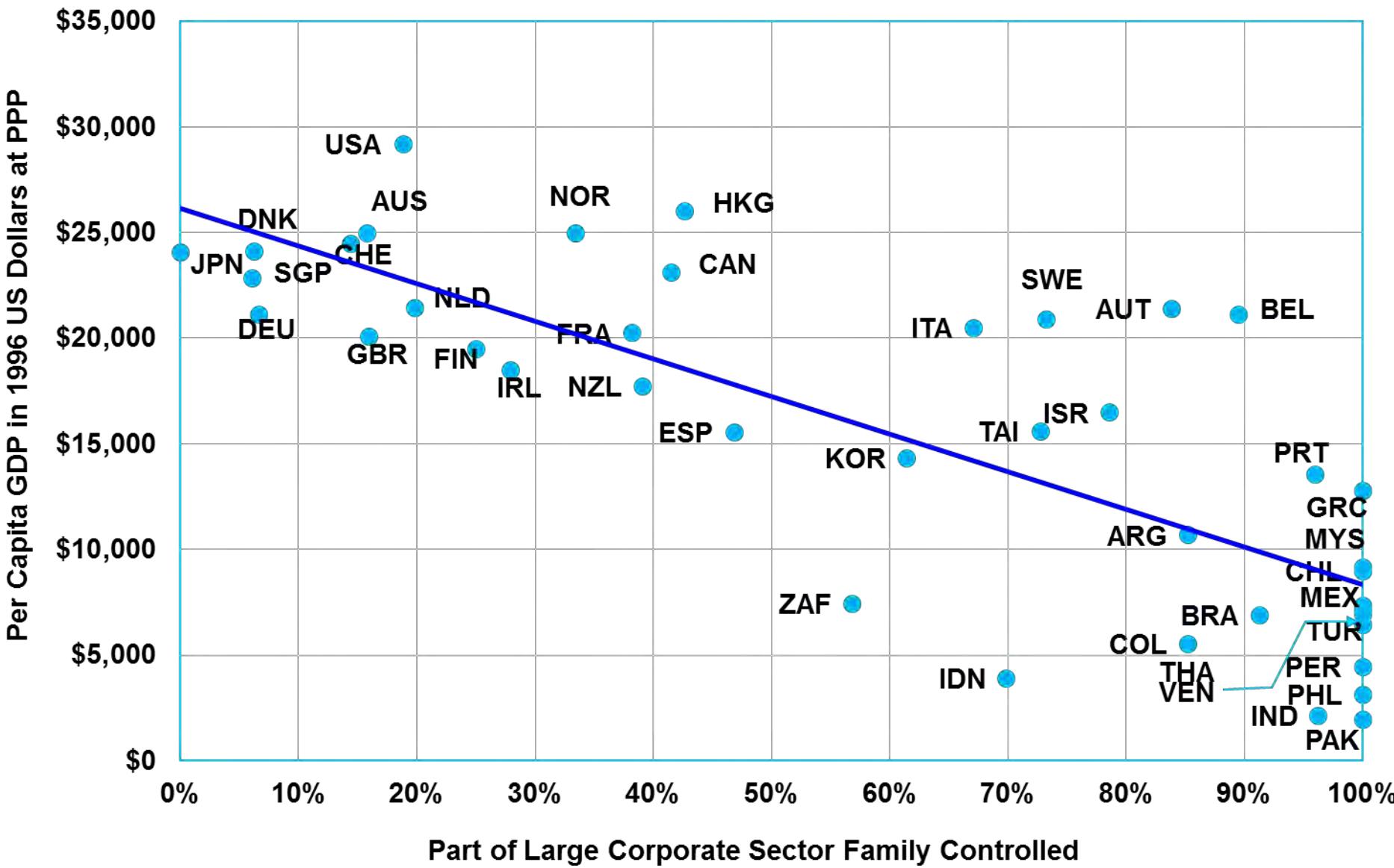
Oligarchic Capitalism & Worse Corruption



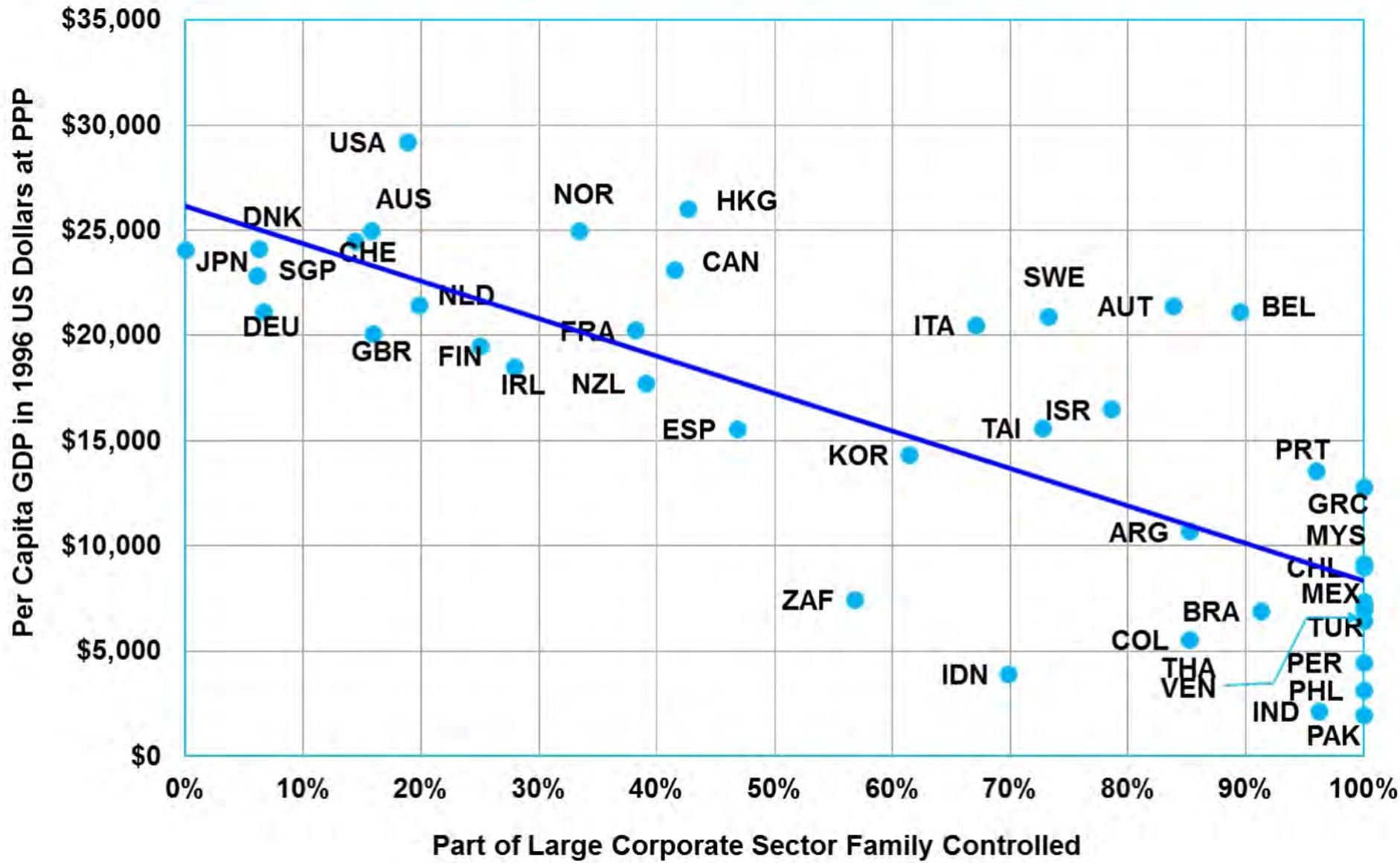
Oligarchic Capitalism & Worse Corruption



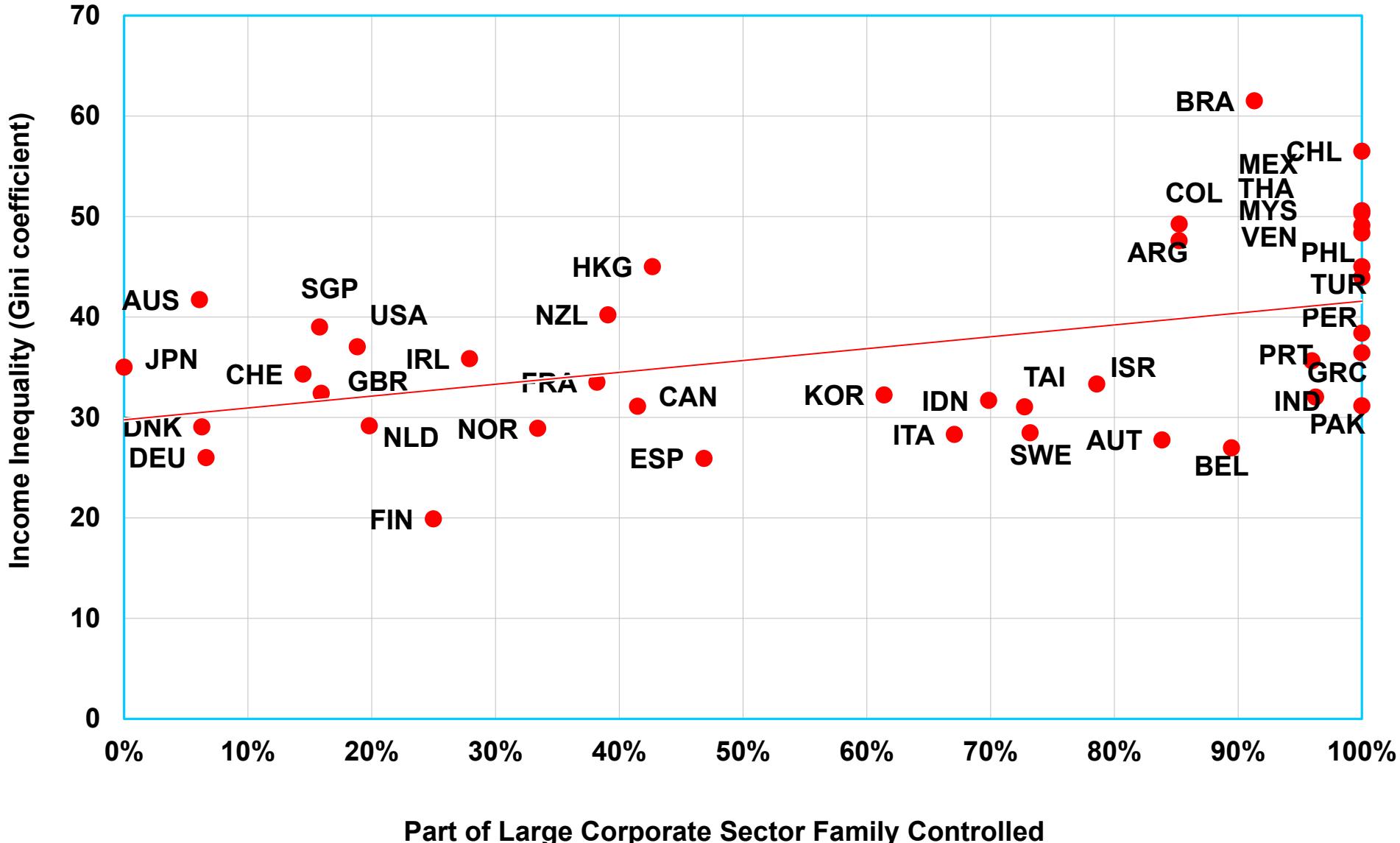
Oligarchic Capitalism & Living Standards



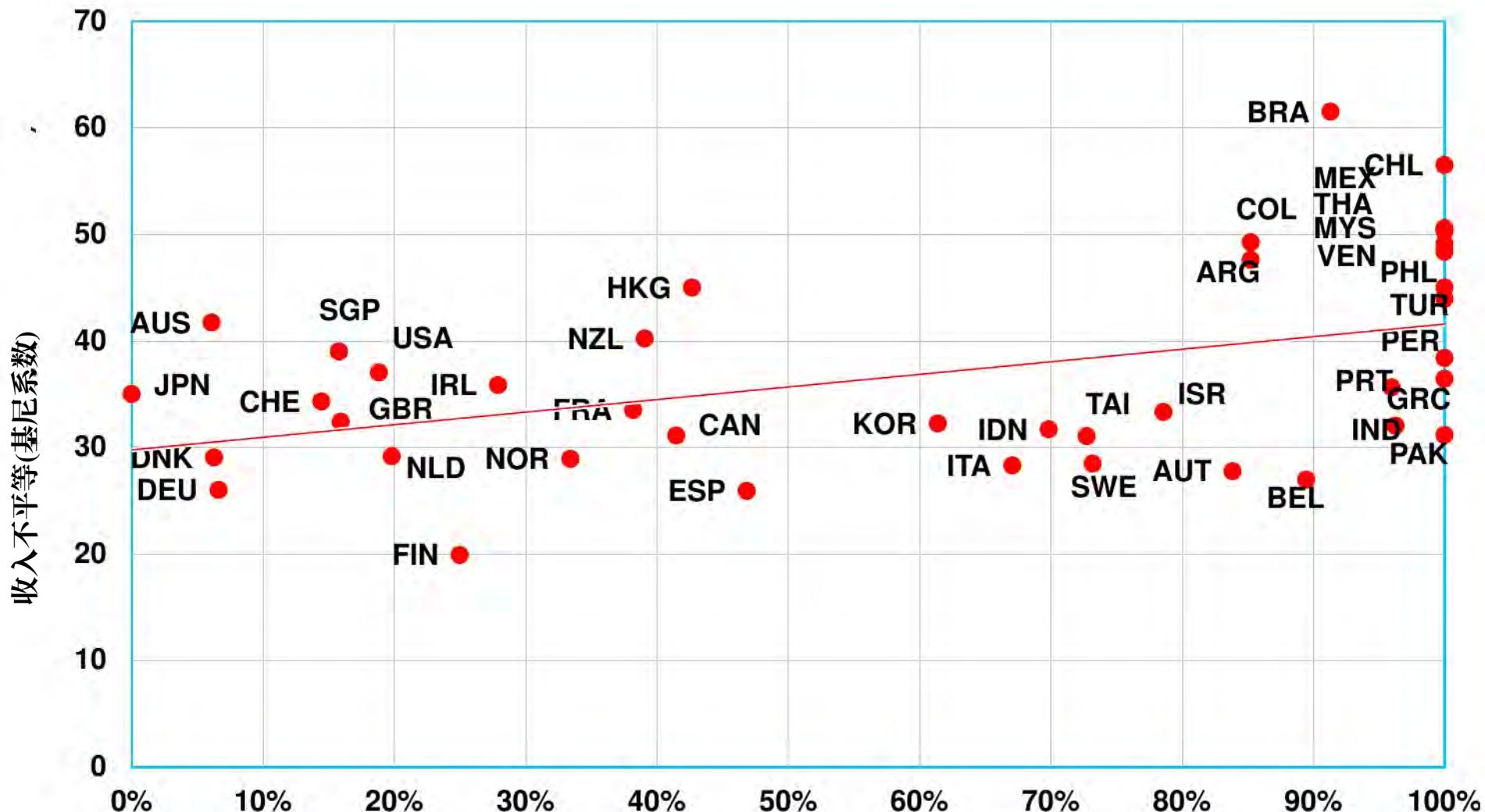
寡头资本主义与生活水平



Oligarchic Capitalism & Inequality

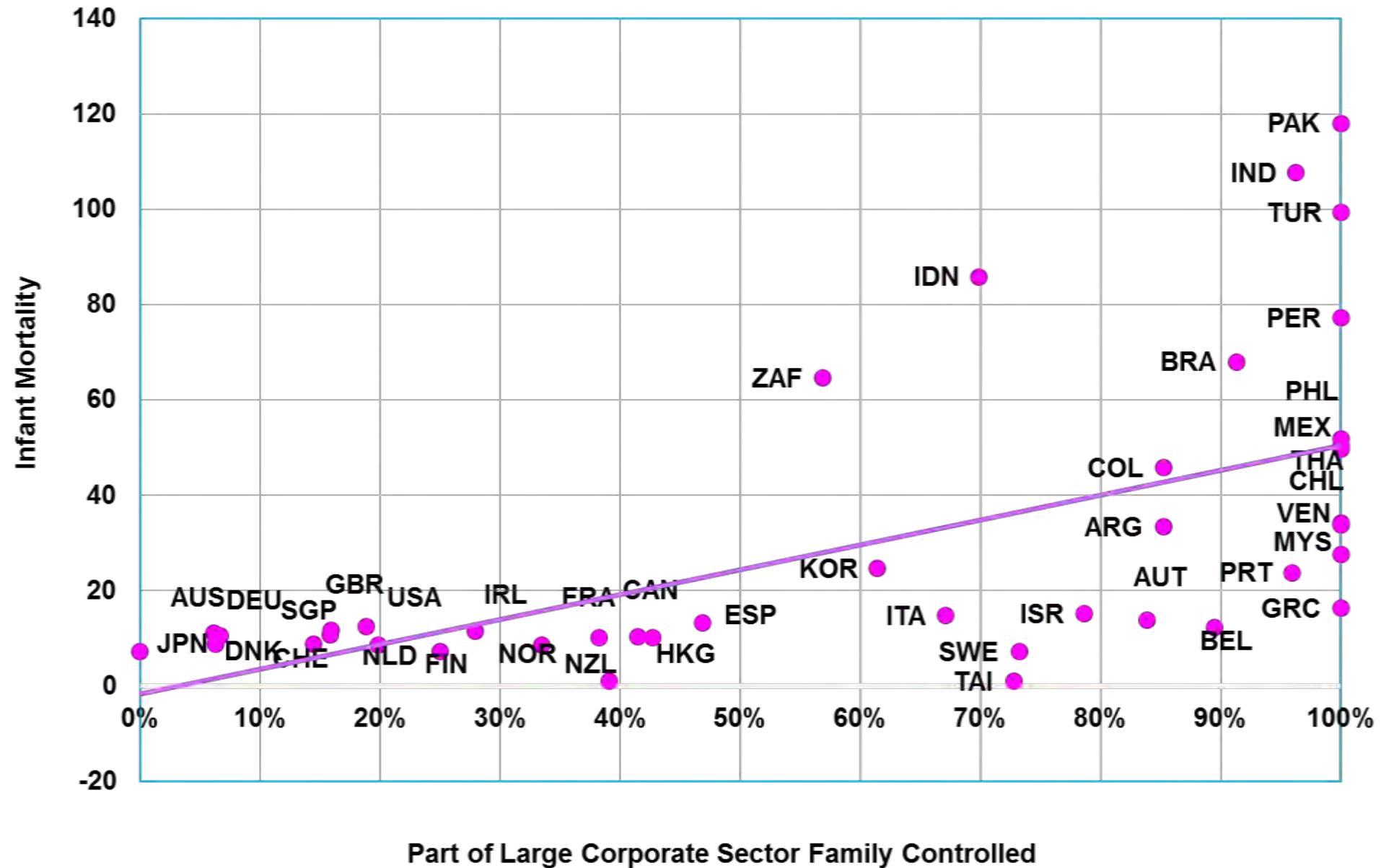


寡头资本主义与不平等

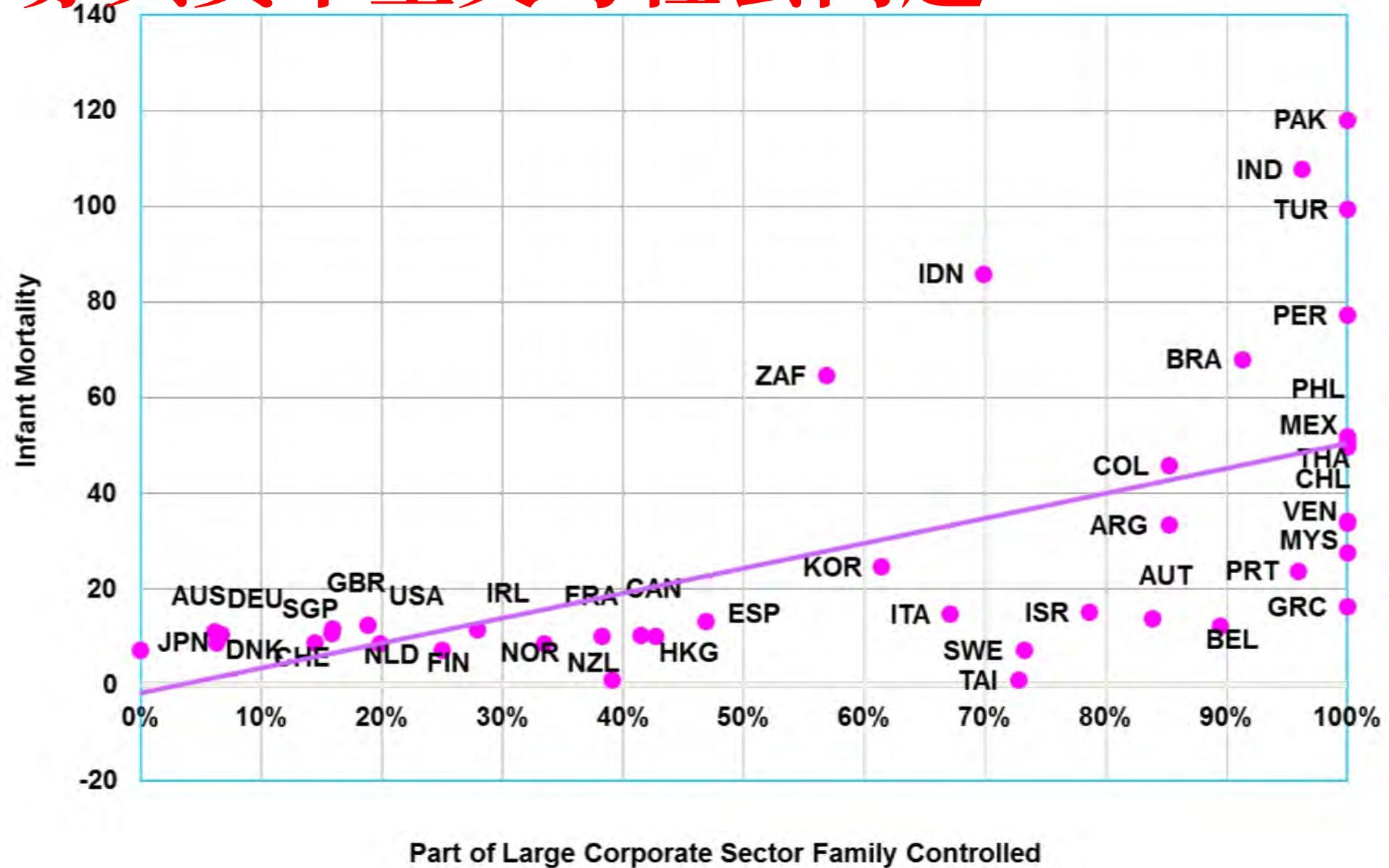


家族控制的大型企业部门的一部分

Oligarchic Capitalism & Social Problems

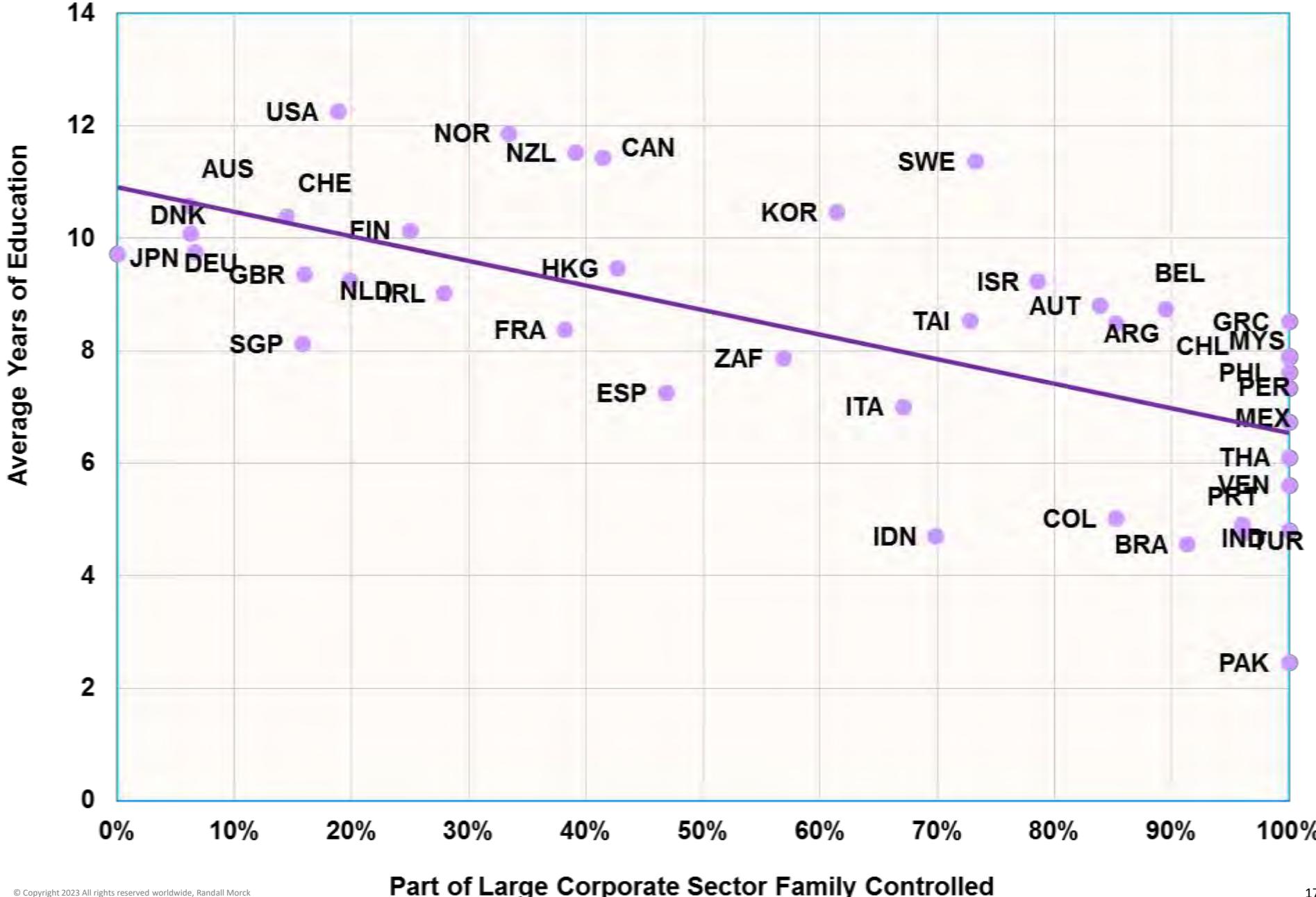


寡头资本主义与社会问题



Part of Large Corporate Sector Family Controlled

Oligarchic Capitalism & Education Levels



Oligarchic Capitalism & Education Levels

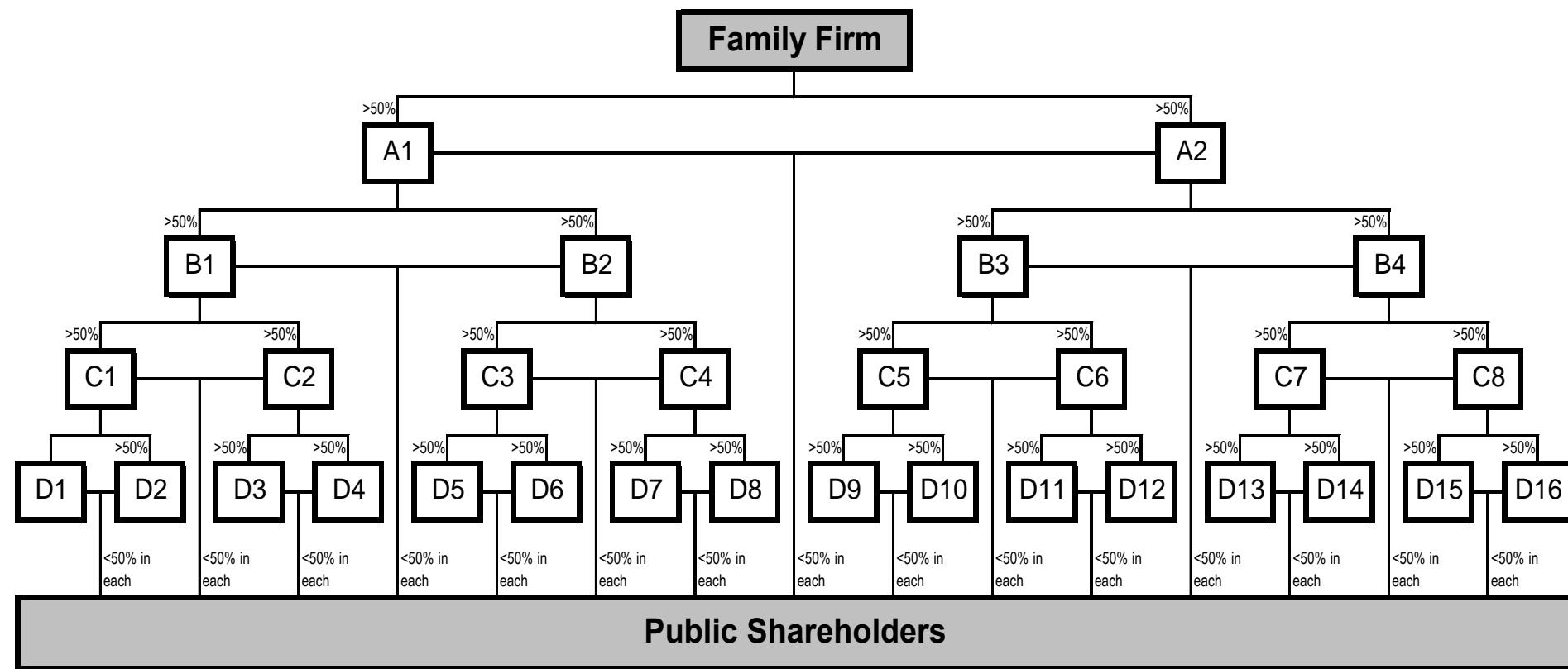


Family Business Groups

The main governance concerns here are different

1. Family entrenchment

- The family hires & fires CEOs of all firms in the group
- Public shareholders cannot force bad CEOs out
- CEOs cannot be fired after hostile takeovers because each firm is > 50% controlled



家族企业集团

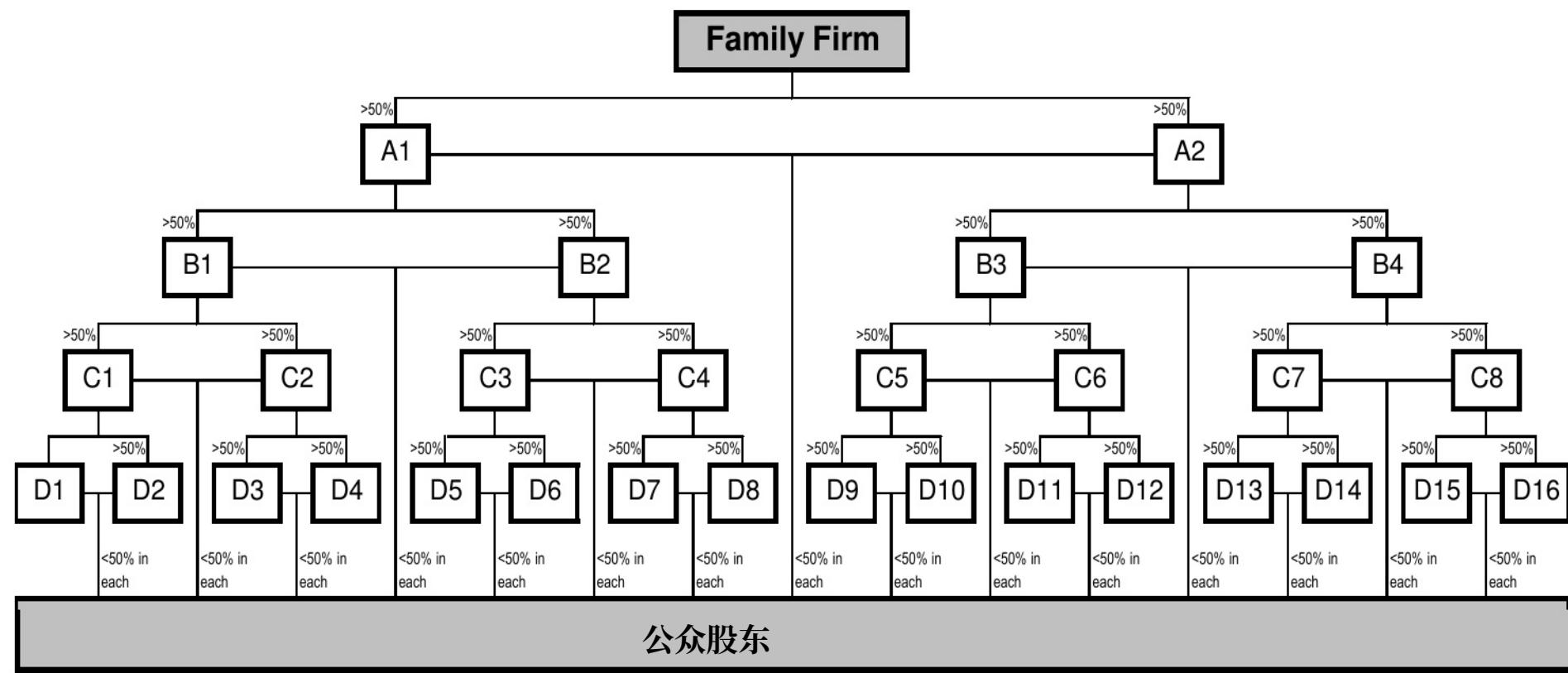
这里的主要治理关注点有所不同

1. 家庭固步自封

该家族雇佣和解雇集团中所有公司的首席执行官

公众股东不能强迫糟糕的首席执行官离职

首席执行官不能在恶意收购后被解雇，因为每家公司都有50%以上的控制权



Family Business Groups

The main governance concerns here are different

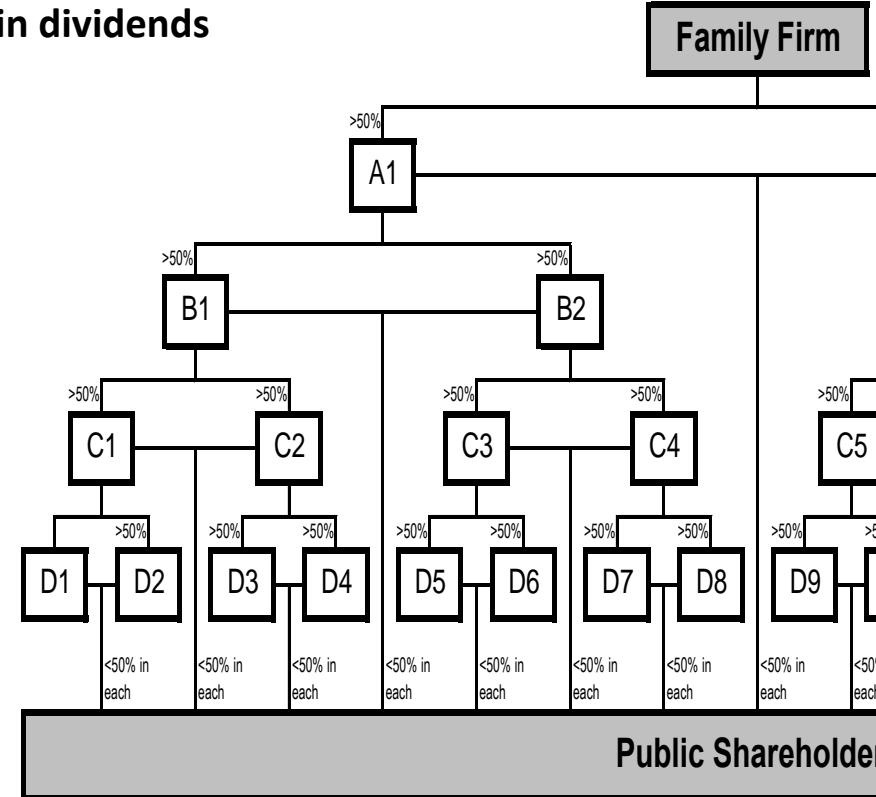
1. Family entrenchment
2. Agency problems (CEOs are faithful agents of family, not of small shareholders)
 - Spending on private benefits of control likely worse for firms in lower tiers of a business group because family's true ownership stake in these can be very small

Example: Family has Firm D1 buy a Lear jet for private family use

- Firm D1 spends \$1M on jet for family & pays \$1M less in dividends
- C1 owns a bit over 50% of D1, so C1 gets a bit over $50\% \times \$1M = \$500,000$ less dividends
- B1 owns a bit over 50% of C1, so B1 gets a bit over $50\% \times \$500,000 = \$250,000$ less dividends
- A1 owns a bit over 50% of B1, so A1 gets a bit over $50\% \times \$250,000 = \$125,000$ less dividends
- Family firm owns a bit over 51% of A1, so family gets a bit over $50\% \times \$125,000 = \$62,500$ less dividends

Bottom line: Family gets \$1M jet for \$62,500

- Small shareholders of D1, C1, B1, and A1 all get smaller dividends & this pays for the rest of the cost (a bit less than \$937,500) to buy the Jet



家族主要治理企业在这里关注的是不同的集团。家族防御

2. 代理问题(首席执行官是家族的忠实代理人，而不是小股东)对于企业集团中较低层次的公司来说，在控制的私人利益上的支出可能更糟糕，因为家族在这些公司的真正所有股份可能非常小。例如：家族让公司D1购买一架李尔喷气式飞机供家族私人使用

公司D1花100万美元为家人买飞机，少付100万美元股息

C1拥有D1超过50%的股份，因此C1得到了一点回报

$$50\% \times 100\text{万美元} = \text{少分红} 50\text{万美元}$$

B1拥有C1的50%多一点，所以B1得到了一点

$$50\% \times \$500,000 = \text{少分红} \$250,000$$

A1拥有B1的50%多一点，所以A1得到了一点

$$50\% \times \$250,000 = \text{少分红} \$125,000$$

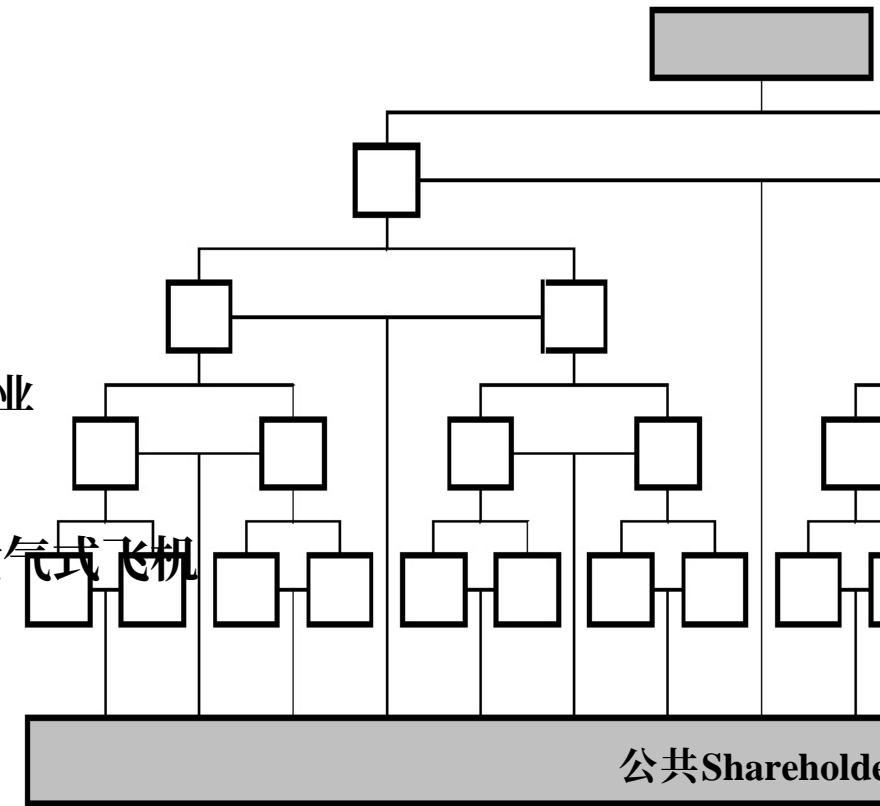
<S:1>家族企业拥有略多于51%的A1股份，所以是家族企业

$$\text{比} 50\% \text{多一点} \times 125,000 \text{美元} = \text{少} 62,500 \text{美元股息}$$

底线：家人花62,500 买了一架价值100万美元的喷气式飞机

D1、C1、B1、A1的小股东都得到了

较小的股息&这支付了剩余的成本
(略低于937,500美元)来购买喷气机



Family Business Groups

The main governance concerns here are different

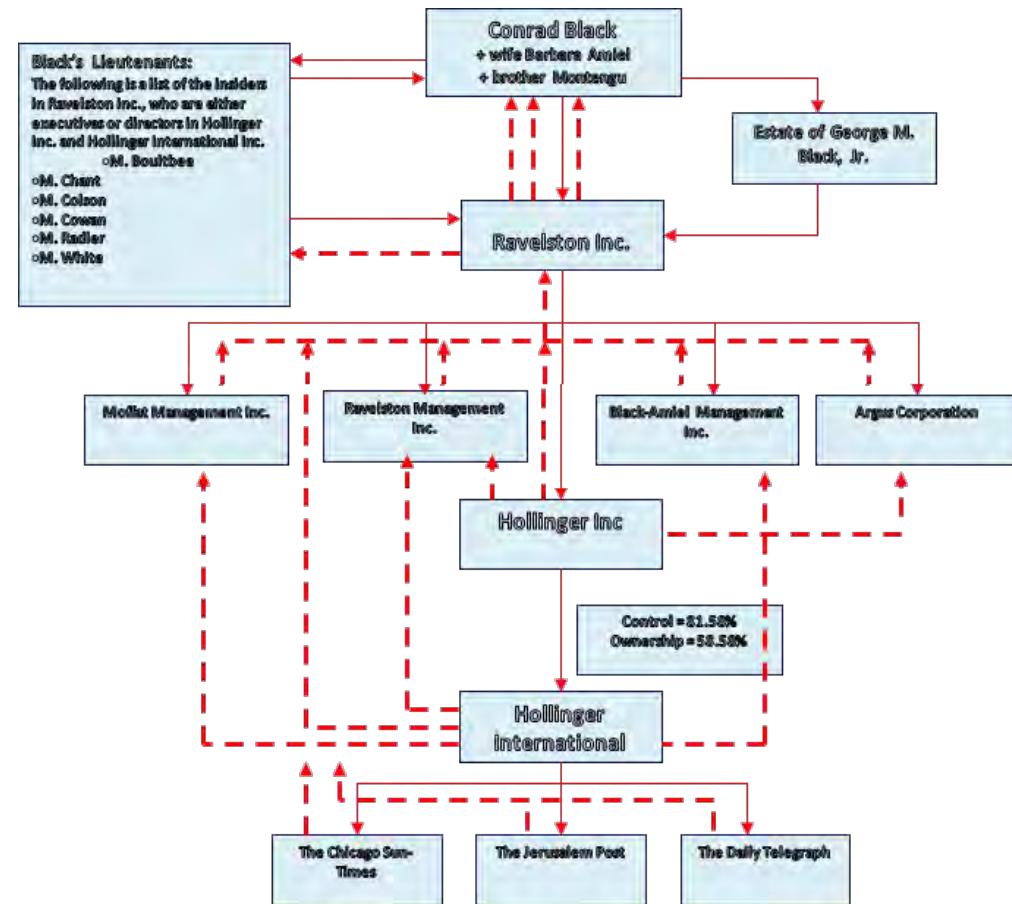
1. Family entrenchment
2. Small actual family ownership stake
3. Tunneling (also called self-dealing, related party transaction, ...)
 - Controlling shareholder transfers money directly from firm low in pyramid to self

Actual example: Hollinger Group

- Black ordered Hollinger International CEO to sell newspapers
 - Part of proceeds to Hollinger Intl. (legal owner)
 - But large fraction paid directly to Black
 - Hollinger International US directors balked
- Hollinger International US shareholders sued Black in Chicago. Black lost, jailed in US
- Now free & living in Toronto



Conrad Black & his chauffeur (on security video after judge ordered him not to remove documents from office)



家族主要治理企业在这里关注的定 不同的集团。家族防御²。小的实际家族所有股份

3. 隧道交易(也叫自营交易、关联方交易、…)

控制股东将资金直接从金字塔底层的公司转移给自己

实际例子:霍林格集团

布莱克命令霍林格国际公司CEO

卖报纸

霍林格国际公司的部分收益。(合法的所有者)

但很大一部分直接支付给Black

霍林格国际公司的美国董事们对此犹豫不决

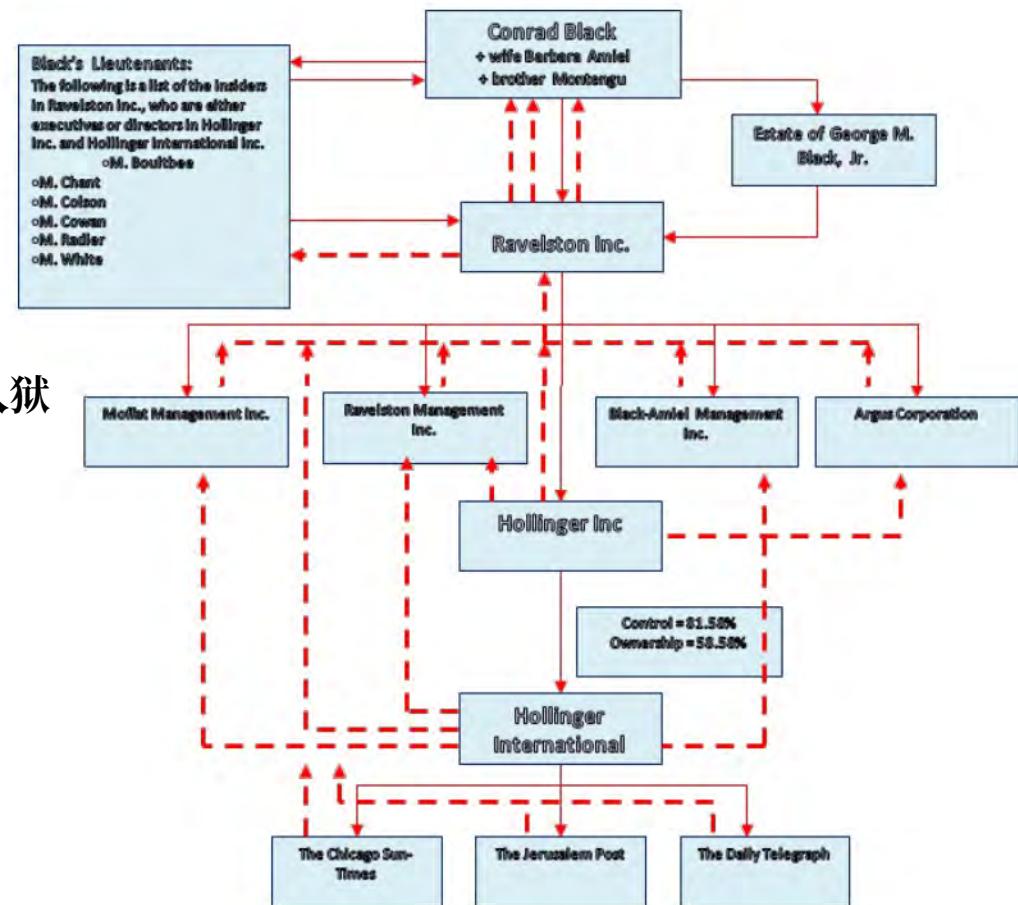
霍林格国际美国股东

在芝加哥起诉布莱克。布莱克败诉，在美国入狱

现在自由了，住在多伦多



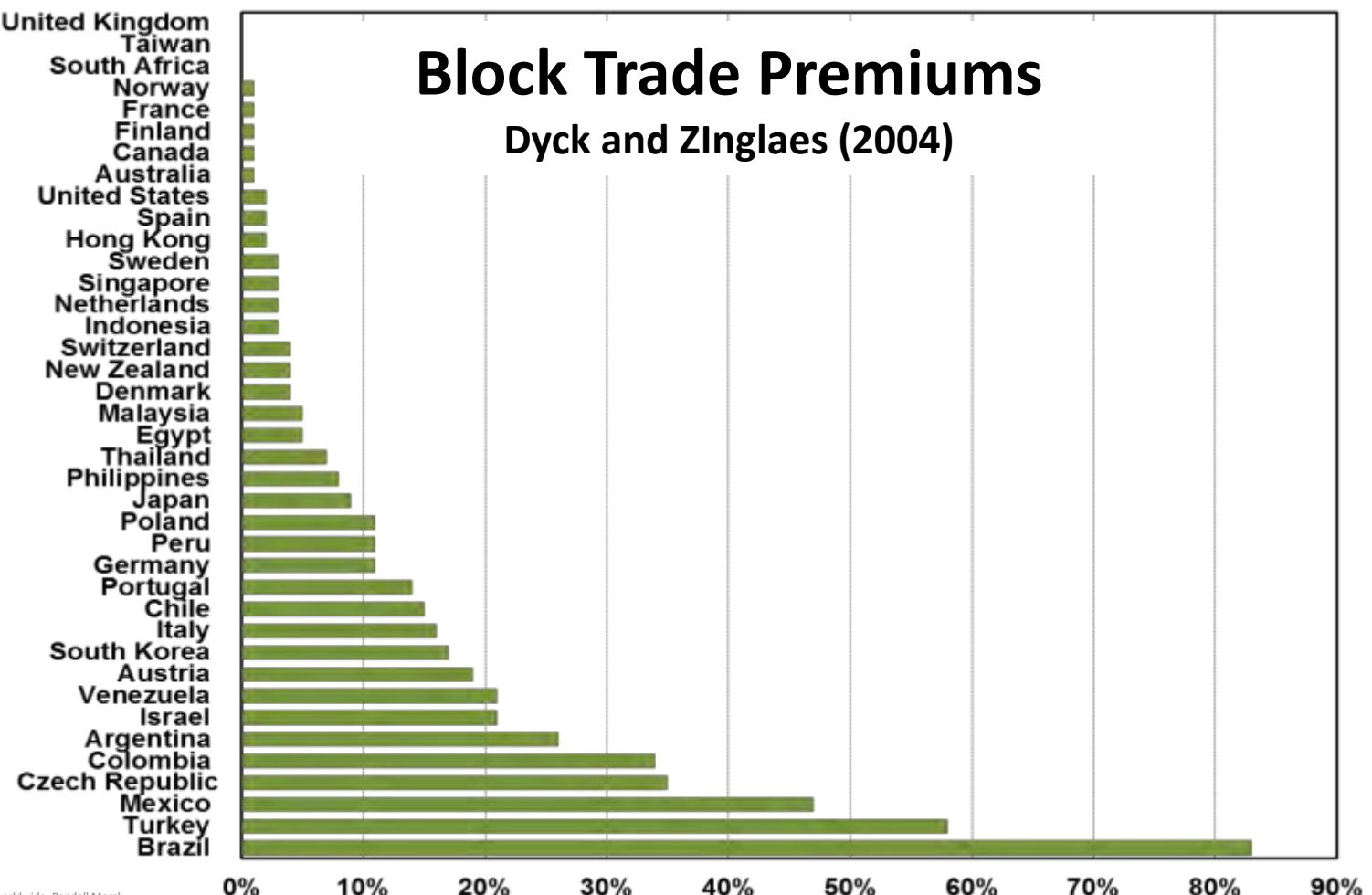
康拉德·布莱克和
他的司机(在法官
命令他不要从办公
室移走文件后的监
控视频)



Families Sell Control Blocks to Other Families

Dyck, Alexander & Luigi Zingales. 2004. Private benefits of control: An international comparison. *Journal of Finance* 59(2)537-600

- Block premium = premium paid (over share price in open market) for control block
- Block premium higher in more corrupt countries because
 - Public shareholders only get dividends, $P = PV(\text{dividends})$
 - Controlling shareholder gets dividends + private benefits of control (greater in more corrupt countries)



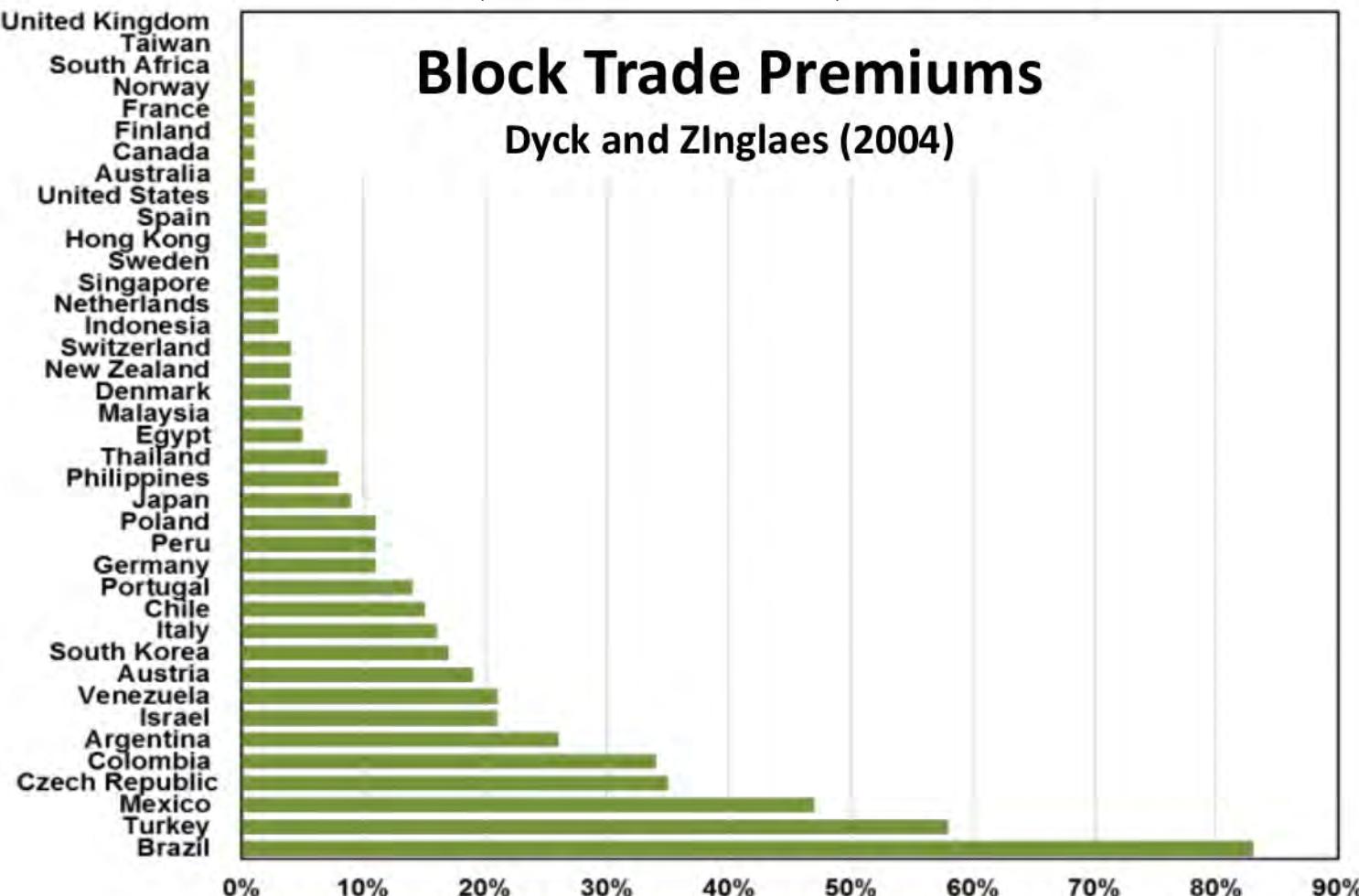
家庭向其他家庭出售控制块

Dyck, Alexander & Luigi Zingales. 2004。控制的私人利益:一个国际比较。《金融杂志》59(2)537-600

<s:1>区块溢价=为控制区块支付的溢价(高于公开市场的股价)<s:1>区块溢价在更腐败的国家更高, 因为

公众股东只获得股息, $P = PV(\text{股息})$

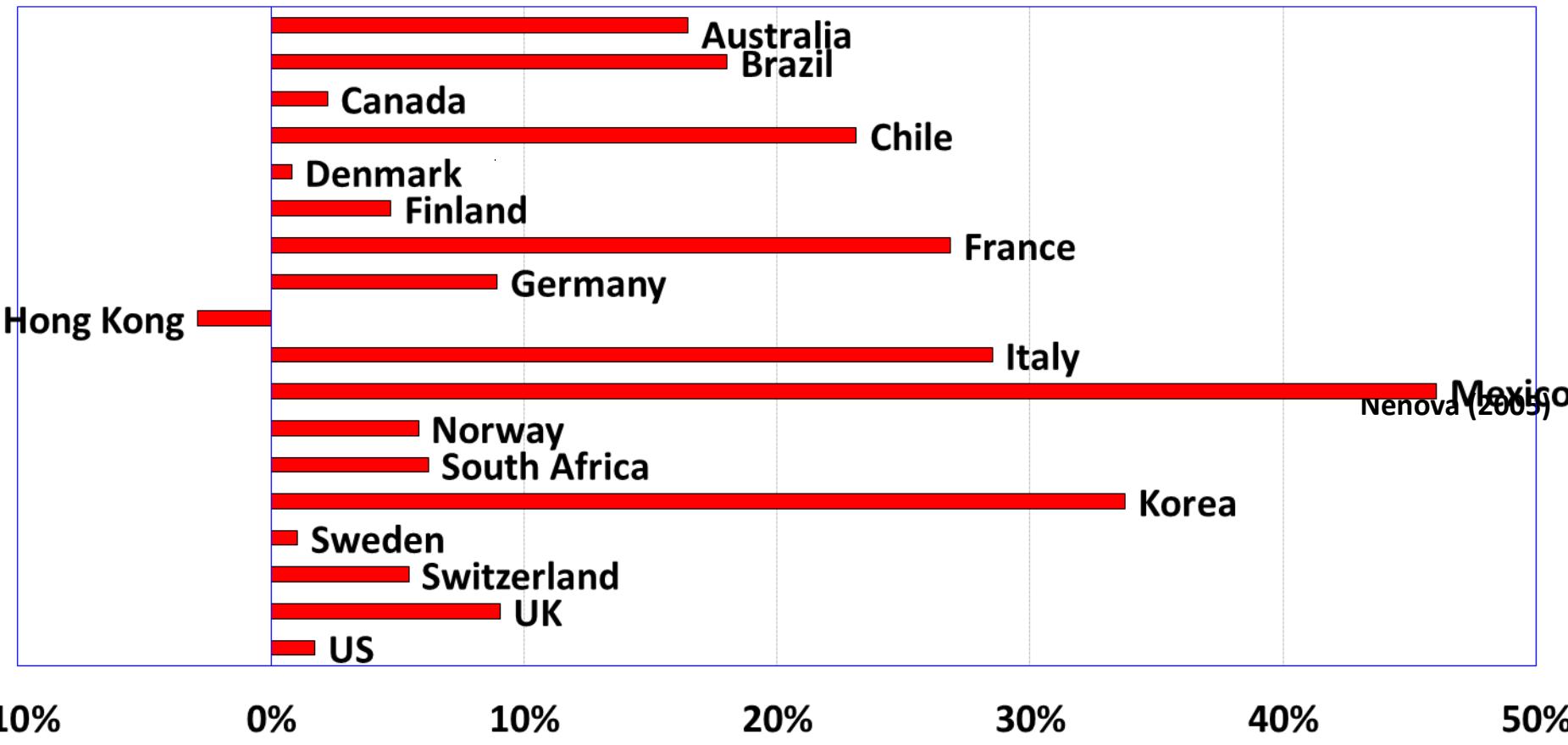
控制股东获得股息+控制的私人利益(在更腐败的国家更大)



Dual Class Shares Sometimes Trade Too

Nenova, Tatiana. 2003. The value of corporate voting rights and control: A cross-country analysis. *Journal of Financial Economics* 68(3)325-51

- Dual class premium = price premium of super-voting shares
- Dual class premium higher in more corrupt countries because
 - Class A shareholders only get dividends, $P = PV(\text{dividends})$
 - Class B shareholder gets dividends + private benefits of control (greater in more corrupt countries)



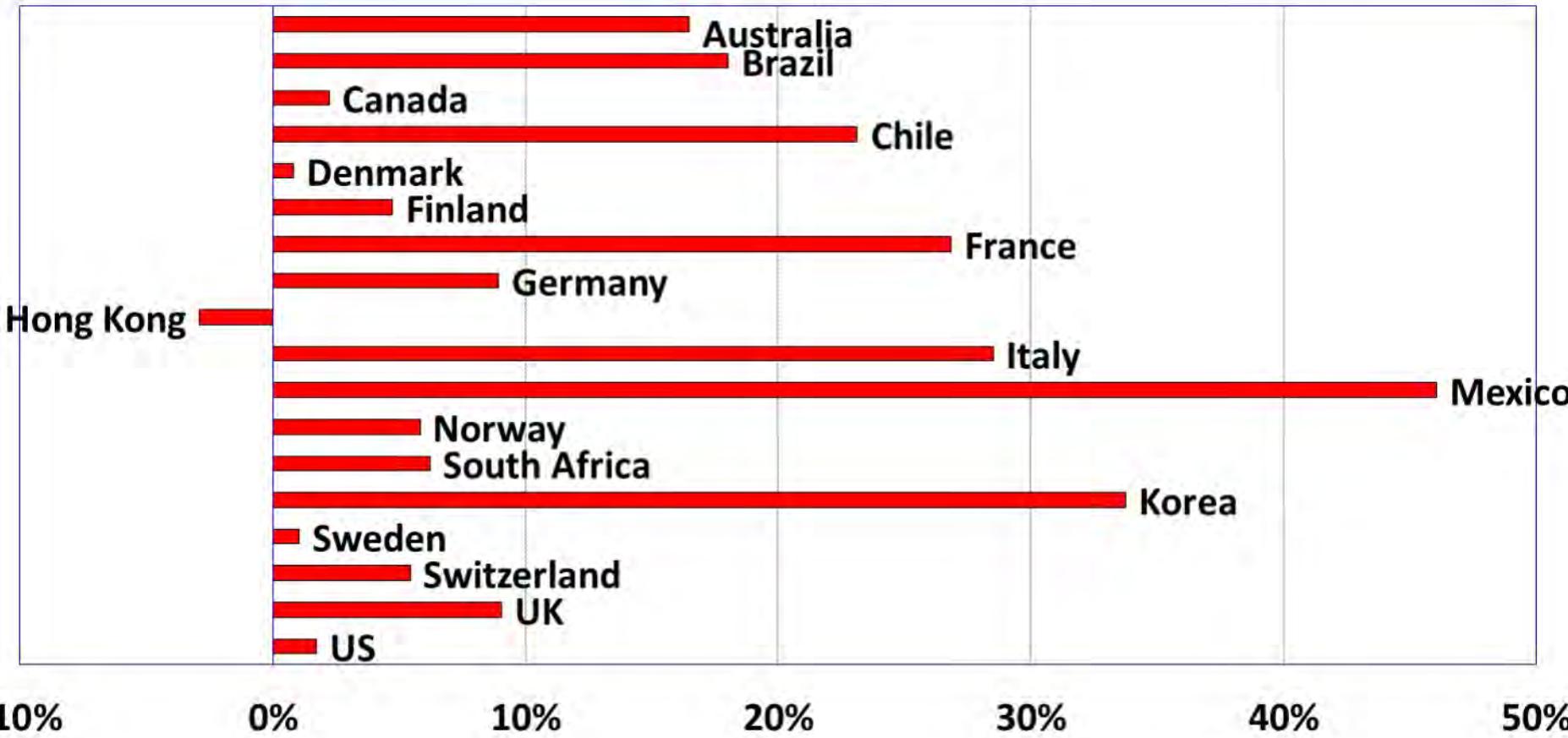
Dual Class Shares Sometimes Trade Too

Nenova, Tatiana. 2003。公司投票权和控制权的价值:一个跨国分析。《金融经济研究》68(3)325-51

在更腐败的国家， 双层溢价更高， 因为

A类股东只获得股息， $P = PV$ (股息)

<s:1> B类股东获得股息+控制的私人利益(腐败国家更大)

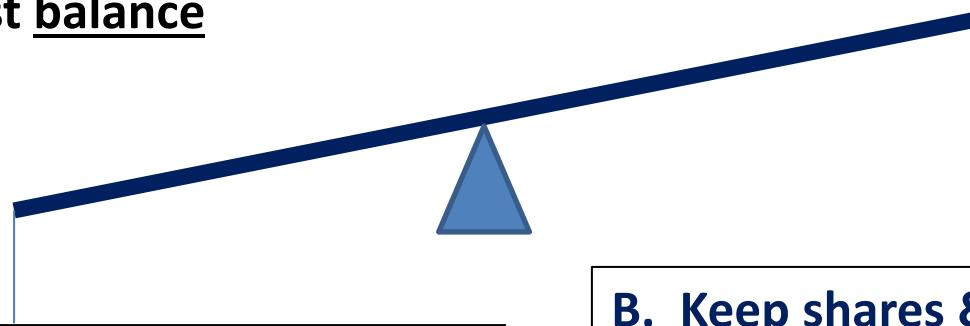


A Business Family's Economic Decision

Burkart, Mike, Fausto Panunzi & Andrei Shleifer. 2003. Family firms. *Journal of Finance* 58, 2167-2202.

- Why heirs hold onto control for multiple generations in some countries, but not in others

Thought experiment: You inherit a control block in a firm. With no special skill to run the firm, you must balance



A. Sell your shares & diversify

- Wealth = proceeds of sale
(higher if professional CEO would run it better)
- Risk = lower
(your wealth invested in a diversified portfolio)

B. Keep shares & stay in control

- Wealth = value of firm run by you
(lower if you are less talented)
+ private benefits of control
(higher in more corrupt country)
- Risk = higher
(your wealth invested in only 1 firm)

Heir keeps control block & remains in control if

- Higher private benefits of control (more important in more corrupt countries)
- Benefit of diversifying is low (i.e. if firms in group are in many different industries)

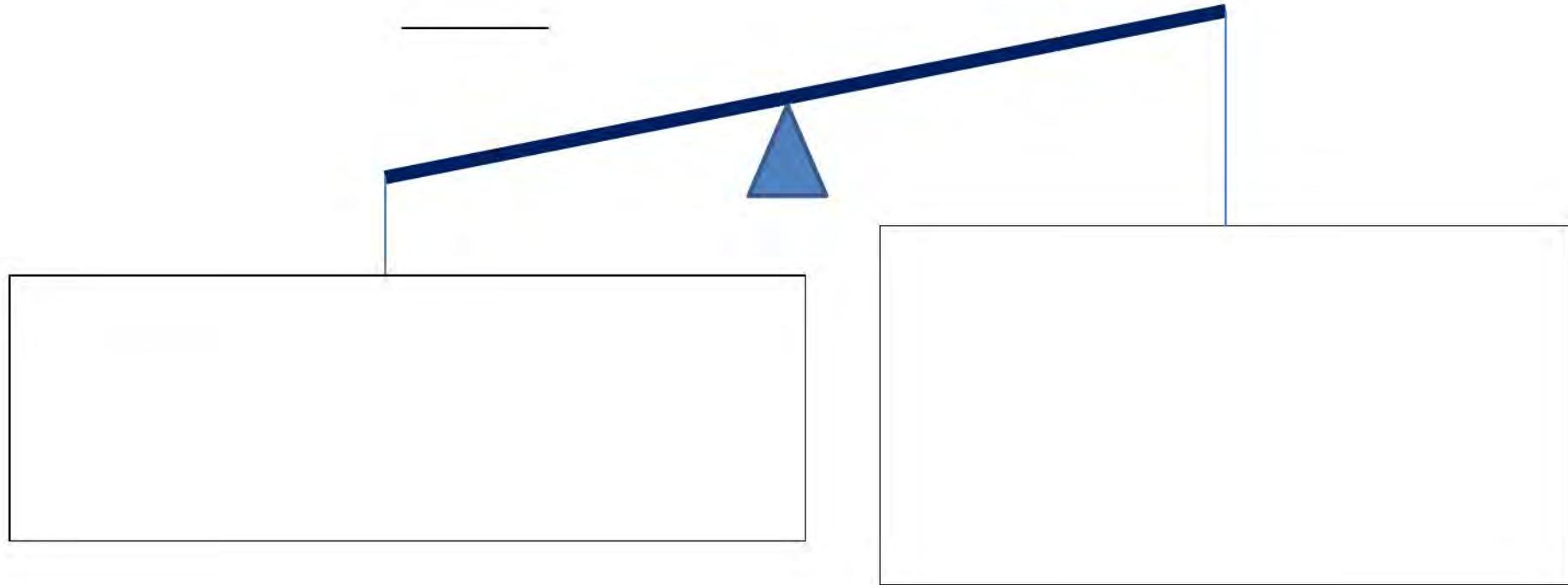
Heir sells control block & invests in a diversified portfolio if

- Public shareholders will pay higher share price (they expect better governance in less corrupt countries)
- Benefits of diversifying are high (diversification gets rid of more risk where stocks move more independently - i.e. in less corrupt countries)

A Business Family's Economic

Berk, Mike Fausto Panunzi & Andrei Shleifer. 2003. 家族企业。金融学报58,2167-2202。

为什么继承人在某些国家会多代保留控制权，而在另一些国家则不然思想实验：你继承了一家公司的控制权块。没有特殊技能的人



Many US Tycoons Avoid Family Dynasties

Widespread suspicion of family business dynasties

- ☐ Aging US tycoons often “give all their money away” instead of giving it to their children
 - “It’s like thinking the best way to get Olympic teams is to get grandchildren of winners sixty years ago to play — it doesn’t work that way”

- Bill Gates



Bill Gates (Microsoft) and Warren Buffet (Berkshire-Hathaway) discuss the US Olympic team

Many US Tycoons Avoid Family Dynasties

对家族企业王朝的普遍怀疑

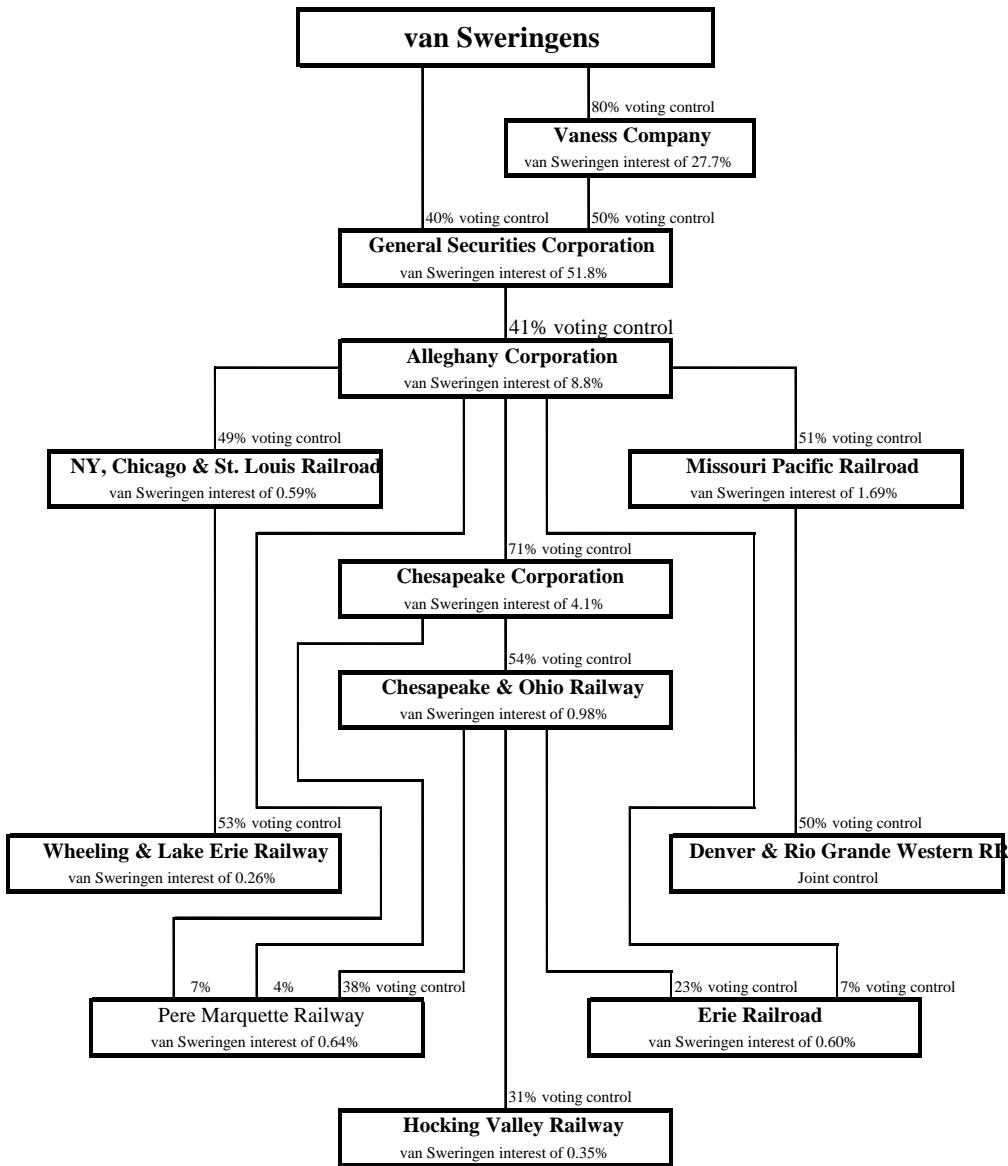
上了年纪的美国大亨经常“把钱都捐出去”，而不是留给子女“这就像认为获得奥运代表队的最好办法是让60年前冠军的孙辈去打球一样——这行不通”

——比尔盖茨



比尔·盖茨(微软)
和沃伦·巴菲特(伯克希尔-
哈撒韦)讨论美国奥运代表队
Olympic team

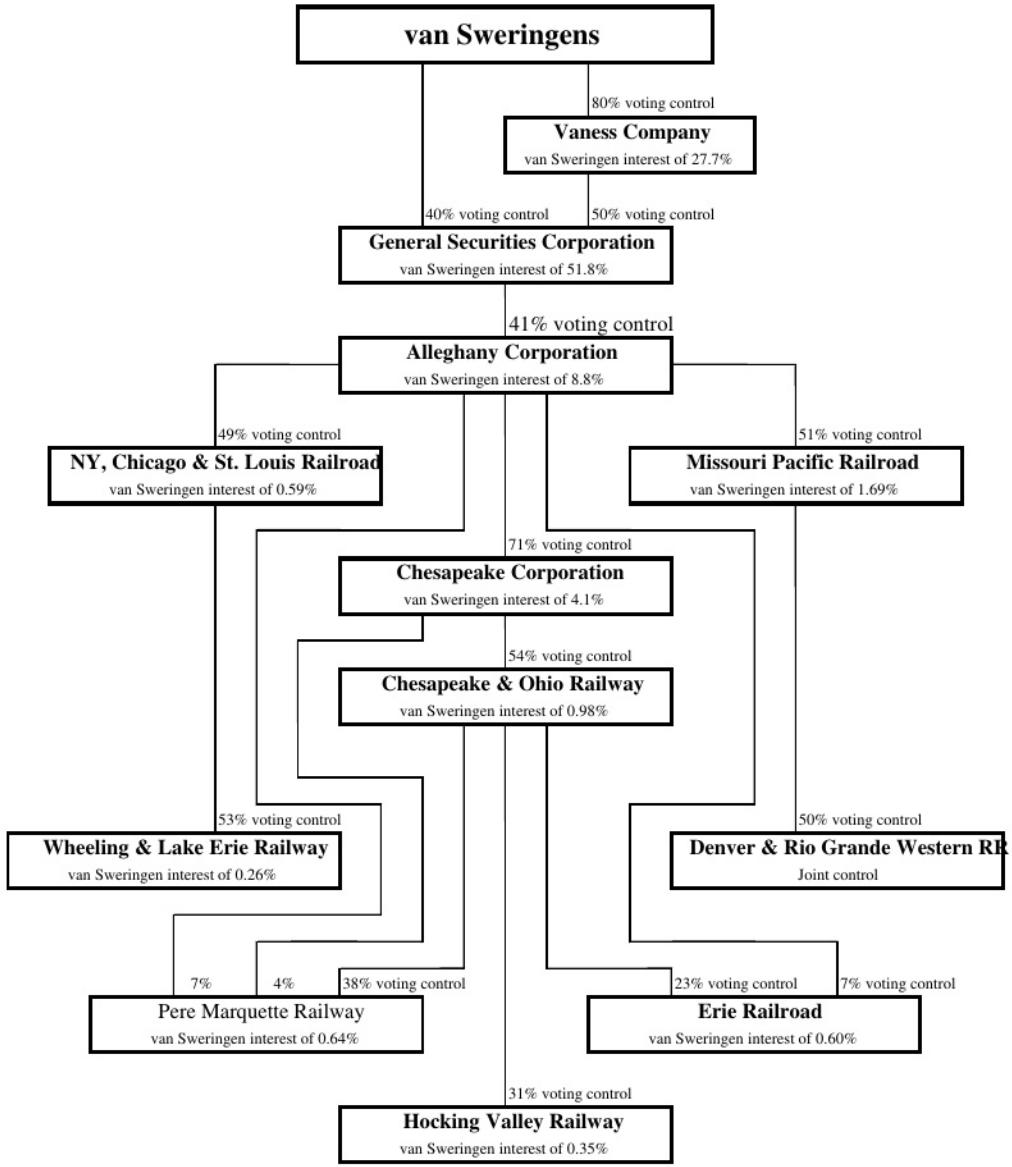
The US Once Had Family Business Empires



“Robber barons’ ” pyramidal groups criticized in 1930s

- Transfer pricing to evade taxes
- Hidden monopolies
- Shareholder concerns
- Corporate governance a macroeconomic problem

美国曾经有过家族商业帝国

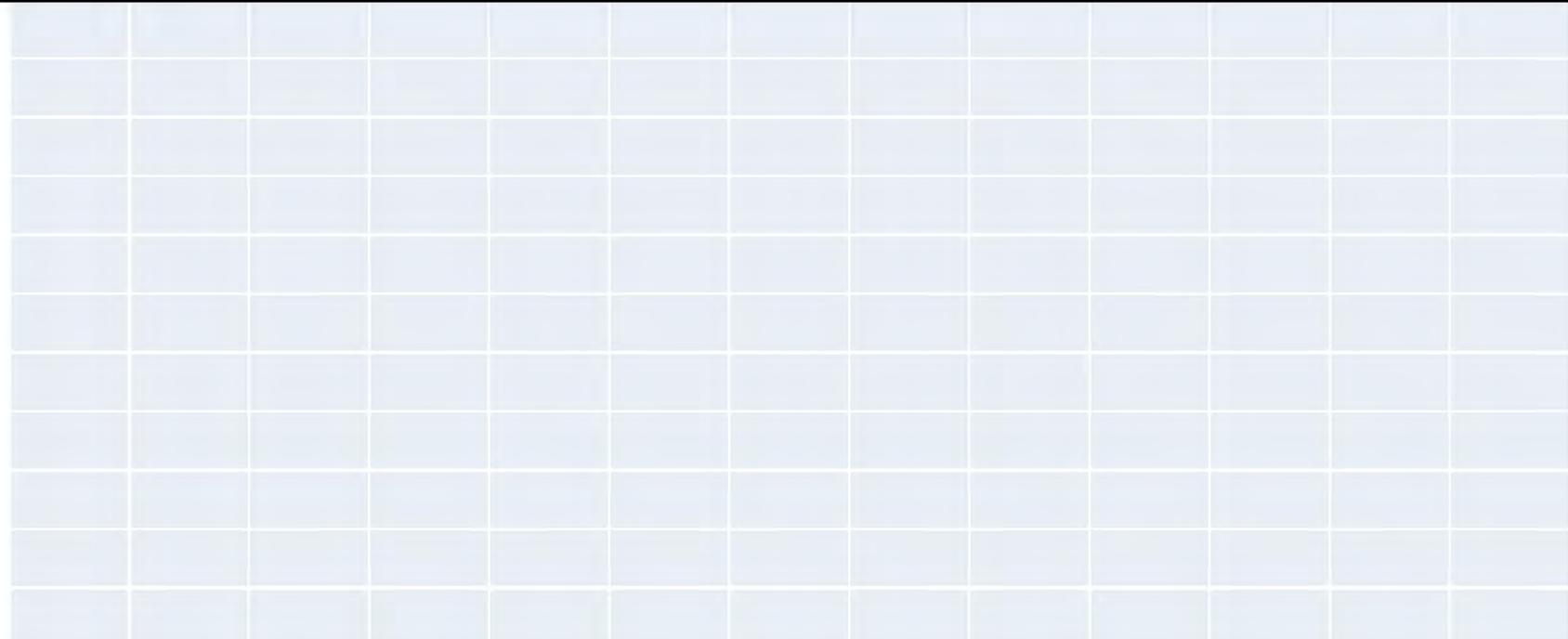


20世纪30年代被批评的“强盗大亨”金字塔式集团<[S:1](#)>
转让定价以逃税隐藏垄断股东
担忧公司治理a
宏观经济问题

Industrial Unemployment Rates in the 1930s

| Year | 1926 | 1927 | 1928 | 1929 | 1930 | 1931 | 1932 | 1933 | 1934 | 1935 | 1936 | 1937 | 1938 |
|-------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Australia | 6.3 | 6.2 | 10.0 | 10.2 | 18.4 | 26.5 | 28.1 | 24.2 | 19.6 | 15.6 | 11.3 | 8.4 | 7.8 |
| Belgium | 1.4 | 1.8 | 0.9 | 1.3 | 3.6 | 10.9 | 19.0 | 16.9 | 18.9 | 17.8 | 13.5 | 11.5 | 14.0 |
| Canada | 4.7 | 2.9 | 2.6 | 4.2 | 12.9 | 17.4 | 26.0 | 26.6 | 20.6 | 19.1 | 16.7 | 12.5 | 15.1 |
| Denmark | 20.7 | 22.5 | 18.5 | 15.5 | 13.7 | 17.9 | 31.7 | 28.8 | 22.2 | 19.7 | 19.3 | 21.9 | 21.5 |
| France | 3.0 | 11.0 | 4.0 | 1.0 | 2.0 | 6.5 | 15.4 | 14.1 | 13.8 | 14.5 | 10.4 | 7.4 | 7.8 |
| Germany | 18.0 | 8.8 | 8.6 | 13.3 | 22.7 | 34.3 | 43.8 | 36.2 | 20.5 | 16.2 | 12.0 | 6.9 | 3.2 |
| Netherlands | 7.3 | 7.5 | 5.6 | 5.9 | 7.8 | 14.8 | 25.3 | 26.9 | 28.0 | 31.7 | 32.7 | 26.9 | 25.0 |
| Norway | 24.3 | 25.4 | 19.2 | 15.4 | 16.6 | 22.3 | 30.8 | 33.4 | 30.7 | 25.3 | 18.8 | 20.0 | 22.0 |
| Sweden | 12.2 | 12 | 10.6 | 10.2 | 11.9 | 16.8 | 22.4 | 23.3 | 18.0 | 15.0 | 12.7 | 10.8 | 10.9 |
| UK | 12.5 | 9.7 | 10.8 | 10.4 | 16.1 | 21.3 | 22.1 | 19.9 | 16.7 | 15.5 | 13.1 | 10.8 | 12.9 |
| USA | 2.9 | 5.4 | 6.9 | 5.3 | 14.2 | 25.2 | 36.3 | 37.6 | 32.6 | 30.2 | 25.4 | 21.3 | 27.9 |

1930年代的工业失业率



The Great Depression in the USA

- CPUSA, Madison Sq. Gardens, New York, 1931



USA的大萧条

麦迪逊广场CPUSA花园，纽约，1931年



The Great Depression in the USA

The Great Depression hit the USA very hard

- Many Americans rejected free markets as Depression worsened

President Franklin Roosevelt promised “New Deal”

- A new fairer & less corrupt free market system
- A key part of this was to break up business groups
 - Double taxation of inter-corporate dividends
 - Capital gains incentives to break up pyramids
 - Public Utilities Holding Companies Act limits pyramids in public utilities industries to two layers
 - Inherited income taxed heavily to force sales of control



Pres. Roosevelt takes back cards & gives people a “New Deal”

Pyramids & family control blocks soon disappeared

USA的大萧条

大萧条对USA的打击很大

随着大萧条的恶化，许多美国人拒绝自由市场

富兰克林·罗斯福总统承诺实施“新政”

一个新的更公平、更少腐败的自由市场体系

其中一个关键部分是拆分商业集团

对公司间股息双重征税

资本利得激励打破金字塔

公共事业控股公司法案限制公共金字塔

公用事业行业分为两层

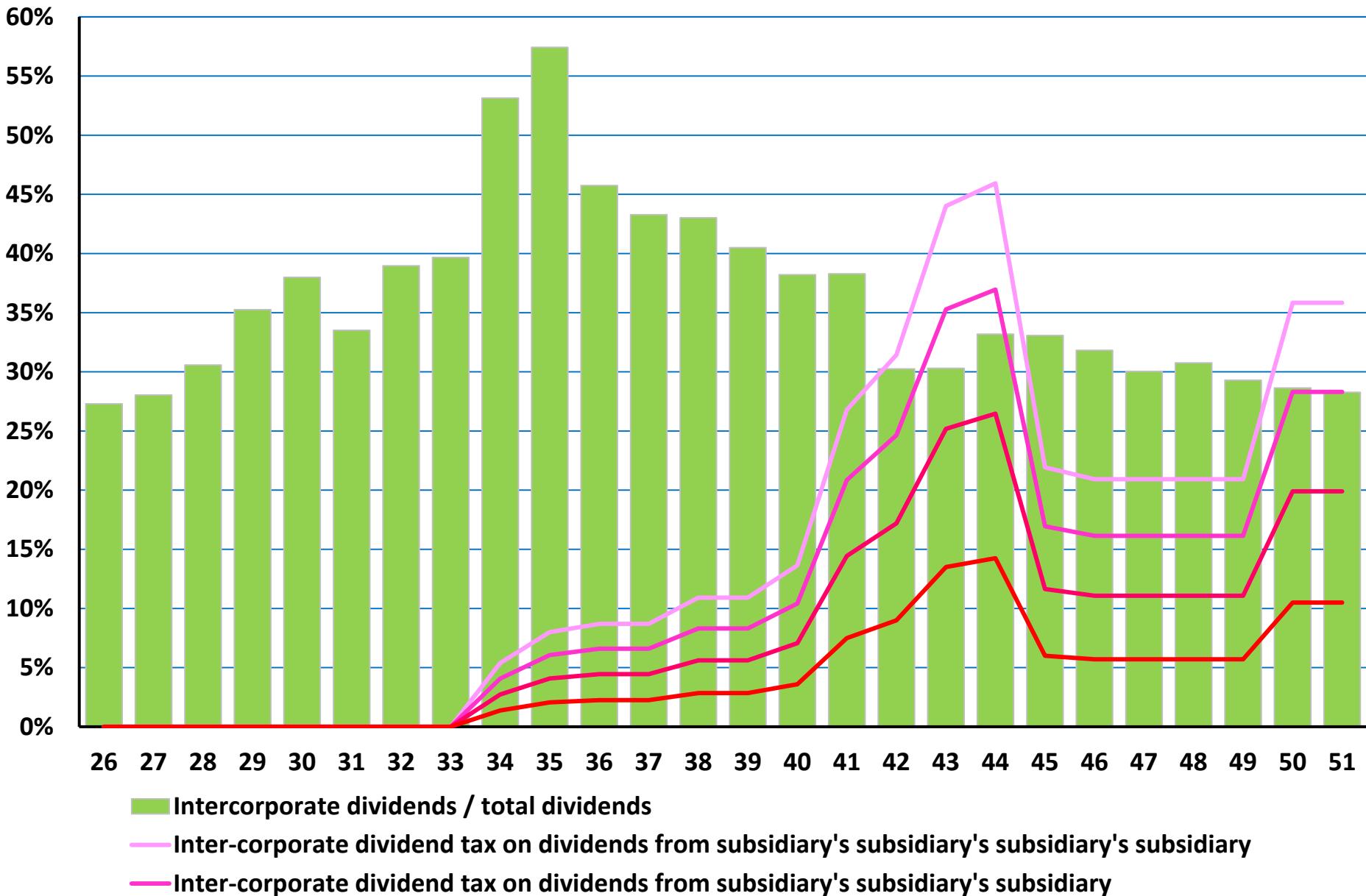
对继承所得课以重税，以迫使出售控制权

金字塔和家族控制区块很快就消失了

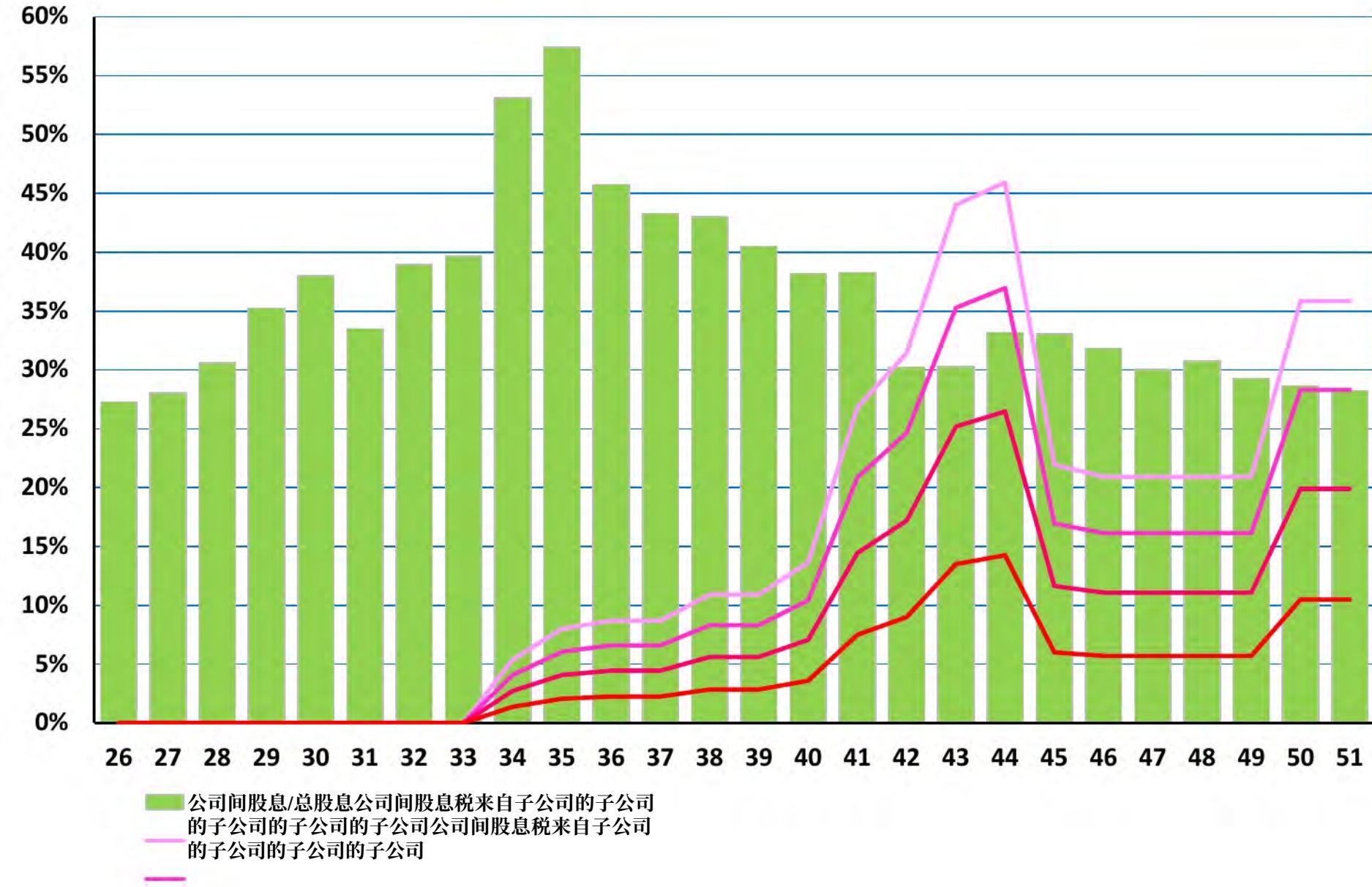


罗斯福总统收回
卡片，给人们一
个“新政”

Inter-corporate Dividend Income & Tax



Inter-corporate Dividend Income & Tax



Business Groups and Intercorporate Dividend Taxes

Effective Tax Rates on Intercorporate Dividend Income from Controlled Listed Firms in Various Countries in 1997 and the Existence of Business Groups

| Country | Intercorporate dividend tax rate | Business group members among top 10 firms | | Country | Intercorporate dividend tax rate | Business group members among top 10 firms |
|----------------------|----------------------------------|---|--------------------|--------------------|----------------------------------|---|
| | | group members | among top 10 firms | | | |
| Argentina | 0% | yes | yes | Italy ^b | 0% | yes |
| Australia | 0% | yes | yes | Japan | 0% | yes |
| Austria | 0% | yes | yes | Korea ^d | ? | yes |
| Belgium ^a | 0% | yes | yes | Malaysia | 0% | yes |
| Brazil | 0% | yes | yes | Mexico | 0% | yes |
| Canada | 0% | yes | yes | Netherlands | 0% | yes |
| Chile | 0% | yes | yes | New Zealand | 0% | yes |
| Denmark | 0% | yes | yes | Norway | 0% | yes |
| Finland | 0% | yes | yes | Portugal | 0% | yes |
| France ^a | 0% | yes | yes | Singapore | 0% | yes |
| Germany ^b | 0% | yes | yes | Spain | 0% | yes |
| Greece ^b | 0% | yes | yes | Sweden | 0% | yes |
| Hong Kong | 0% | yes | yes | Switzerland | 0% | yes |
| India ^c | 0% | yes | yes | Thailand | 0% | yes |
| Indonesia | 0% | yes | yes | United Kingdom | 0% | no |
| Ireland | 0% | yes | yes | United States | 7.00% | no |

Sources: Tax rate information is from International Bureau of Fiscal Documentation tax code summaries, Price Waterhouse Tax Information booklets, and telephone and other discussions with accountants in various countries. Group structure information is based on data provided by Rafael La Porta, annual reports, Morck and Nakamura (1999), and Baums (1996), as well as telephone and other discussions with accountants, bankers and finance academics from various countries.

- a. A small surcharge was applied to intercorporate dividends, but was discontinued because it contravenes the European Commission's Parent-Subsidiary Directives, which mandates that intercorporate dividend be tax-exempt.
- b. Substantial statutory intercorporate dividend taxes were on the books in the past, but could be avoided readily.
- c. Intercorporate dividends are levied except for firms on special lists.
- d. Intercorporate dividends are levied except for officially recognized *Chaebol* firms. Other firms are subject to a 33% to 40% tax on intercorporate dividends.

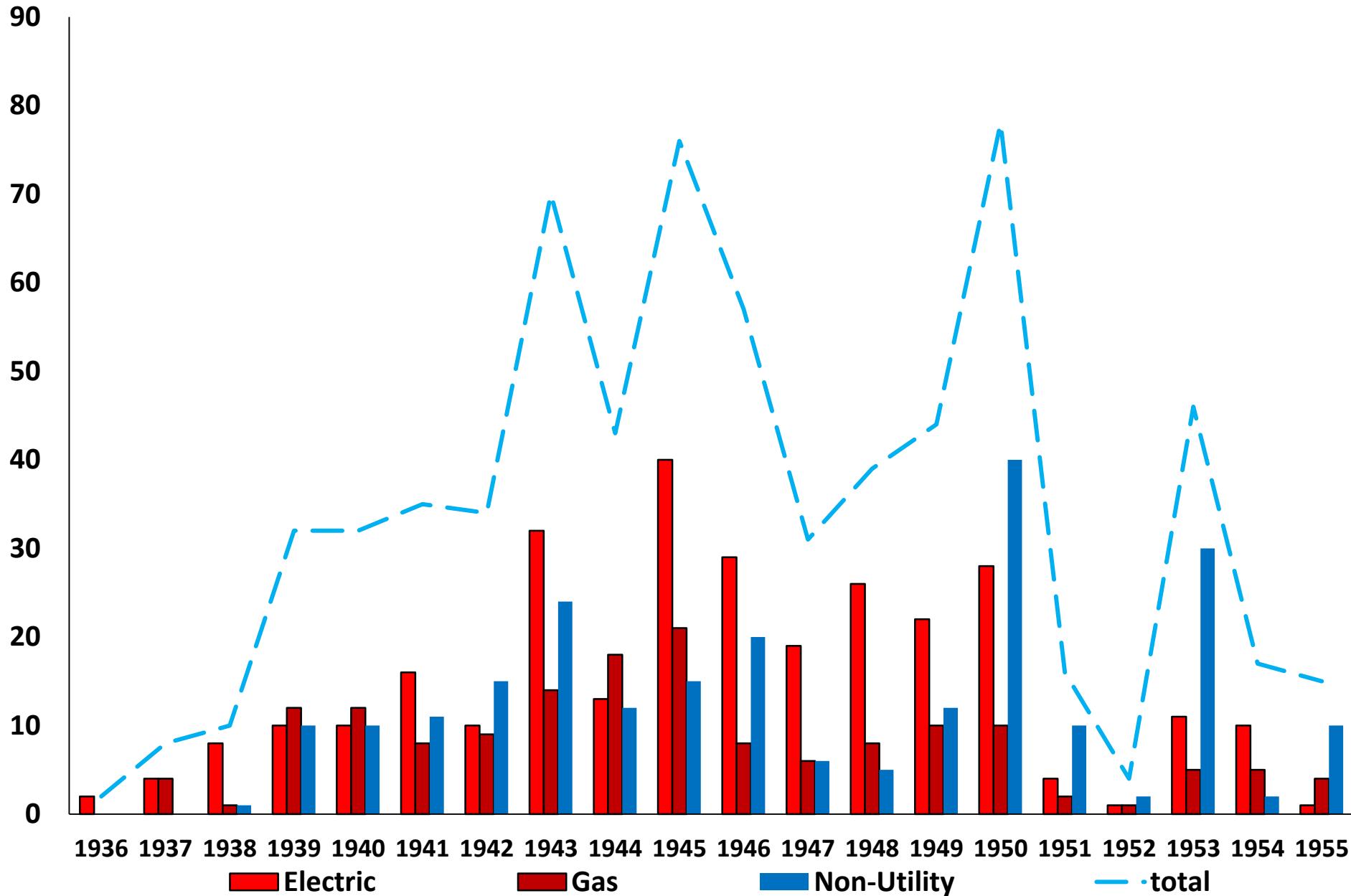
Business Groups and Intercorporate Dividend Taxes

1997年各国控股上市公司公司间股利收入的有效税率及企业集团的存在

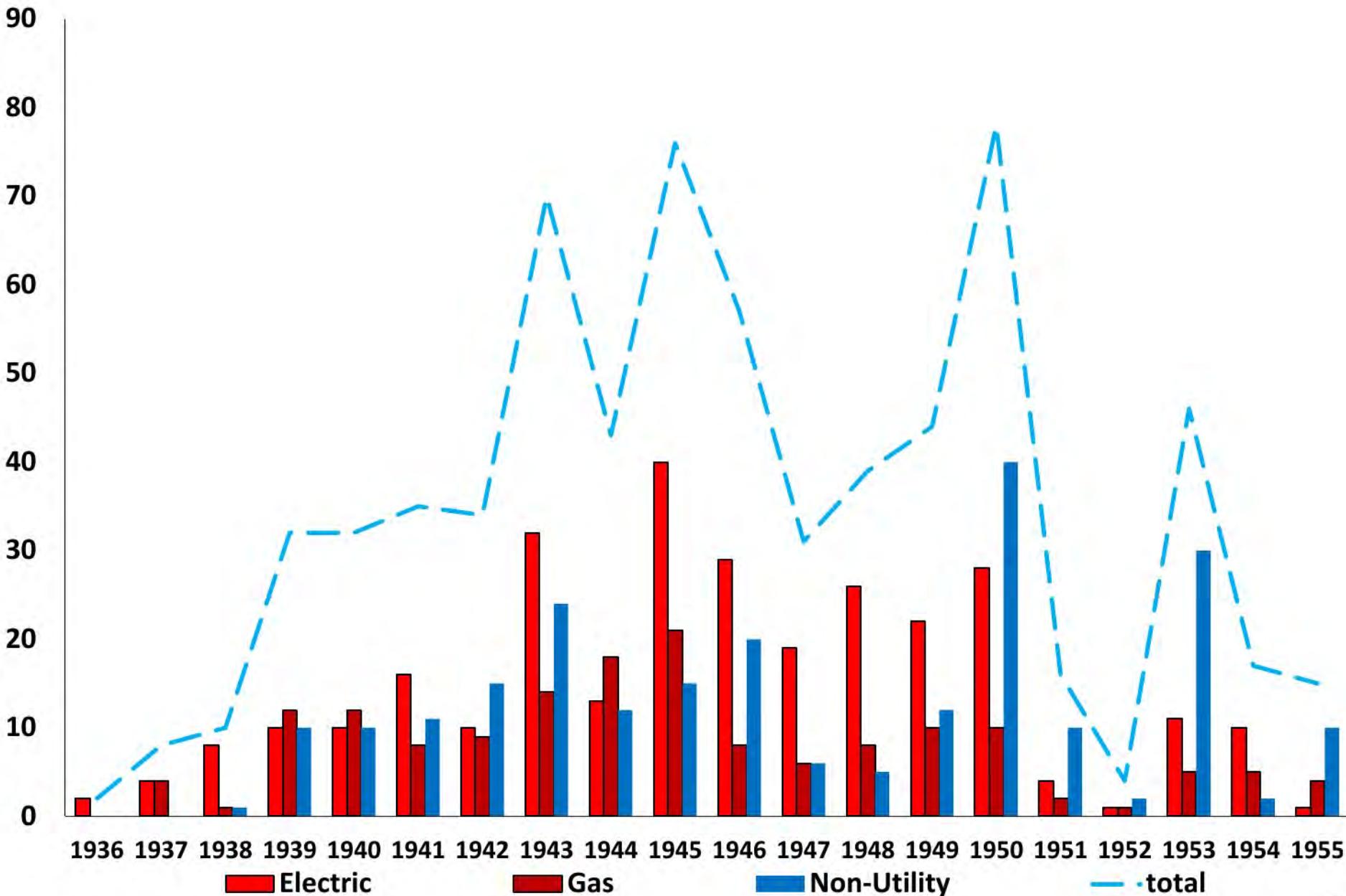
来源:税率信息来自国际财税文献局税法摘要,普华永道税务信息小册子,以及与各国会计师的电话和其他讨论。集团结构信息基于*Rafael La Porta*、*年度报告*、*Morck*和*Nakamura(1999)*以及*Baums(1996)*提供的数据,以及与各国会计师、银行家和金融学者的电话和其他讨论。

- a.对公司间股息征收少量附加费,但由于违反了欧盟委员会的《母子指令》(parent - sub - directive),该指令规定公司间股息免税,因此取消了附加费。
- b.过去有大量法定的公司间股息税,但可以很容易地避免。
- c.除特殊名单上的公司外,还征收公司间股息。
- d.公司间股息为levied (for officially recognized 财阀公司除外)。其他公司的公司间股息需缴纳33%至40%的税。

Public Utilities Holding Co. Divestments, 36-55

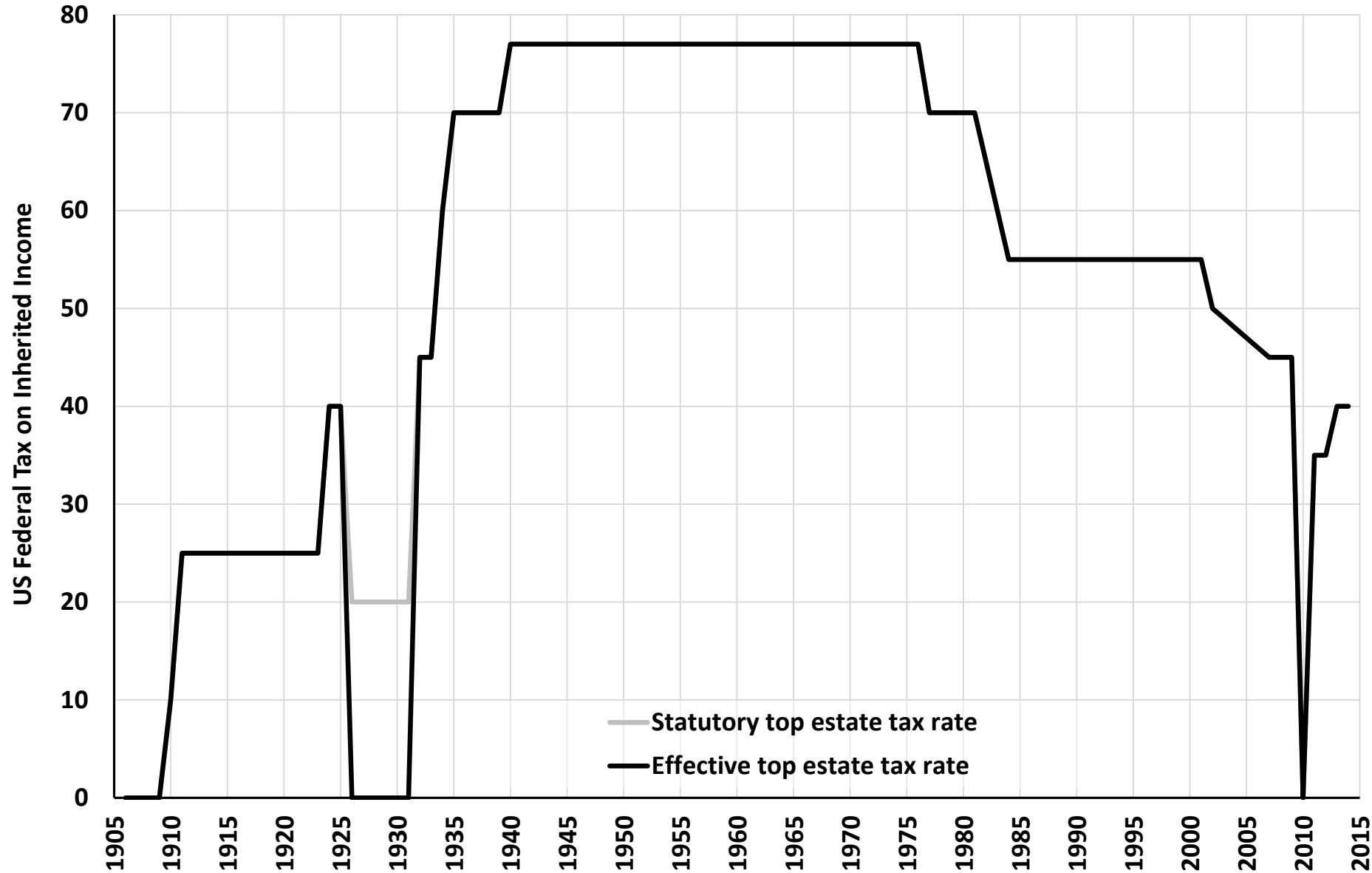


Public Utilities Holding Co. Divestments, 36-55



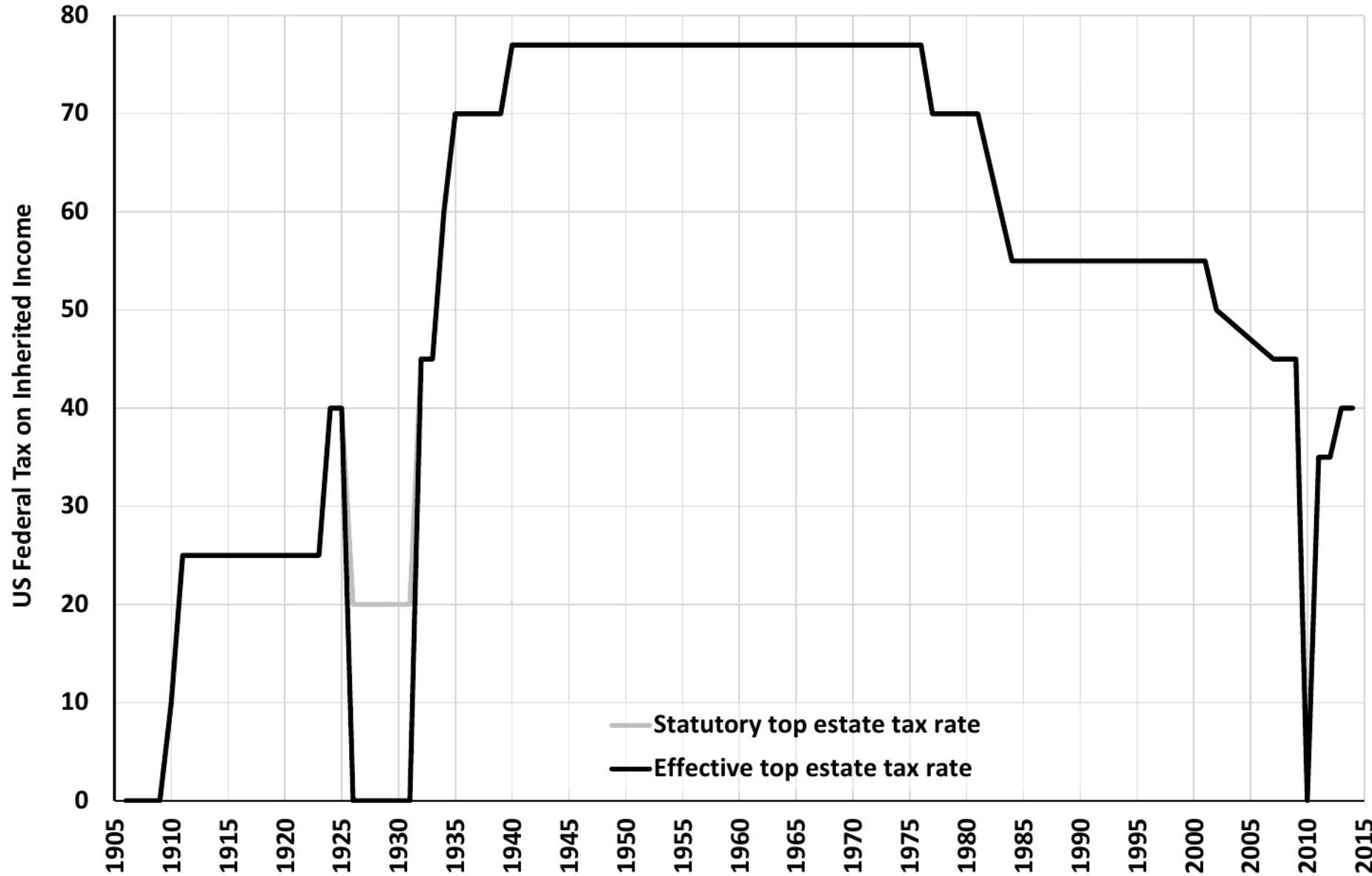
High Taxes on Inherited Income in US

Jacobson, Darien, Brian Raub & Barry Johnson. 2007. The Estate Tax: Ninety Years & Counting. SOI Bulletin 118-28.



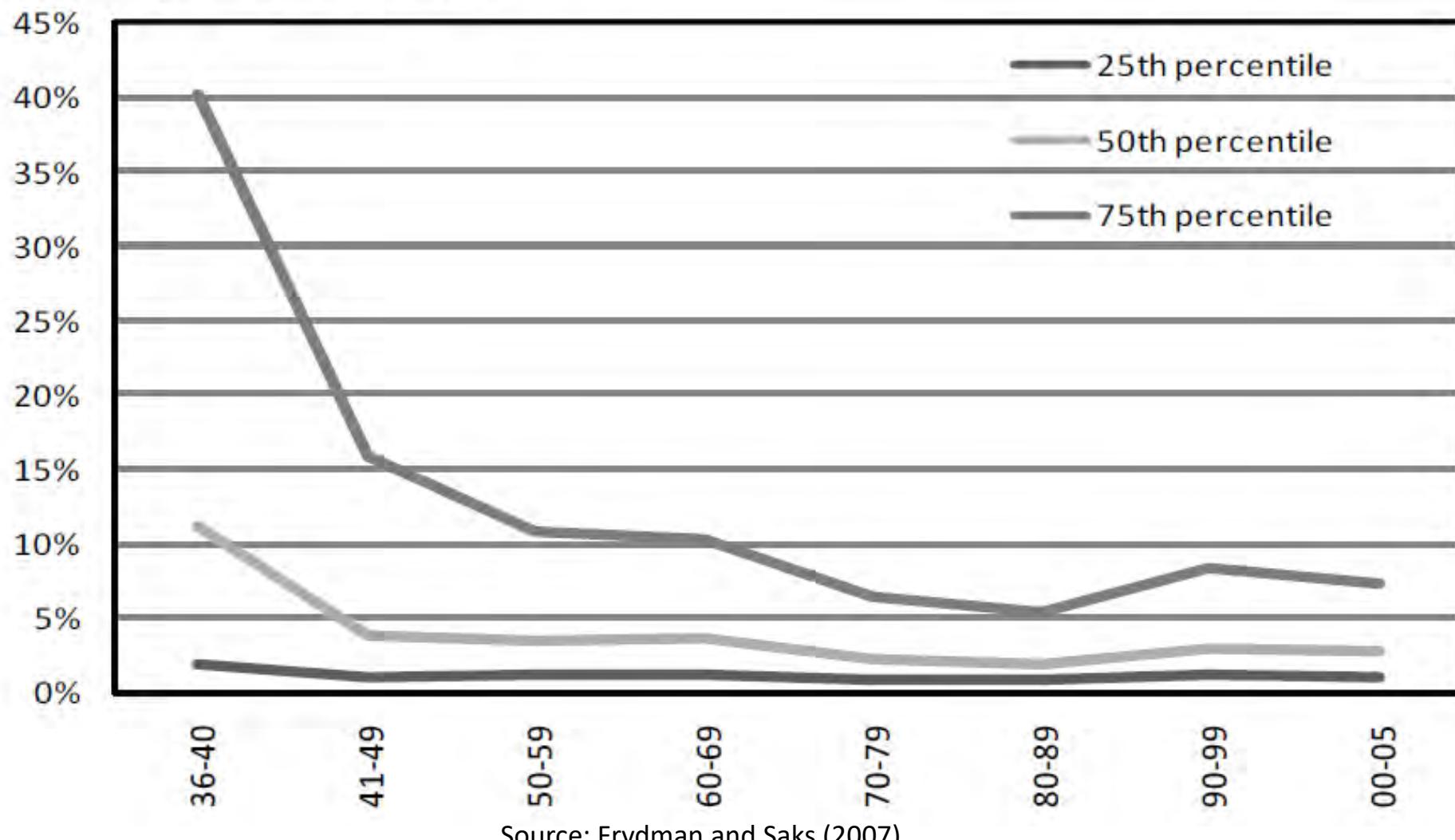
High Taxes on Inherited Income in US

雅各布森, 达里恩, 布莱恩·劳布和巴里·约翰逊, 2007。《遗产税:90年及计数》。SOI公报118-28。



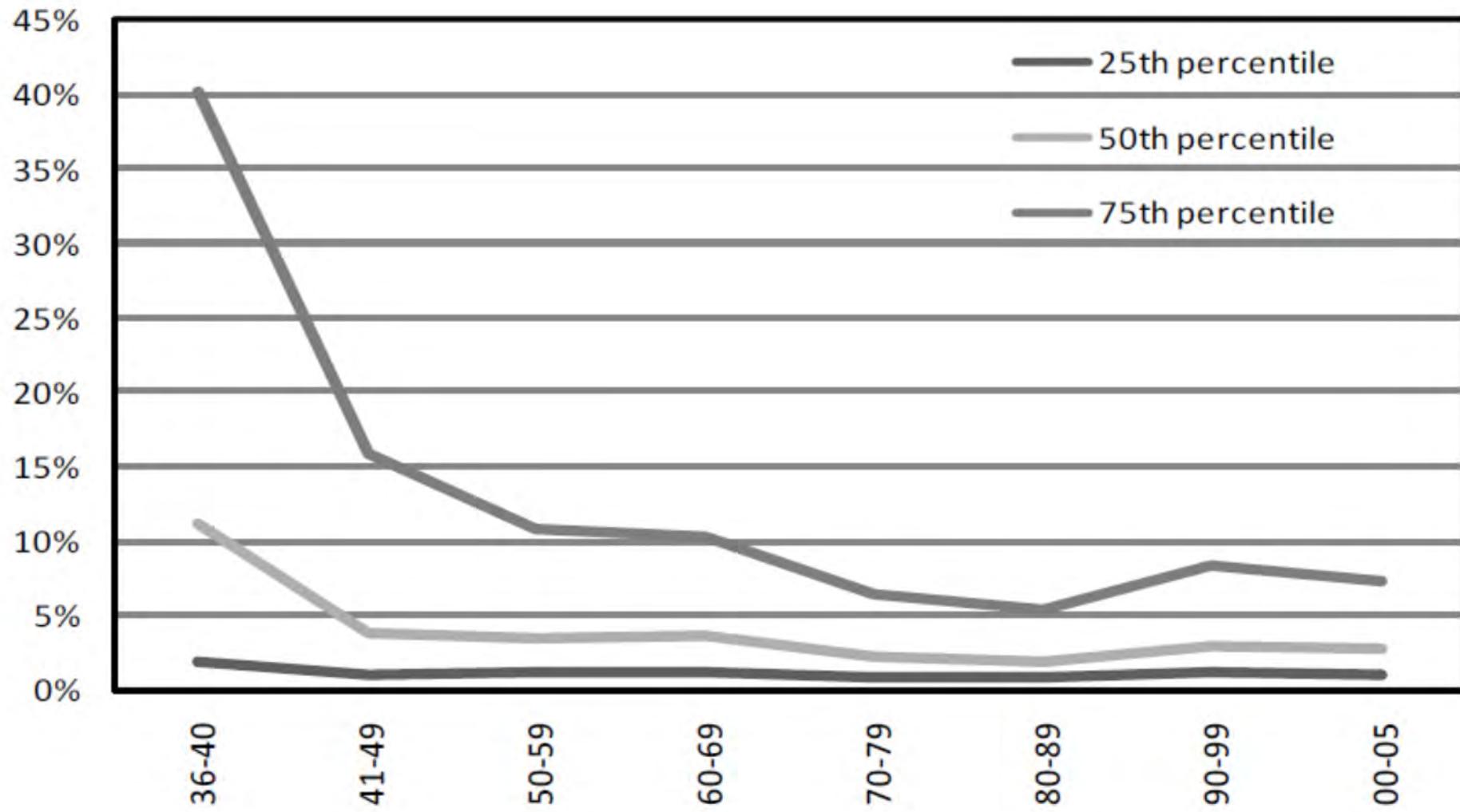
US Firms Were Once in Family Groups Too

Percentiles are for mean combined holdings of the three highest paid insiders. Sample is the 50 largest listed firms, ranked by market capitalization, in 1940, 1960, and 1990, with a mean 5-year window sample size of 76 firms.



美国企业也曾是家族集团

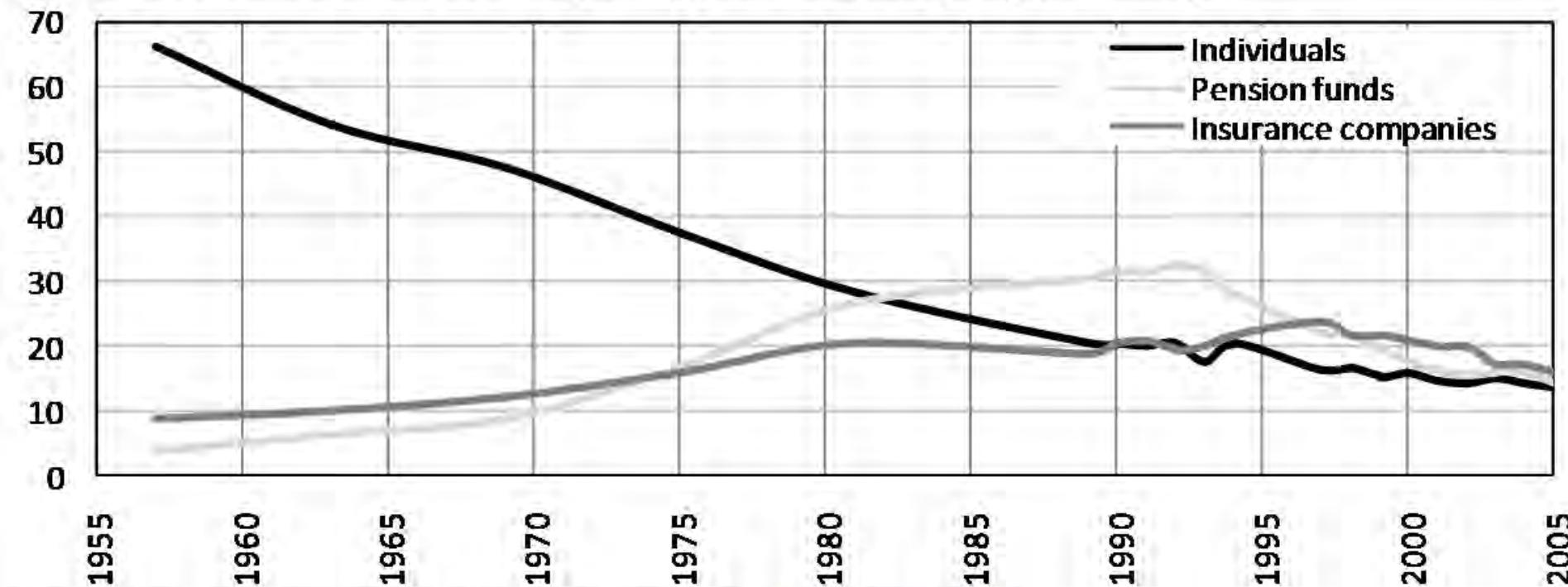
Percentiles are for mean combined holdings of the three highest paid insiders. Sample is the 50 largest listed firms, ranked by market capitalization, in 1940, 1960, and 1990, with a mean 5-year window sample size of 76 firms.



资料来源:friedman and Saks(2007)。

Most Big UK Firms Are Also Widely Held

Fractions of British stock market capitalization owned by individuals, pension funds, and insurance companies.
The total of the three declines over time primarily because of rising foreign ownership.

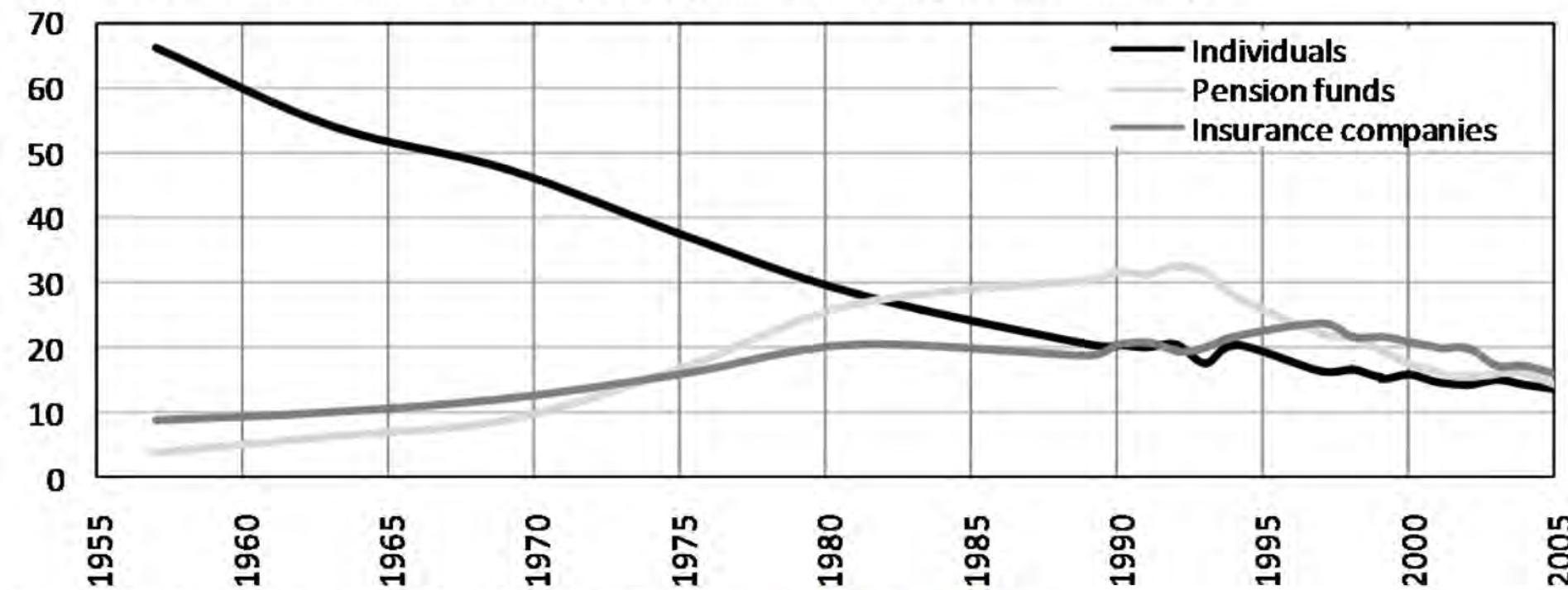


Source: UK National Statistics DEYG SRS, DEYH SRS and DEYI SRS from www.statistics.gov.uk.

- Postwar Labour governments created very powerful labor-controlled pension funds
- These didn't like pyramidal groups, and pushed through the Takeover Rule in 1968. This says that anyone who buys more than 30% of a listed firm must take it private

Most Big UK Firms Are Also Widely Held

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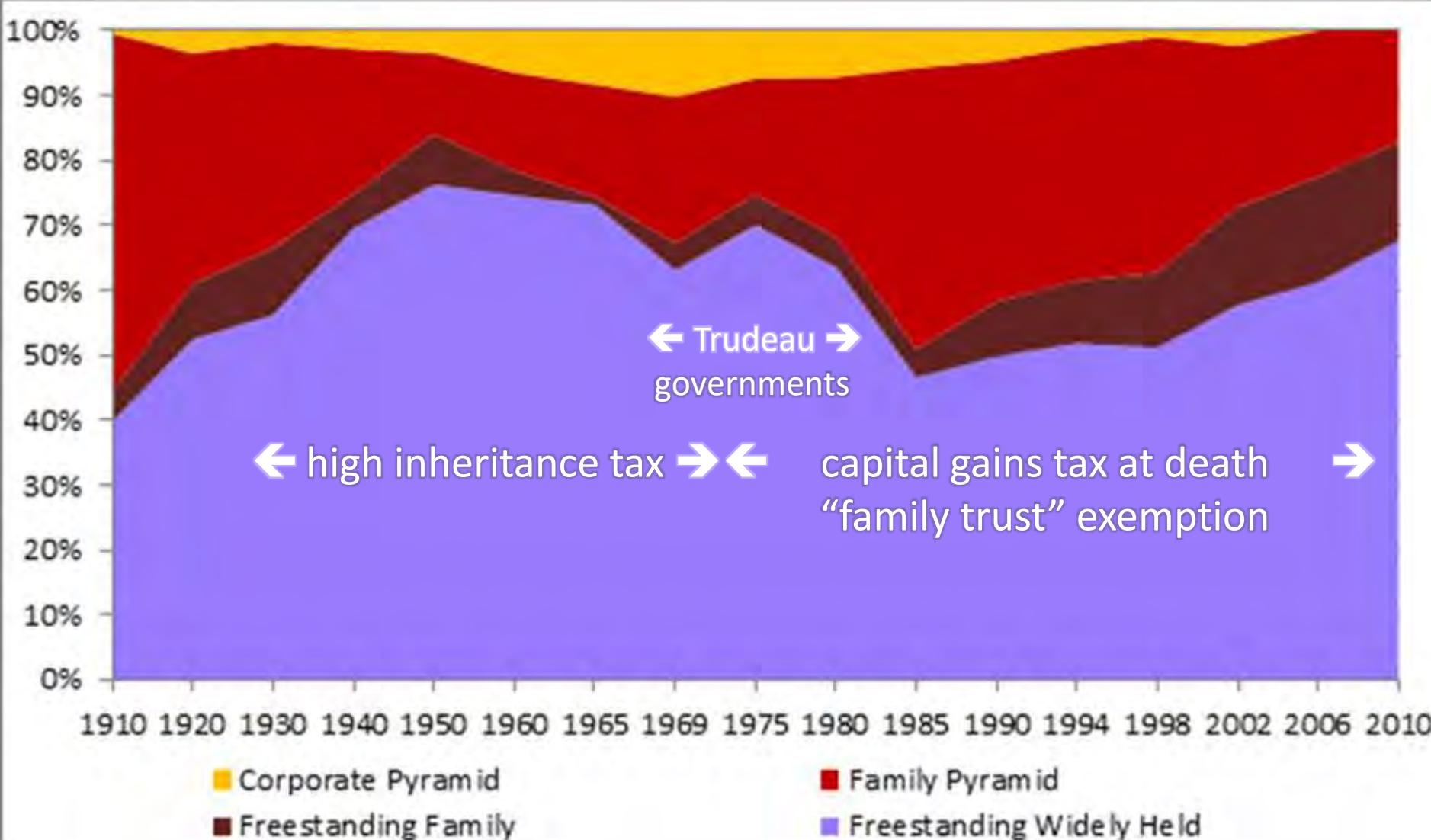


Source: UK National Statistics DEYG SRS, DEYH SRS and DEYI SRS from www.statistics.gov.uk.

战后工党政府创建了非常强大的劳工控制的养老基金
这些政府不喜欢金字塔式的组织，并在1968年推动通过了接管规则。该规则规定，任何收购上市公司30%以上股份的人必须将其私有化

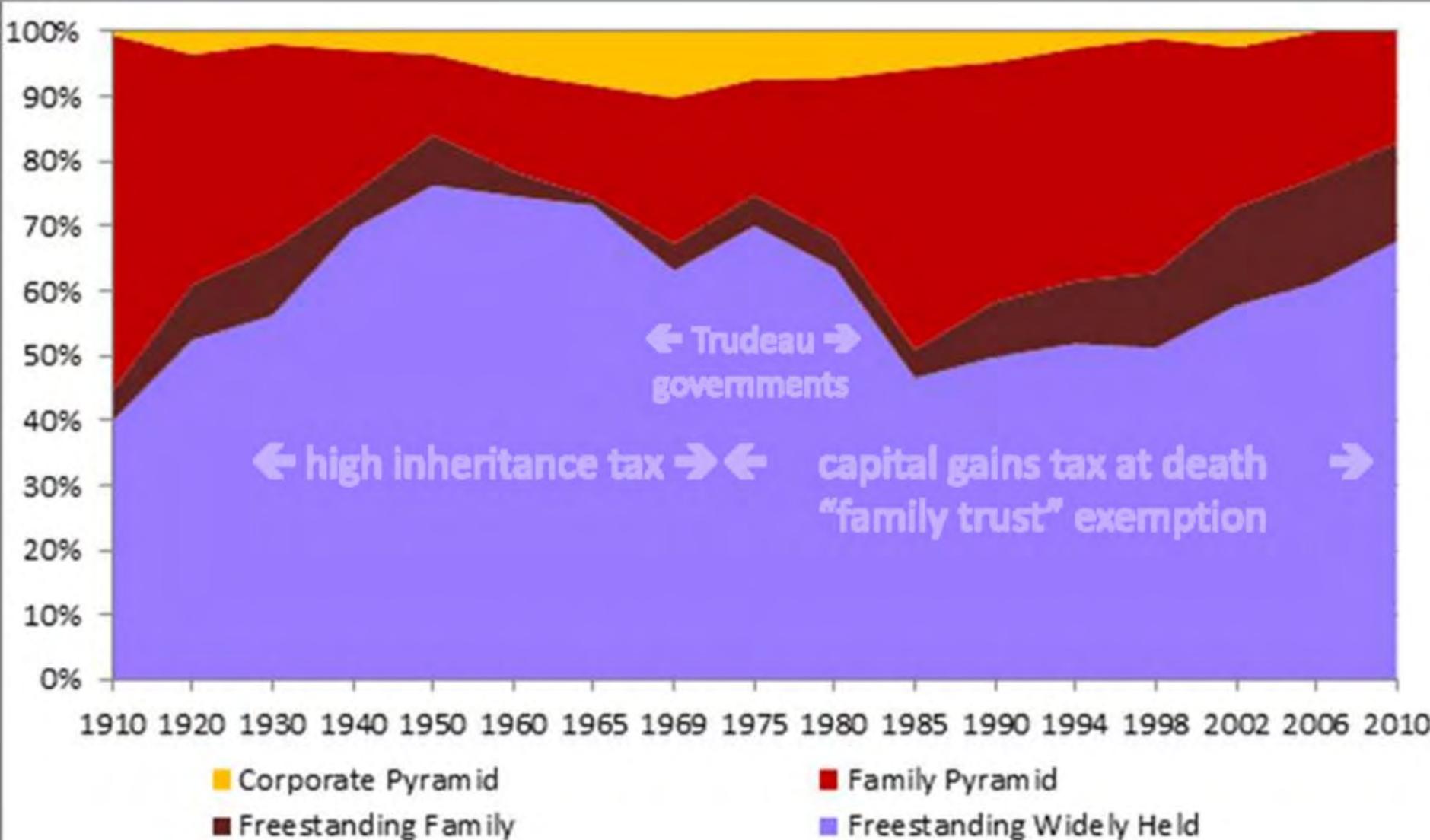
Canada's Time-varying Mix

Asset weighted top 100 firms in Canada, by control



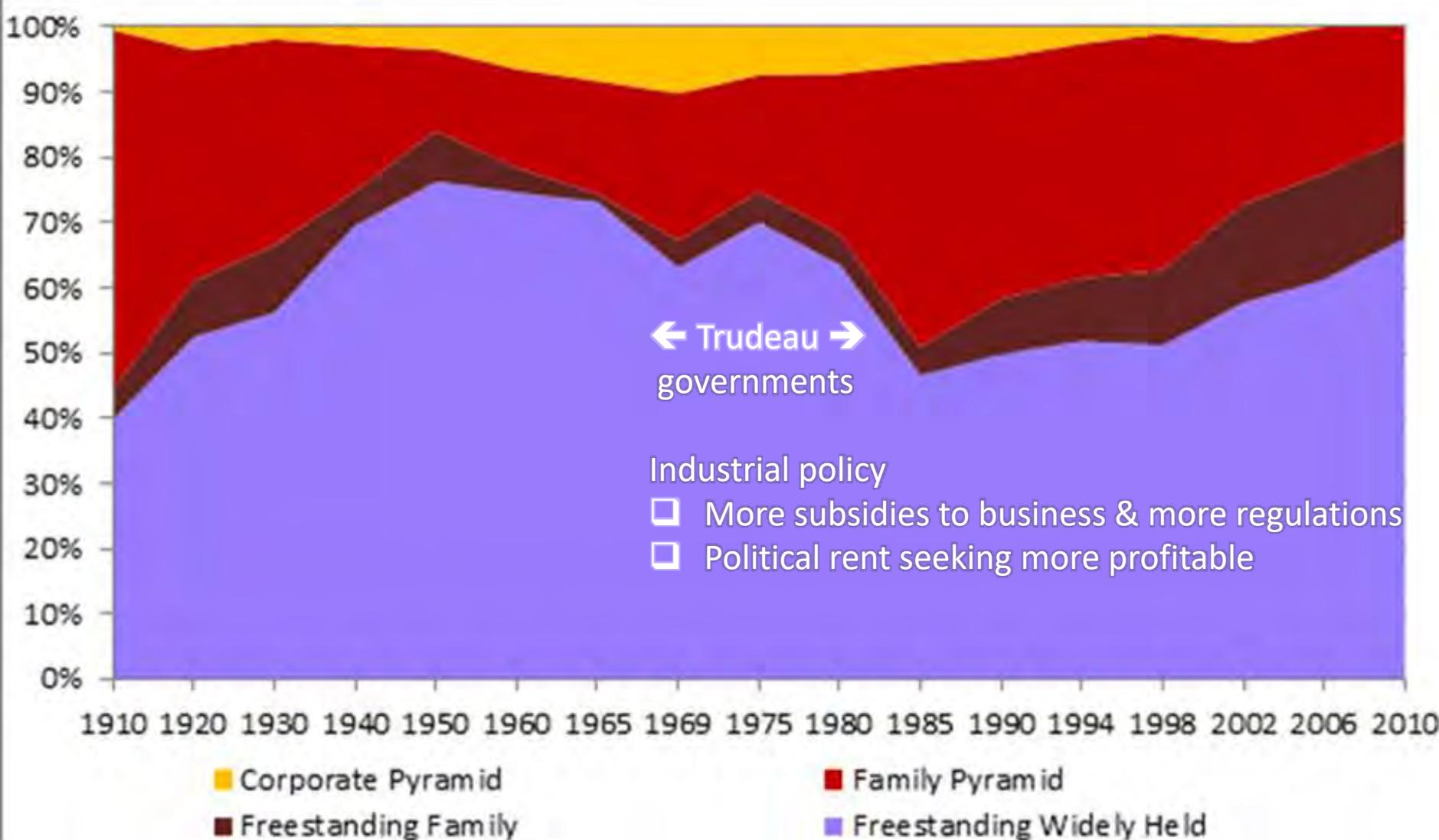
Canada's Time-varying Mix

资产加权排名前100的加拿大公司，按控制



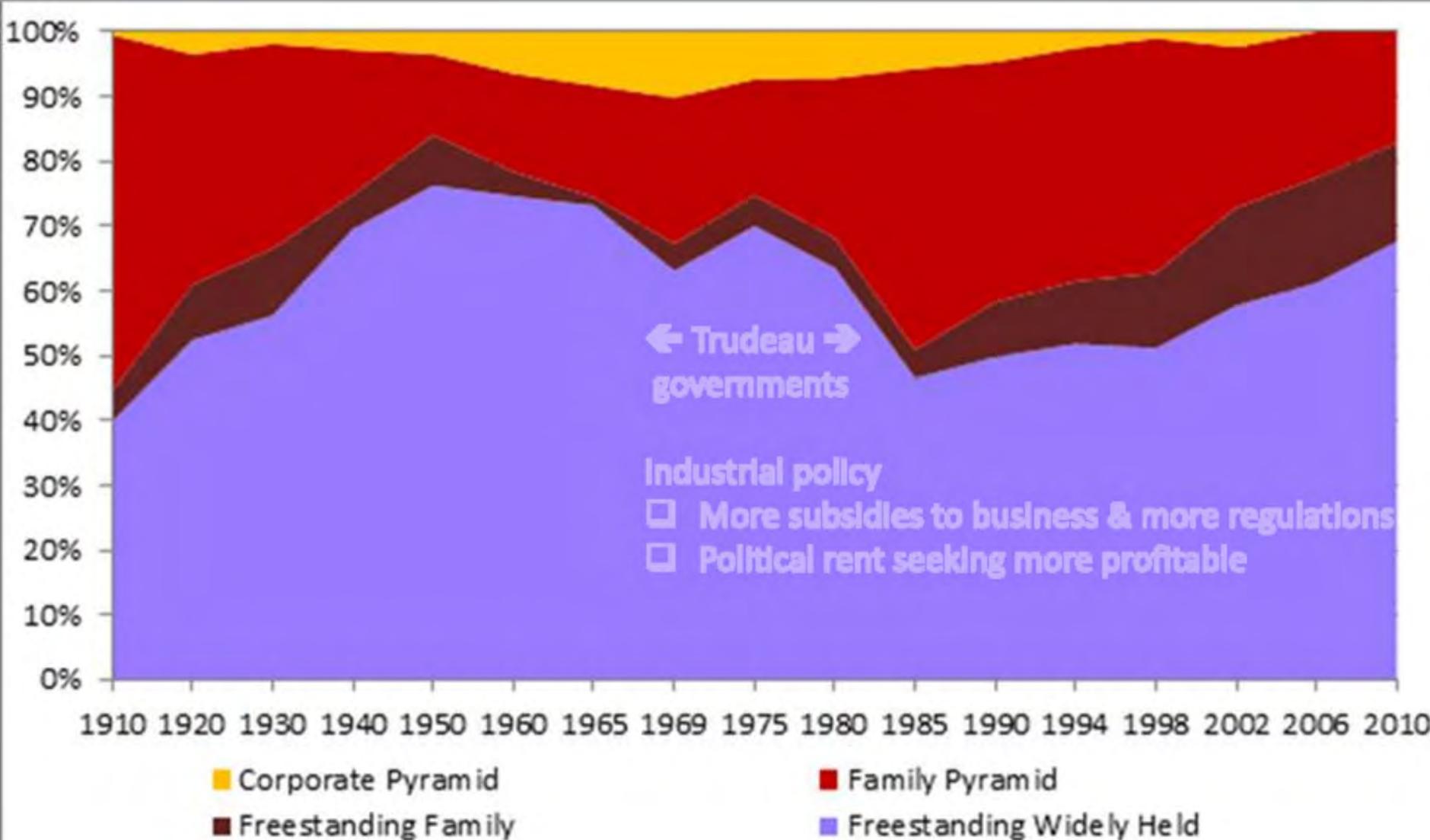
Canada's Time-varying Mix

Asset weighted top 100 firms in Canada, by control



Canada's Time-varying Mix

资产加权排名前100的加拿大公司，按控制



**POWER
CORPORATION OF
CANADA**

100%

Gesca Ltée

Cash, Investments
& Corporate Assets

(1)

Pargesa
Holding S.A.

55.9%

IGM
Financial Inc.

3.5%

100%

Great-West Life &
Annuity Insurance
Company

The
Life Assurance
Company

Insurance
Company

Assurance
Company

Group Inc.

0%

100%

Mackenzie
Financial
Corporation



**POWER
CORPORATION OF
CANADA**

100%

Gesca Ltée

Cash, Investments
& Corporate Assets

[1]

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Great-West Life &
Annuity Insurance
Company

The
Life Assurance
Company

Insurance
Company

Assurance
Company

Group Inc.

0%

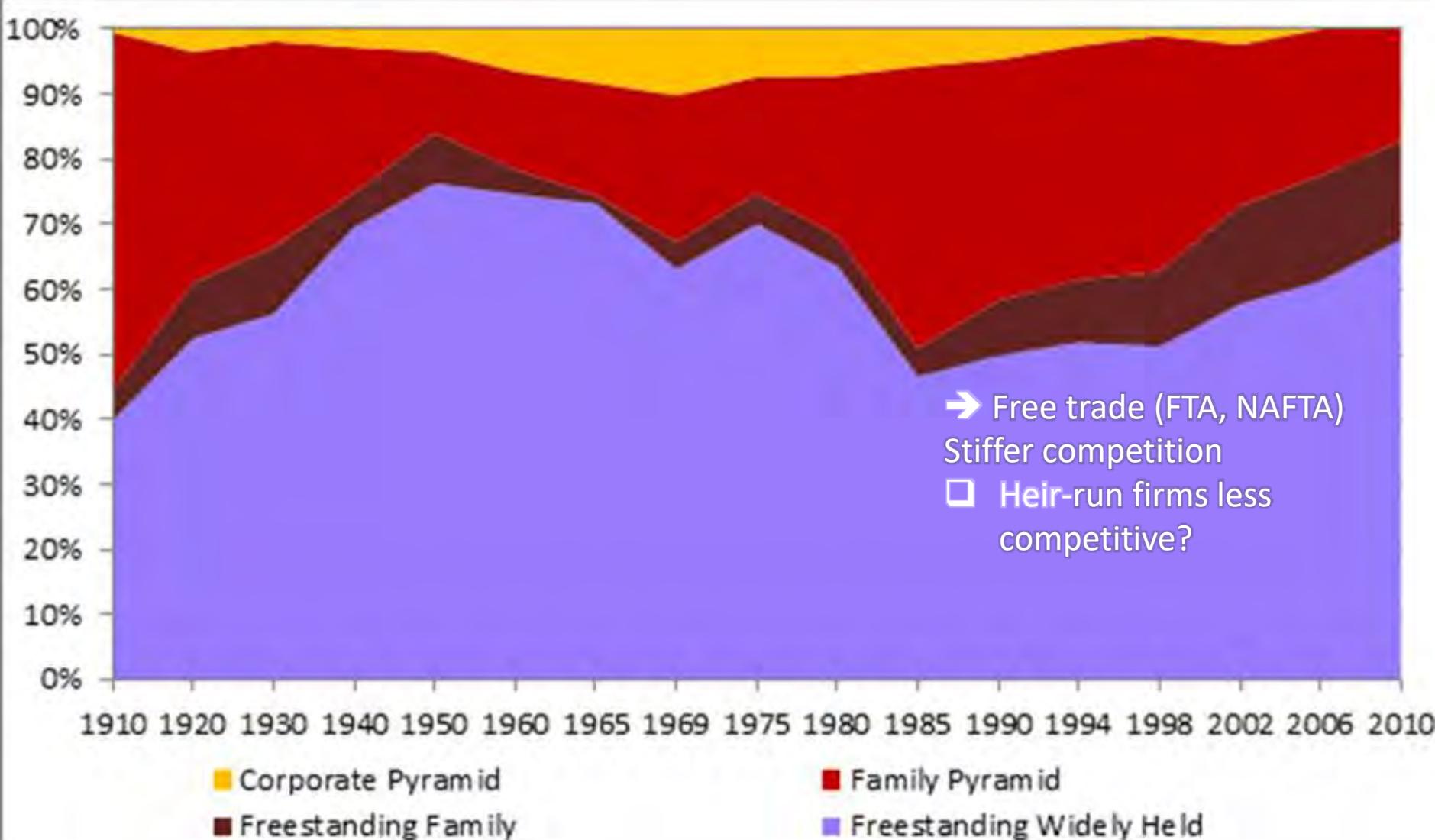
100%

Mackenzie
Financial
Corporation



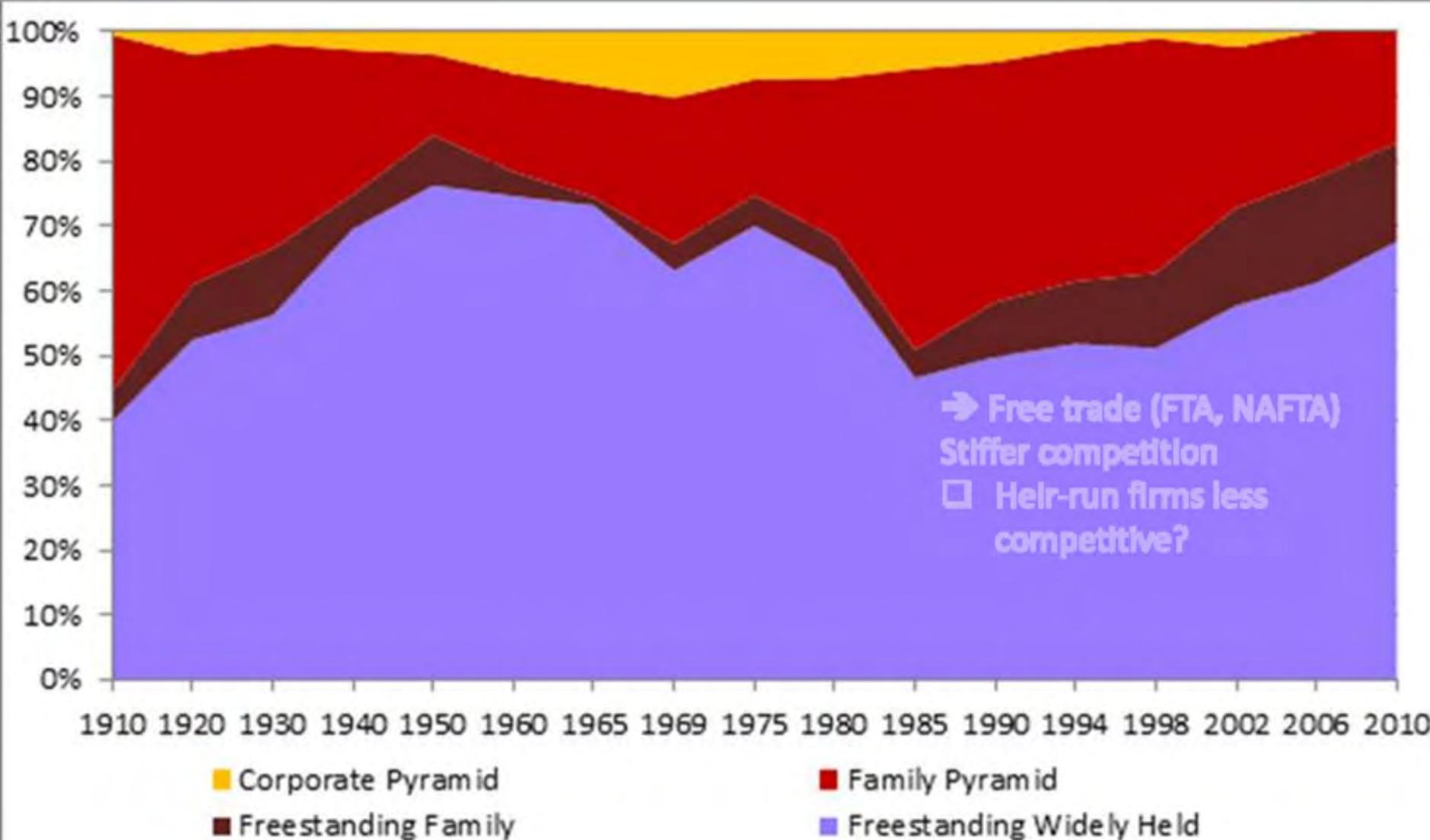
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Asset weighted top 100 firms in Canada, by control



Canada's Time-varying Mix

Asset weighted top 100 firms in Canada, by control



Event Study on FTA (NAFTA 1st stage)

- Canada's accession to free trade with the US was a genuine surprise.
- The pro-free-trade Conservatives were behind the protectionist Liberals in the polls, but won a majority government in a weekend election
- Free trade went from unlikely to certain “overnight”

| Event Date | First Trading Date | Event |
|---------------------------|--------------------|--|
| <i>General Background</i> | | |
| 04/11/86 | 14/4/86 | Canada has negotiated free trade with the US several times over the past century, but never ratified the result. |
| 23/4/86 | 24/4/86 | <i>Threat to deny fast track authorization</i> The US Senate Finance committee threatened to deny fast-track consideration of the FTA. |
| 23/9/87 | 24/9/87 | <i>Approval of fast track procedure</i> The Senate finance committee vote was tied, negotiations could begin. |
| 30/9/87 | 1/10/87 | <i>Negotiations were discontinued</i> Negotiations were discontinued. |
| 2/10/87 | 2/10/87 | <i>Negotiations Might Restart</i> Discussions of the possibility of resuming negotiations announced at midnight, Sept. 30. |
| 3/10/87 | 5/10/87 | <i>Negotiations Resumes</i> <i>Agreement reached</i> A trade accord was reached. For the first time, the media treats the possibility of free trade with the United States as a serious possibility. |
| 26/10/88 | 26/10/88 | <i>Turner Does Well in Televised Pre-Election Debate</i> Liberal opposition leader John Turner vows on national television to dismantle the FTA. |
| 28/10/88 | 28/10/88 | <i>Turner Declared Clear Winner of Televised Debate</i> Globe-Enviroeconomics poll result released. |
| 7/11/88 | 7/11/88 | <i>Liberal Party 10% Ahead</i> Gallup Poll results. |
| 10/11/88 | 10/11/88 | <i>Tories and Liberals Tied</i> Globe-Enviroeconomics Poll. A minority government or hung parliament might not be able to ratify the FTA. |
| 14/11/88 | 14/11/88 | <i>Tories and Liberals Tied</i> Gallup Poll confirms the 10 Nov. Globe-Enviroeconomics Poll result. |

Event Study on FTA (NAFTA 1st stage)

加拿大加入免费

与美国的贸易是一个
真正的惊喜。

☒ pro-free-trade 的

保守党在后面
支持保护主义的自由党

但赢得了多数选票

周末政府

选举

自由贸易从

不太可能变为确定
“一夜之间”

| Event Date | First Trading Date | Event |
|------------|--------------------|---|
| | | <i>General Background</i> Canada has negotiated free trade with the US several times over the past century, but never ratified the result. |
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| 26/10/88 | 26/10/88 | Liberal opposition leader John Turner vows on national television to dismantle the FTA. |
| 28/10/88 | 28/10/88 | <i>Turner Declared Clear Winner of Televised Debate</i> Globe-Enviroeconomics poll result released. |
| 7/11/88 | 7/11/88 | <i>Liberal Party 10% Ahead</i> Gallup Poll results. |
| | | <i>Tories and Liberals Tied</i> |
| 10/11/88 | 10/11/88 | Globe-Enviroeconomics Poll. A minority government or hung parliament might not be able to ratify the FTA. |
| 14/11/88 | 14/11/88 | <i>Tories and Liberals Tied</i> Gallup Poll confirms the 10 Nov. Globe-Enviroeconomics Poll result. |

Event Study on FTA (NAFTA 1st stage)

Negative abnormal stock returns for “heir firms” (i.e. family-controlled pyramidal business group member firms) on news of majority government

Table 10 Cumulative Abnormal Returns of Large Canadian Firms Upon the News that the Canada-US Free Trade Would Be Ratified by the Canadian Parliament

| Controlling Shareholder Categories Compared | Mean Differences | | Mean Residual Differences controlling for firm age & size ^a | |
|---|------------------------------|-------------------------------|--|-------------------------------|
| heirs minus business entrepreneurs | -.0993 (.03) 15 | -0.0729 (.04) 23 | -.0765 (.12) 15 | -0.0623 (.10) 23 |
| heirs minus widely held | .01347 (.37) 24 | .0260 (.26) 37 | .00034 (.50) 24 | .0188 (.33) 37 |
| heirs minus all other private sector firms | -.0317 (.22) 61 | -.0068 (.42) 61 | -.0316 (.23) 61 | -.0098 (.39) 61 |
| business entrepreneurs minus widely held | .1128 (.00) 21 | .0989 (0.04) 28 | .1328 (.00) 21 | .1271 (.02) 28 |
| business entrepreneurs minus all other private sector | .0802 (.05) 61 | .0767 (.05) 61 | .0916 (.04) 61 | .0857 (0.04) 61 |
| Includes firms in pyramids | no | yes | no | yes |

Note: Categories are defined as in Table 3. Subsamples are smaller because we do not have stock returns for all firms listed in that table. Numbers in parenthesis are probability levels from t-tests. Numbers below them are sample sizes. Boldface type indicates significance in a one-tailed t-test at 10%. The cumulative abnormal return is for all trading days from November 10, the date of the first poll questioning the Liberal lead, through to November 21 1988, the first trading day after a surprise Conservative majority government was returned. Cumulative abnormal returns are returns minus the value weighted returns of all other firms in the 3 digit industry. Using equal weighting gives similar results.

^a This panel contains coefficients and p-levels for $\hat{\alpha}_1$, a dummy variable set to one if the firm is in subsample 1 and zero if it is in subsample 2, in the ordinary least squares regression

$$CAR_i = \hat{\alpha}_0 + \hat{\alpha}_1 \log(age_i) + \hat{\alpha}_2 \log(sales_i) + \hat{\alpha}_3 \hat{\alpha}_4$$

Event Study on FTA (NAFTA 1st stage)

表10

加美自由贸易协定获议会批准后，加拿大大型企业的累计异常收益

在多数政府的消息下，“继承人公司”（即家族控制的金字塔式商业集团成员公司）的股票回报为负异常

| Controlling Shareholder Categories Compared | Mean Differences | | Mean Residual Differences controlling for firm age & size ^a | |
|---|------------------------------|-------------------------------|--|-------------------------------|
| heirs minus business entrepreneurs | -.0993 (.03) 15 | -0.0729 (.04) 23 | -.0765 (.12) 15 | -0.0623 (.10) 23 |
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| Includes firms in pyramids | no | yes | no | yes |

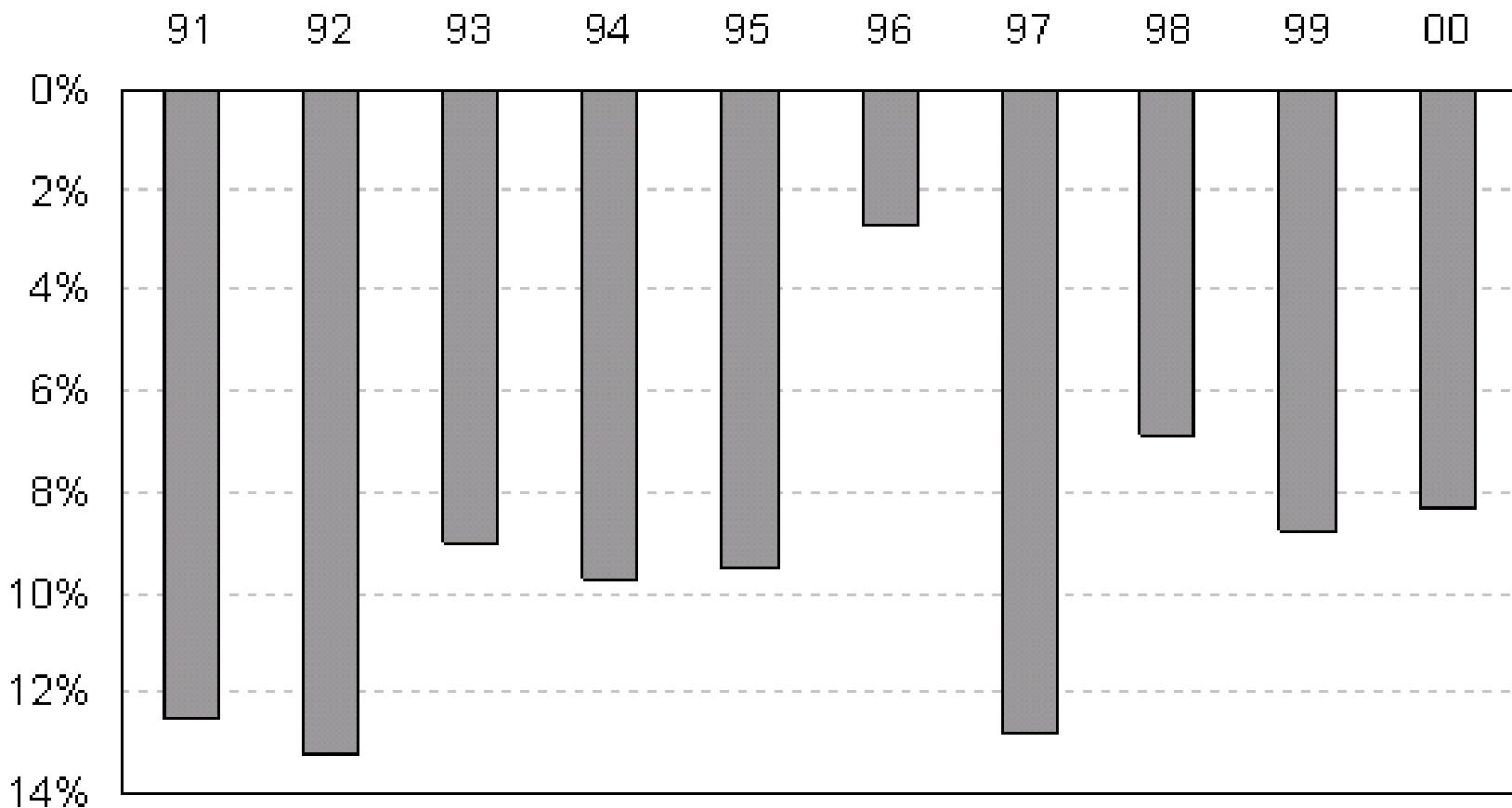
注:分类定义见表3。子样本较小,因为我们没有该表中列出的所有公司的股票收益。括号内的数字是来自t检验的概率水平。它们下面的数字是样本量。黑体字表示在10%的单尾检验中显著性。累积异常收益是指从11月10日(首次对自由党的领先地位提出质疑的民调日期)到1988年11月21日(保守党意外当选多数政府后的第一个交易日)的所有交易日。累积异常收益是指该行业中所有其他公司的收益减去价值加权后的收益。使用相同的权重会得到类似的结果。

^a此面板包含系数和p水平,如果公司在子样本1中,则设置为1,如果在子样本2中,则设置为0。, 在普通最小二乘回归中

$$CAR_{i\otimes 2>_0<:1>} \otimes \log(age_i) <:4>_2 \log(sales_i) \otimes \otimes_3 \otimes_{i\circ}$$

Which Is Better System: Canada or US ?

The Canada Discount: Average book to market ratios of Canadian firms minus those of United States firms of similar size and in similar industries, 1991 to 2000.



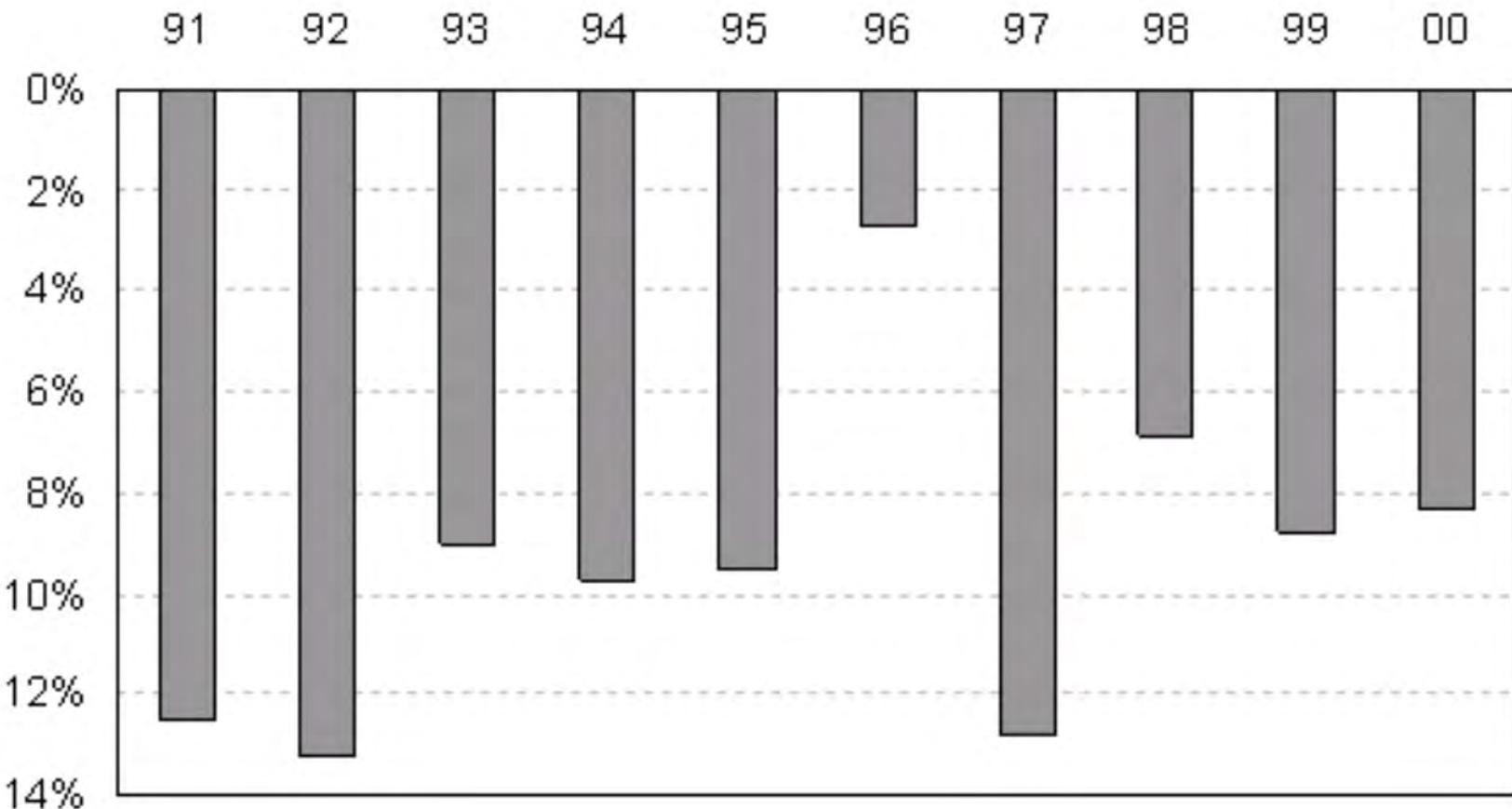
Source: King and Segal (2003).

哪个制度更好:加拿大还是美国?

加拿大折扣:平均账面市值比为

加拿大公司减去类似的美国公司

1991年至2000年规模和行业相似的公司。



资料来源:King and Segal(2003)。





Most Big German Firms Are Widely Held

- ❑ Many small & middle-sized unlisted “*Mittelstand*” firms are family-run
- ❑ Larger firms’ governance was entrusted to bankers & labor union executives throughout 2nd half of 20th century. But labor unions own no shares & banks own very few shares in firms they run
- ❑ But German banks can control large firms without owning shares
- ❑ Note: These data are for 1990s, before tax reforms let banks sell shares in large corporations tax-free, so they likely overstate banks’ actual share ownership

| | % stake | %vote |
|---------------------|---------|-------|
| Individuals | 16 | 0 |
| Other firms | 40 | 0 |
| Insurance companies | 11 | 0 |
| Foreigners | 17 | 0 |
| Government | 6 | 6 |
| Banks | 10 | 94 |

- ❑ German economists disagree about the persistence of bank power
- ❑ Banks now own fewer shares, but still vote small investors’ shares
- ❑ Foreign institutional investors (hedge funds, etc.) have become more important in Germany & insist on voting their own shares, weakening bank power

Most Big German Firms Are Widely Held

许多未上市的中小型“Mittelstand”公司都是家族经营的

在整个2nd半个20th世纪中，大型公司的治理被委托给银行家和工会高管。但是工会不拥有任何股份，银行在他们经营的公司中拥有的股份也很少

但是德国银行可以在不拥有股份的情况下控制大公司

注意：这些数据是上世纪90年代的数据，当时税制改革还没有允许银行免税出售大公司的股份，因此这些数据可能夸大了银行的实际持股情况

| | % stake | % vote |
|---------------------|---------|--------|
| Individuals | 16 | 0 |
| Other firms | 40 | 0 |
| Insurance companies | 11 | 0 |
| Foreigners | 17 | 0 |
| Government | 6 | 6 |
| Banks | 10 | 94 |

关于银行权力的持续存在，**德国**经济学家持不同意见

银行现在持有的股份减少了，但仍然支持小投资者的股份

境外机构投资者(对冲基金等)在德国的地位越来越重要&坚持投自己的股份，削弱了银行的力量

But Banks Actually Command Huge Voting Power

| <i>firm</i> | <i>banks' direct ownership</i> | <i>bank ownership via subsidiaries</i> | <i>bank controlled proxy votes</i> | <i>banks' votes</i> |
|------------------|--------------------------------|--|------------------------------------|---------------------|
| Siemens | 0.00% | 9.87% | 85.81% | 95.48% |
| Volkswagen | 0 | 8.89 | 35.16 | 44.05 |
| Hoechst | 0 | 10.74 | 87.72 | 98.46 |
| BASF | 0.09 | 13.81 | 81.01 | 94.71 |
| Bayer | 0 | 11.23 | 80.09 | 91.32 |
| Thyssen | 6.77 | 3.82 | 34.98 | 45.37 |
| VEBA | 0 | 12.82 | 78.23 | 90.85 |
| Mannesmann | 0 | 7.78 | 90.35 | 98.11 |
| MAN | 8.67 | 12.69 | 28.84 | 48.20 |
| Preussag | 40.65 | 4.51 | 54.30 | 99.48 |
| VIAG | 10.92 | 7.43 | 30.75 | 49.10 |
| Degussa | 13.65 | 8.65 | 38.35 | 60.65 |
| AGIV | 61.19 | 15.80 | 22.10 | 99.09 |
| Linde | 33.29 | 14.68 | 51.10 | 99.07 |
| Deutsche Babcock | 3.22 | 11.27 | 76.09 | 90.58 |
| Schering | 0 | 19.71 | 74.79 | 94.50 |
| KHD | 59.56 | 3.37 | 35.03 | 97.96 |
| Bremer Vulkan | 0 | 4.43 | 57.10 | 61.53 |
| Strabag | 74.45 | 3.62 | 21.21 | 99.28 |

Data are for 1992 and include shares on own account, depositary voting rights as proxies and shares held by subsidiary investment funds/% of all shares represented at the meeting. Source: Baums (1995).

但银行实际上拥有巨大的投票权

数据是1992年的，包括自营股份、代管存托投票权和附属投资基金持有的股份/占会议代表全部股份的百分比。资料来源:Baums(1995)。

A Bank-Centered Economy

- OK, big German firms are controlled by banks
- Who controls the banks?
- “Bank centered” or “Banker-centered”?

German Bank's Major Share Voters

| <i>German Bank</i> | <i>Deutsche Bank</i> | <i>Dresdner Bank</i> | <i>Commerzbank</i> | <i>Bayrische Vereinsbank</i> | <i>Bayrische Hypo</i> | <i>All banks</i> |
|------------------------------|----------------------|----------------------|--------------------|------------------------------|-----------------------|------------------|
| <i>Deutsche Bank</i> | 32.07 | 14.14 | 3.03 | 2.75 | 2.83 | 54.82 |
| <i>Dresdner Bank</i> | 4.72 | 44.19 | 4.75 | 5.45 | 5.04 | 64.15 |
| <i>Commerzbank</i> | 13.43 | 16.35 | 18.49 | 3.78 | 3.65 | 55.70 |
| <i>Bayrische Vereinsbank</i> | 8.80 | 10.28 | 3.42 | 32.19 | 3.42 | 58.11 |
| <i>Bayrische Hypo</i> | 5.90 | 10.19 | 5.72 | 23.87 | 10.74 | 56.42 |

1992 figures

以银行为中心的经济好吧，德国的大公司是由银行控制的。“以银行为中心”还是“以银行家为中心”？

German Bank's Major Share Voters

| | <i>Deutsche Bank</i> | <i>Dresdner Bank</i> | <i>Commerzbank</i> | <i>Vereinsbank</i> | <i>Hypo</i> | All |
|----------------------------|----------------------|----------------------|--------------------|--------------------|--------------|--------------|
| | <i>Bank</i> | <i>Bank</i> | <i>bank</i> | <i>Vereinsb.</i> | <i>Hypo</i> | <i>banks</i> |
| 德国银行 Bank | 32.07 | 14.14 | 3.03 | 2.75 | 2.83 | 54.82 |
| 德意志银行 Deutsche Bank | 4.72 | 44.19 | 4.75 | 5.45 | 5.04 | 64.15 |
| 德累斯顿银行 Dresden Bank | 13.43 | 16.35 | 18.49 | 3.78 | 3.65 | 55.70 |
| 德意志联邦银行 Commerzbank | 8.80 | 10.28 | 3.42 | 32.19 | 3.42 | 58.11 |
| 拜耳州立银行 Bayern Hypo | 5.90 | 10.19 | 5.72 | 23.87 | 10.74 | 56.42 |

1992年的数据

German Financial History

Hitler's Problem

- ❑ National Socialist (Nazi) party wants total control over the economy, but can't nationalize firms because that would look 'communist'

Schacht's Solution

- ❑ "Entrust" banks with public shareholders' votes
- ❑ Aryanization puts Nazi's in charge of the banks
- ❑ Führerprinzip changes fiduciary duty to be to all stakeholders – employees, banks, shareholders, & (most important) Reich & Führer

Führer with Reichsbank Governor Hjalmar Schacht



德国金融史

希特勒的问题

国家社会主义(纳粹)党

想要完全控制

经济，但不能国有化

公司，因为那会看起来

“共产主义”

沙赫特的解决方案

“委托”银行公开

股东的选票

雅利安化让纳粹掌权

银行的

变更受托人

对所有利益相关者的责任-

员工，银行，股东，&

(最重要的)Reich & fhrer



图片来源:Reichsbank行长
Hjalmar Schacht

German Financial History

Otto von Bismarck's Problem

- German “political activists” demand multi-party democracy
- Bismarck knows that democracy is unsuited to Germans, and that Germans need a strong state

Bismarck's Solution

- Give German workers votes in their firm's shareholder meetings
- This makes Germany “more democratic” than the US or UK, yet leaves real political power with Bismarck



Reichskanzler Otto Eduard Leopold, Fürst von Bismarck, Graf von Bismarck-Schönhausen, Herzog von Lauenburg
(1815 – 1898)

德国金融史

奥托·冯·俾斯麦的问题

德国 “政治活动家”

要求多党民主

俾斯麦知道这一点

民主不适合

德国人，那个德国人
需要一个强大的国家

俾斯麦的方案

给德国工人投票权

他们公司的股东

会议

这使得德国 “更”

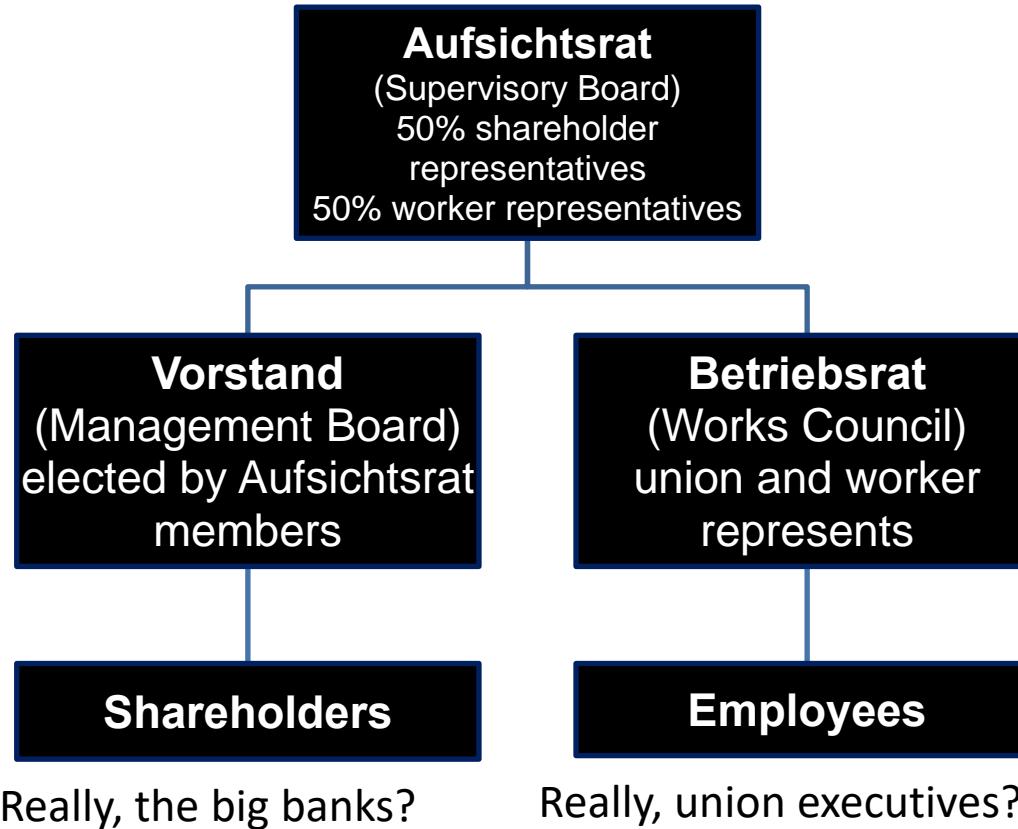
比美国或英国 “更民主”，
但留下了真正的政治权力
与俾斯麦



Reichskanzler 奥托·爱德华·利奥波德
(Reichskanzler Otto Eduard Leopold
冯·俾斯麦, 格拉夫·冯·俾斯麦
Schönhausen, 赫尔佐格·冯·劳恩堡
-1898 (1815)

Mitbestimmung (codetermination)

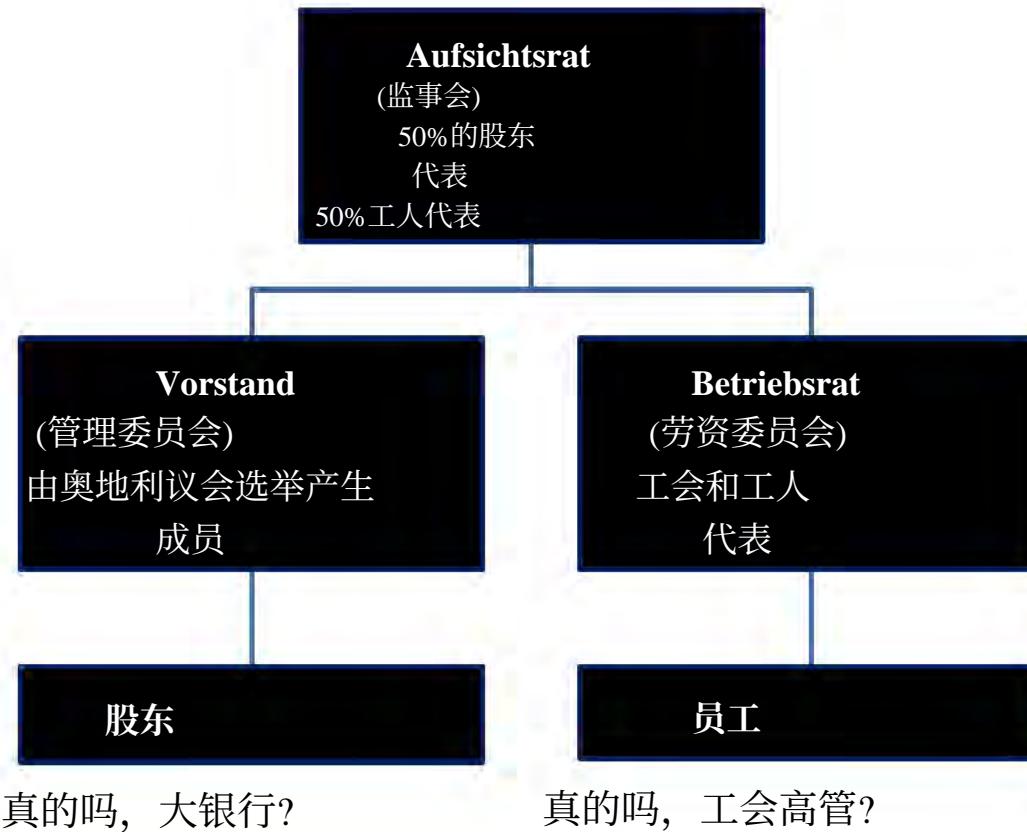
Large German firms have two-part (three-part?) boards



- Officers' and directors' fiduciary duty is still to stakeholders: shareholders, bankers, employees, and the State
- Parts of the Mitbestimmung system predate the Nazi period

共同决定(共同决策制)

大型德国公司有两部分(三部分?)董事会



高管和董事的受托责任仍然是对利益相关者:

股东、银行家、雇员和国家

mitbestimmung系统的某些部分早于纳粹时期

Germany's Wirtschaftswunder Years

Wirtschaftswunder = “economic wonder” years (1945 to late 20th C)

- Banks voting + labor union power unchallenged
- Very high GDP growth for three decades
- Then growth slower & economy weaker



Most German cities were in ruins in 1945

Two explanations

- 1. German bank control & labor power need to be stronger**
 - Over time, market forces became too strong & must be weakened
- 2. The 30 years of rapid growth can not (should not) be repeated**
 - Germany's economy was destroyed by USSR, UK, & US bombing in WWII
 - Wirtschaftswunder years rapid growth was from rebuilding destroyed cities, factories, railroads, highways, bridges, etc.
 - To have another Wirtschaftswunder years era, Germany would need a war to destroy its economy again.

德国的经济奇迹年

经济奇迹年代(1945年至后期20thC)

<s:1>银行投票+工会权力不受挑战

经历三十年非常高的GDP增长

然后增长放缓，经济走弱

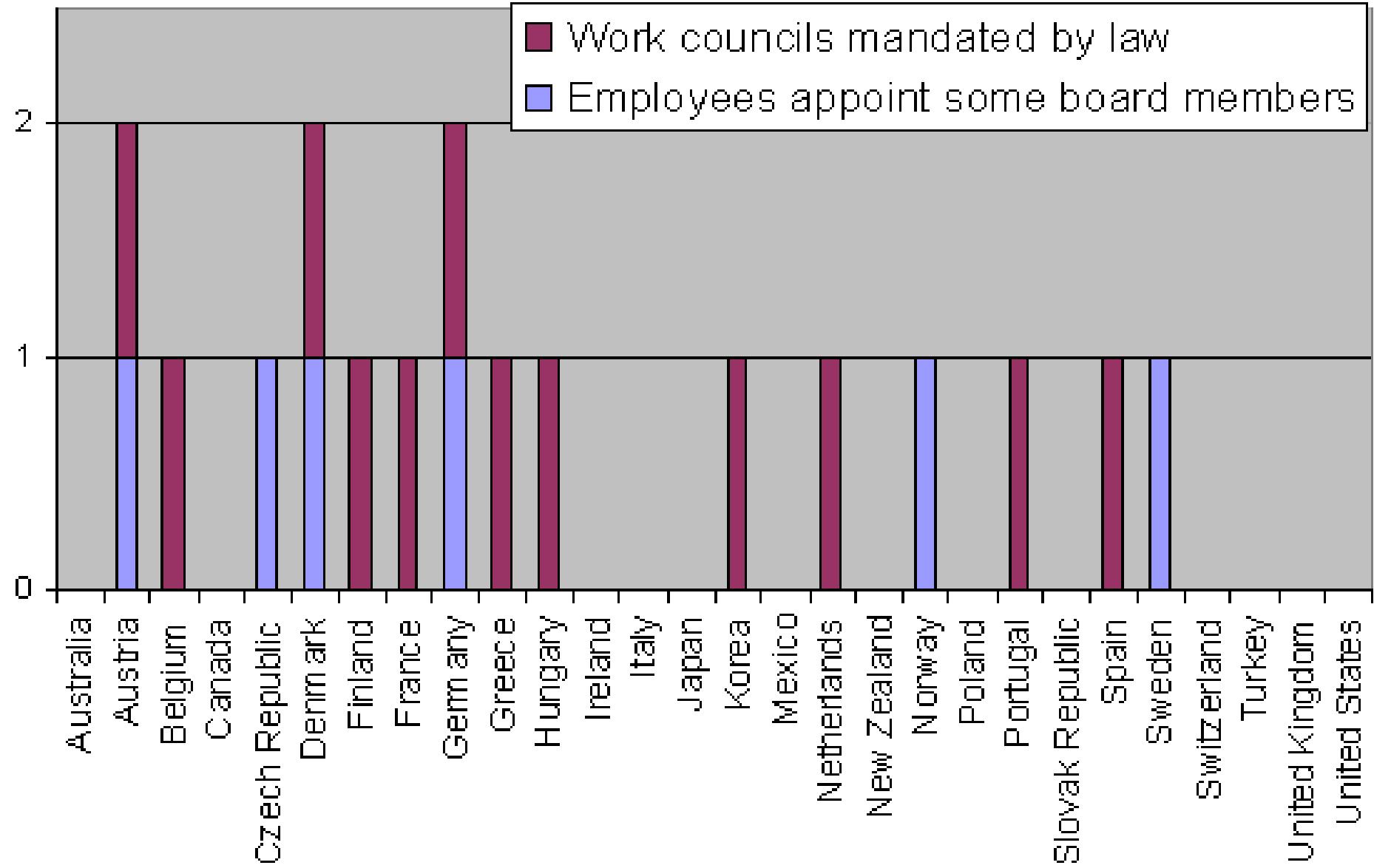


1945年，大多数德国城市都成了废墟

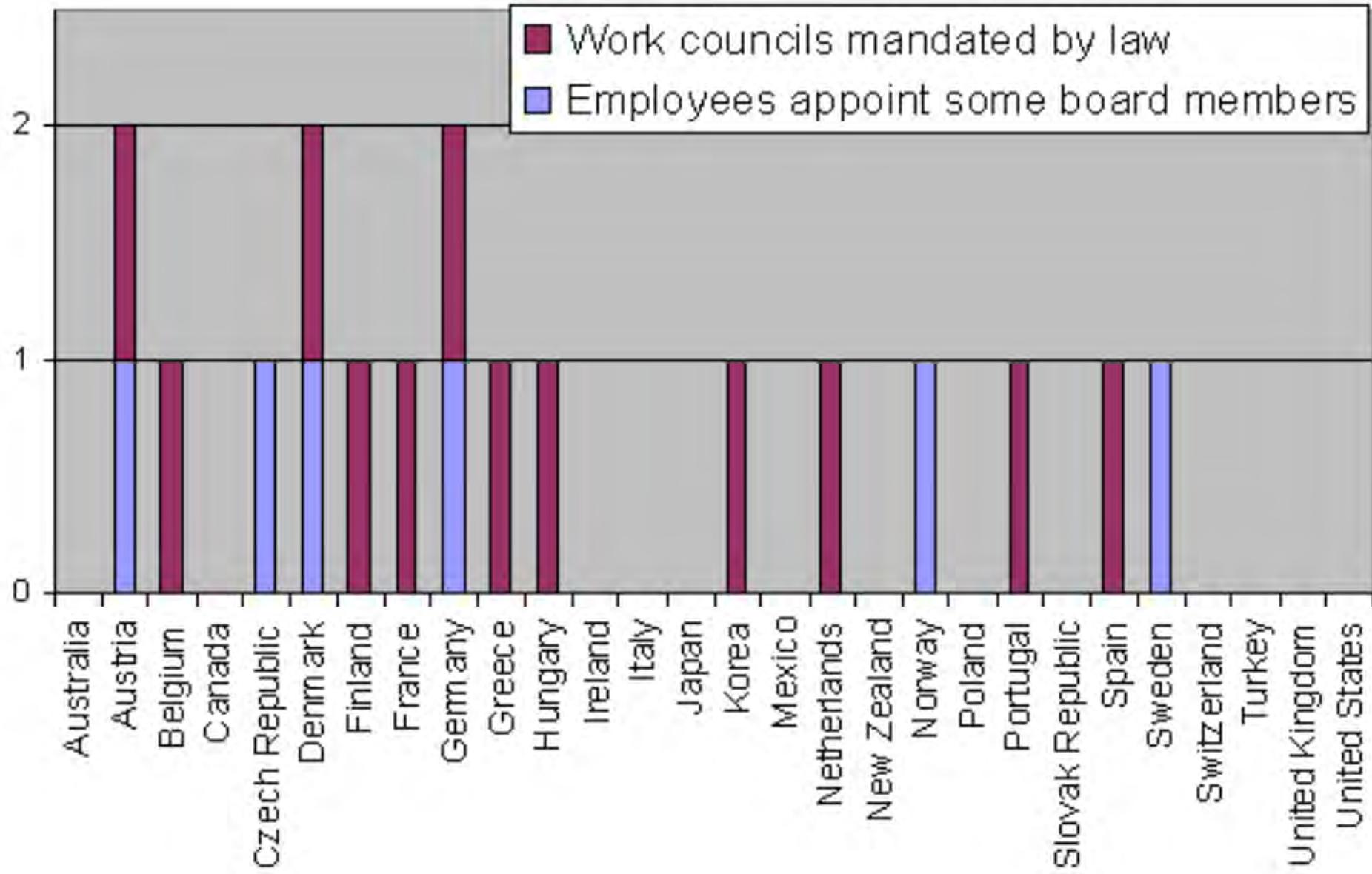
两种解释

1. 德国银行控制和劳动力
权力需要更强大
随着时间的推移，市场力量也变得
强大的&必须被削弱
2. 30年的快速增长可以
不能(不应该)重演
德国经济被
苏联、英国和美国在二战中的轰炸
经济奇迹
是从重建被摧毁的城市，
工厂，铁路，高速公路，桥梁，
等。
再来一次
Wirtschaftswunder years era,
德国需要一场战争才能毁灭
它的经济再次。

Labor Representation in Governance



治理中的劳工代表



Workers & Banks in Corporate Governance

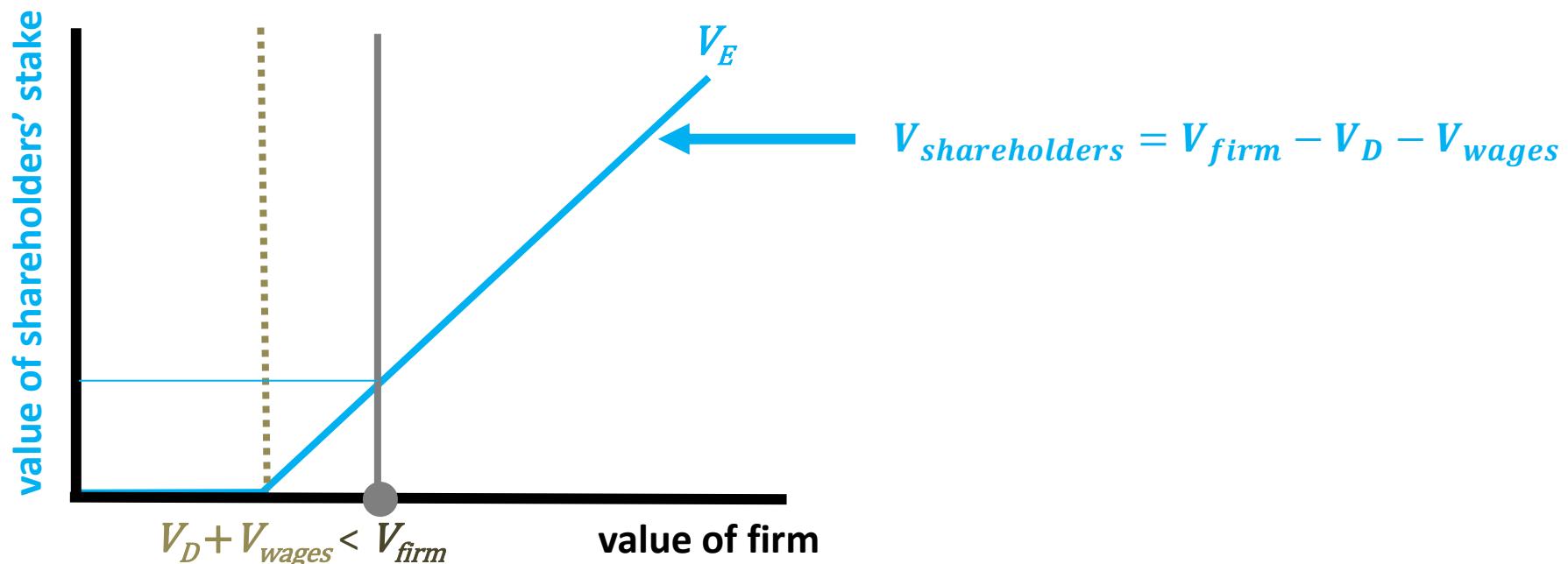
Faleye, Olubunmi, Vikas Mehrotra & Randall Morck. 2006. When Labor Has a Voice in Corporate Governance. Journal of Financial & Quant. Analysis 41(3)

Worker's payoff from job \approx own a bond + write a put option

Bank's payoff from loan \approx own a bond + write a put option

Shareholder's payoff \approx own a call option

- Shareholder value = value of firm – value of contractual claims
- Contractual claims = debt contract obligations (V_D) + employment contract obligations (V_{wages})
- If firm value falls below contractual claims, firm goes bankrupt & shares are worthless



Workers & Banks in Corporate Governance

Faleye, Olubunmi, Vikas Mehrotra & Randall Morck, 2006。《当劳工在公司治理中有发言权》，2006。Journal of Financial & Quant.分析41(3)

职工工作收益≈持有债券+写看跌期权
银行贷款收益≈
持有债券+写看跌期权
股东收益≈持有看涨期权

股东价值=公司价值-合同债权价值

合同债权=债务合同义务(ΣD)+雇佣合同义务($\Sigma WAGES$)

如果公司价值低于合同要求，公司就会破产，股票也就一文不值了



Workers & Banks in Corporate Governance

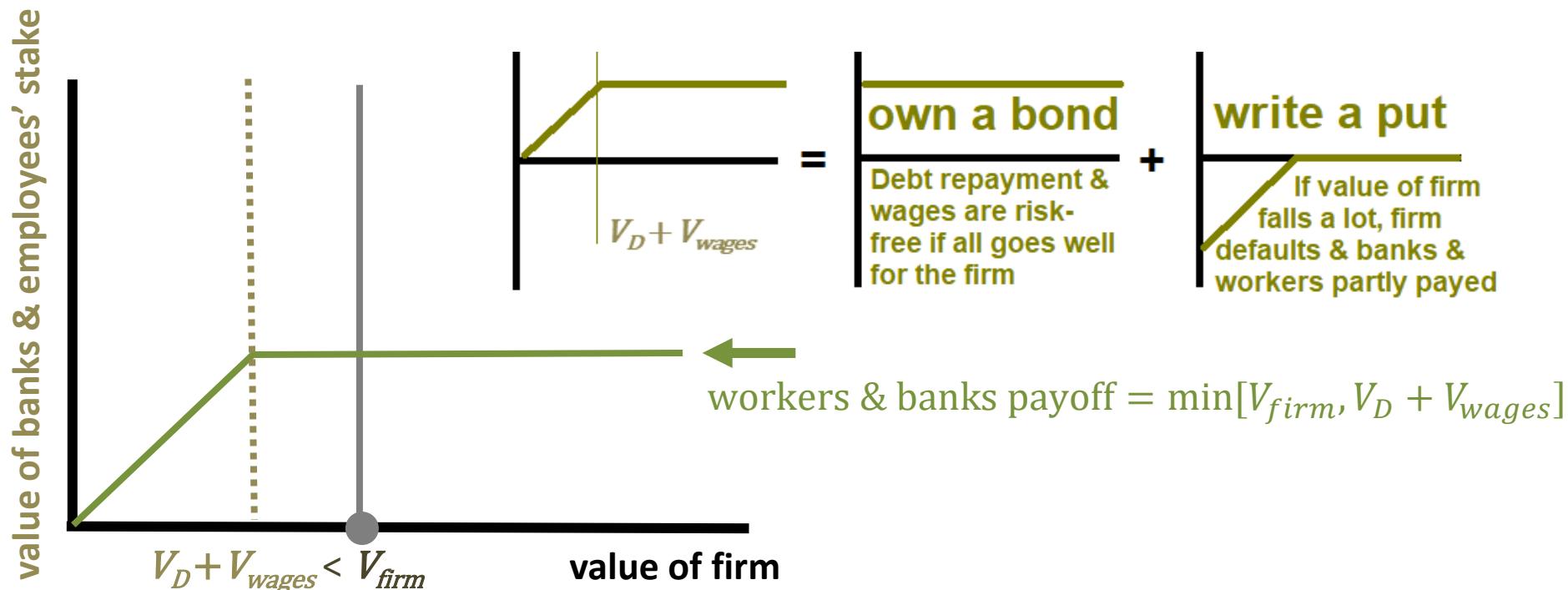
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Worker's payoff from job \approx own a bond + write a put option

Bank's payoff from loan \approx own a bond + write a put option

Shareholder's payoff \approx own a call option

- Why? If firm remains financially healthy, contractual claimants (bondholders, workers, etc.) get bond-like fixed payoffs (loan repayment, wages due, etc.)
- If firm goes bankrupt, contractual claimants are like put-writers: lose more (less of bank loan & wages is paid) if value of bankrupt firm is lower



Workers & Banks in Corporate Governance

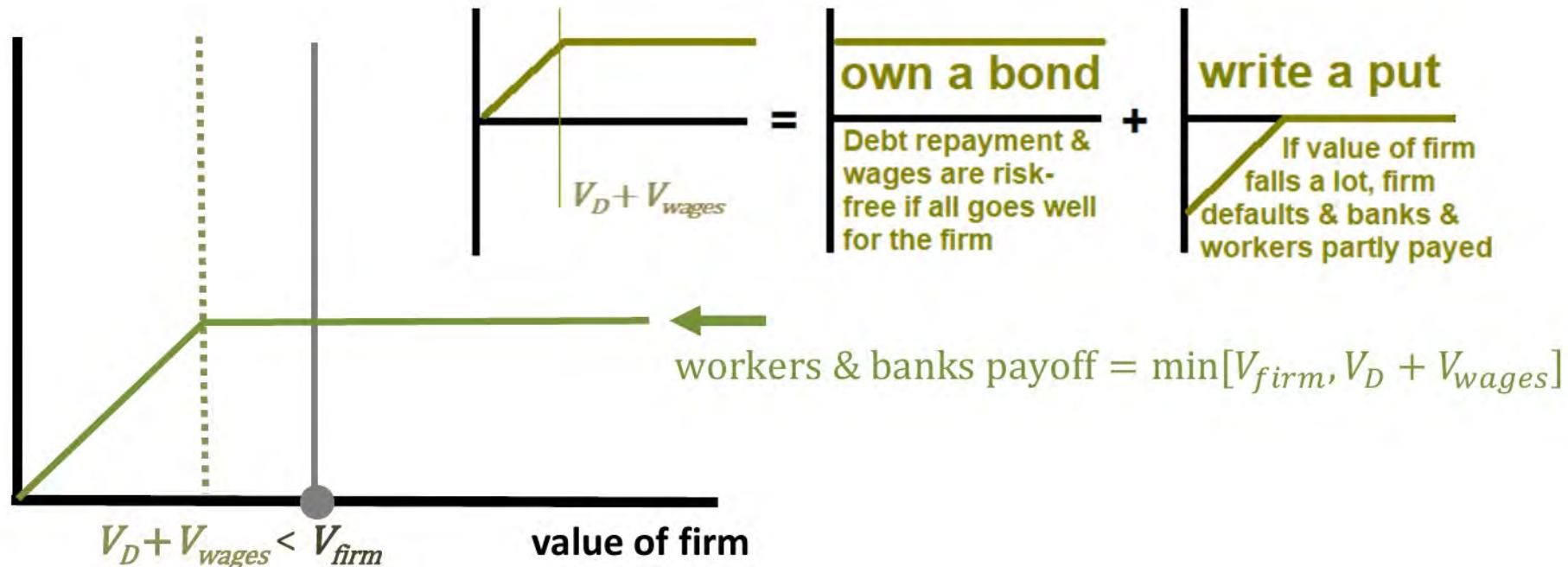
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职工工作收益 \approx 持有债券 + 写看跌期权
银行贷款收益 \approx 持有债券 + 写看跌期权
股东收益 \approx 持有看涨期权

为什么? 如果公司财务状况良好, 合同索赔人(债券持有人、工人等)会得到类似债券的固定收益(贷款偿还、到期工资等)。

如果公司破产, 合同索赔人就像卖权人: 如果破产公司的价值较低, 损失更多(银行贷款和工资支付较少)

银行和员工持股的价值



Workers & Banks in Corporate Governance

Faleye, Olubunmi, Vikas Mehrotra & Randall Morck. 2006. When Labor Has a Voice in Corporate Governance. Journal of Financial & Quant. Analysis 41(3)

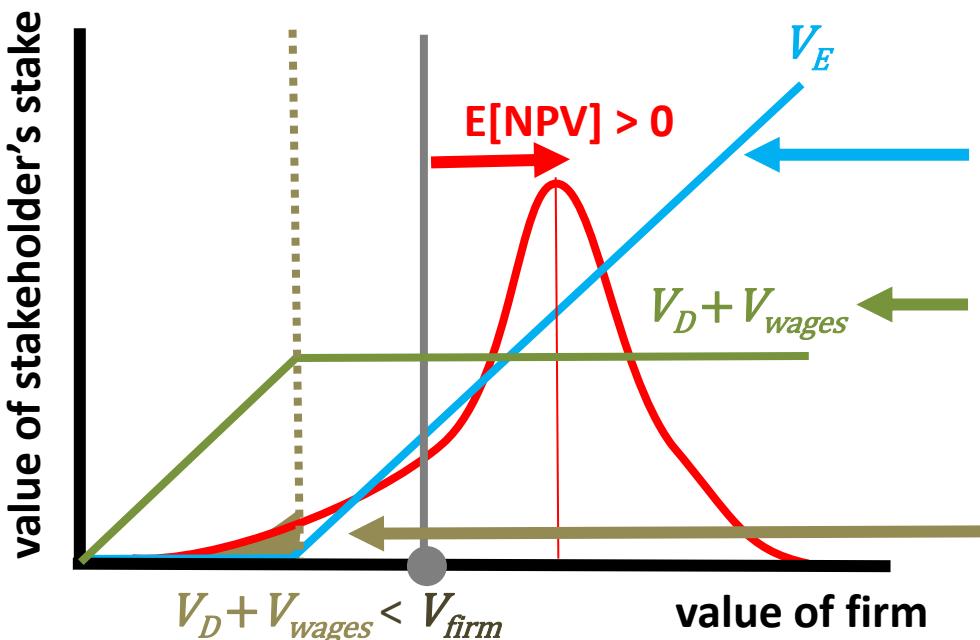
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Bank's payoff from loan \approx own a bond + write a put option

Shareholder's payoff \approx own a call option

Good corporate governance

- Economy prospers if firms do all $NPV > 0$ projects
- Workers & bankers want the firm to avoid $NPV > 0$ projects with any risk, no matter how small, of leaving the firm without enough money to pay its workers salaries and to repay its loans



Firm value is currently ●

Innovation has NPV probability distribution in red, with $E[NPV] < 0$ & $\text{var}(NPV)$ large

Shareholders say "Do the project!" because it increases V_E = value of shareholders' stake

Workers and bankers say "No!" because

1. The project does not increase $V_D + V_{wages}$ = the values of their stakes
2. The project has a small probability (area in brown) of reducing the value of the firm to below $V_D + V_{wages}$ & the firm not being able to pay wages & not being able to repay loans

Workers & Banks in Corporate Governance

Faleye, Olubunmi, Vikas Mehrotra & Randall Morck. 2006. 《当劳工在公司治理中有发言权》, 2006. Journal of Financial & Quant. 分析41(3)

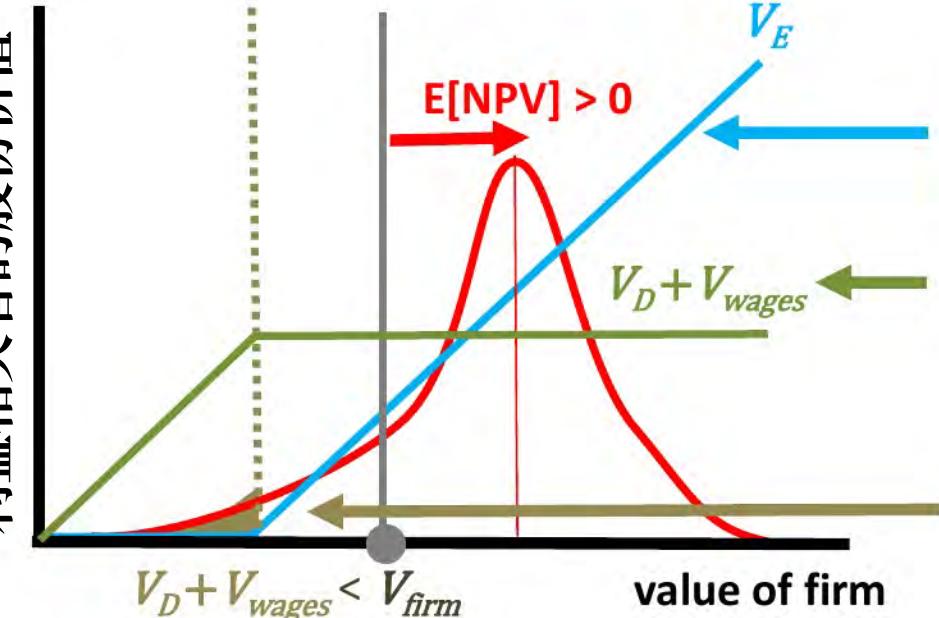
职工工作收益 \approx 持有债券 + 写看跌期权
银行贷款收益 \approx 持有债券 + 写看跌期权
股东收益 \approx 持有看涨期权

良好的公司治理

如果企业做所有 $NPV > 0$ 的项目, 经济就会繁荣

工人和银行家希望公司避免 $NPV > 0$ 的项目, 无论风险有多大, 都可能导致公司没有足够的钱来支付工人的工资

工资和偿还贷款



公司价值目前为
创新的NPV概率分布为红色, $E[NPV] < 0$,
 $var(NPV)$ 较大
股东说“做项目！”, 因为它增加 V_E =股东
的股份价值, 工人和银行家说: “不!
因为
1. 项目不增加 $V_D + V_{wages}$ = 他们的股权价
值
2. 该项目有一个小概率(棕色区域)将公司的
价值降低到 $V_D + V_{wages}$ 以下, 公司无法支
付工资, 也无法偿还贷款

Workers & Banks in Corporate Governance

Faleye, Olubunmi, Vikas Mehrotra & Randall Morck. 2006. When Labor Has a Voice in Corporate Governance. *Journal of Financial & Quant. Analysis* 41(3)

US firms whose workers vote larger blocks of shares

- Invest less in long-term projects (e.g. R&D)
- Take fewer risks
- Grow more slowly
- Create fewer jobs
- Have lower productivity

Morck, Randall, Masao Nakamura, and Anil Shivdasani. 2000. Banks, ownership structure, and firm value in Japan. *Journal of Business* 73(4)539-567

- Japanese firms whose banks vote large blocks of shares behave same way

Lin, Chen, Thomas Schmid & Yuhai Xuan. 2018. Employee representation and financial leverage. *Journal of Financial Economics* 127(2)303-324

- German reforms that increased bank power & worker power on supervisory boards caused firms to do fewer risky long term projects (e.g. R&D), take fewer risks in general, grow slower, create fewer new jobs & reduce productivity

The German financial system seems to inhibit innovation

- Germany has no great world leaders in computers, IT, biotech, etc.
- German innovation is concentrated on improving existing firms without allowing any serious risk
- Giving workers & banks control over corporate decisions causes firms to avoid risk by avoiding $NPV > 0$ projects with even small downside risk

Workers & Banks in Corporate Governance

Faleye, Olubunmi, Vikas Mehrotra & Randall Morck. 2006. 《当劳工在公司治理中有发言权》，2006。Journal of Financial & Quant.分析41(3)

员工拥有更大股份投票权的美国公司

- 减少对长期项目(如研发)的投资
- 少冒险
- 长得更慢
- 创造更少的就业
- 生产率较低

Morck, Randall, Masao Nakamura和Anil Shivdasani. 2000. 日本的银行、股权结构和公司价值。《商业杂志》73(4)539-567

银行持有大量股份的日本公司也是如此

林, 陈, Thomas Schmid, 宣玉海。2018。员工代表权与财务杠杆。金融经济学报127(2)303-324

德国改革增加了银行权力和监事会中的工人权力，导致

企业减少了高风险的长期项目(如研发)，总体上减少了风险，从而实现了增长更慢，创造更少的新工作和降低生产率

德国的金融体系似乎抑制了创新

在计算机、IT、生物技术等领域，**德国**没有伟大的世界领袖。

德国的创新集中在改进现有的公司，而不允许任何公司

严重的风险

给予员工和银行对公司决策的控制权会导致公司通过以下方式规避风险

避免 $NPV > 0$ 的项目，即使是很小的下行风险





The “Swedish Socialism” Model

The Wallenberg family controls over 50% of the economy, by market cap

- In the 1930s, the Wallenberg Bank forgave defaulting firms' loans for equity control blocks

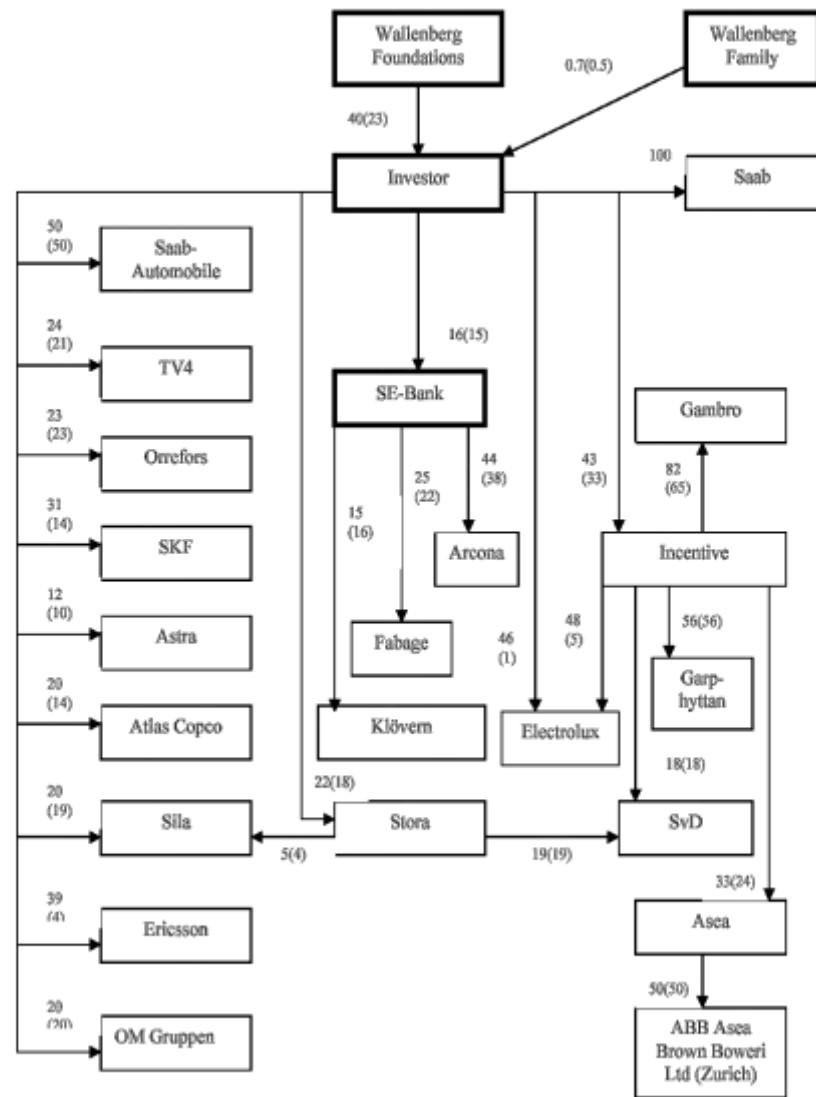
Tripartite agreement

- Big Labour: Unions get seniority-based job protection
- Big Government: Very high taxes, generous subsidies, dense regulations
- Big Business: Existing big businesses get subsidies and barriers to entry.
Also, no inheritance tax

Problem: Outsiders excluded

- Few new entrepreneurs
- Long-term unemployment

Figure 1
The Wallenberg Sphere in January 1996
Vote ownership is reported with equity ownership in parenthesis (reproduced from Sundin and Sundqvist, 1996).



The “Swedish Socialism” Model

瓦伦堡家族控制着

50占经济总量的百分比，按市值计算

在20世纪30年代，瓦伦堡银行

免除了违约公司的贷款

股权控制障碍

三方协议

大劳工:工会获得资历

基于工作保障

大政府:非常高的税收，

补贴慷慨，密集

规定

大企业:现有的大企业

获得补贴和进入壁垒。

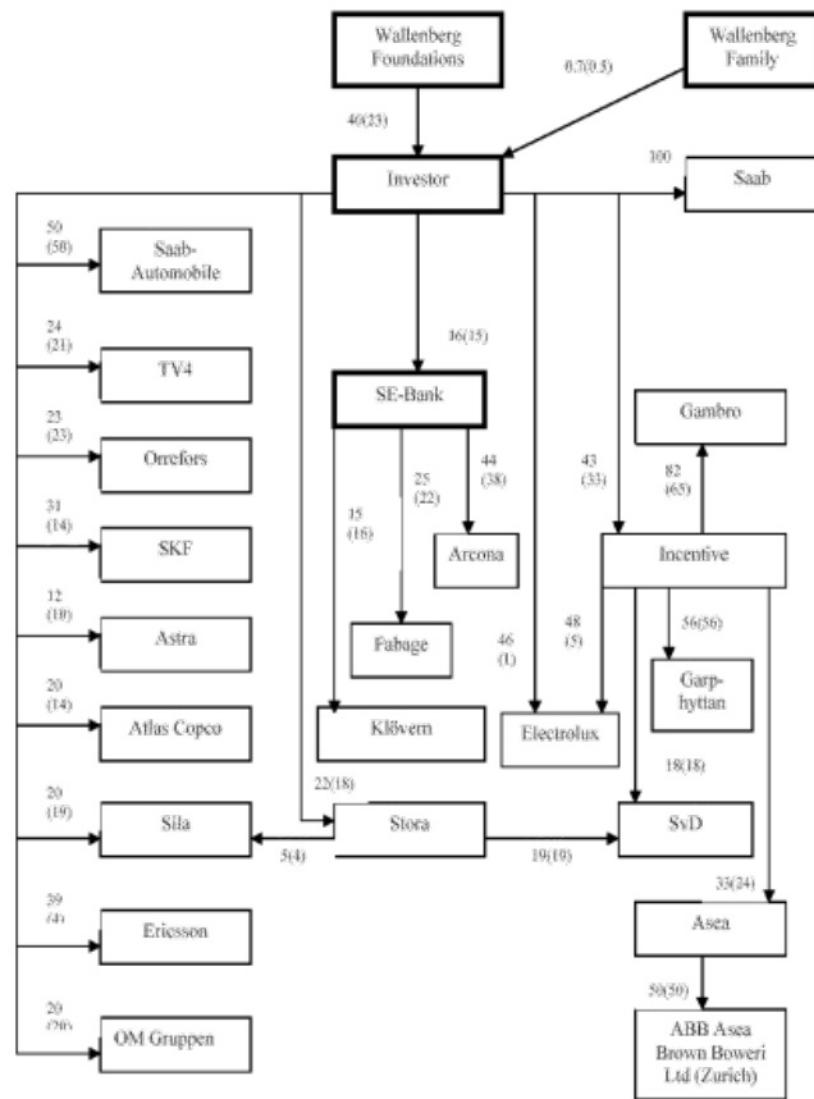
还有，没有遗产税

问题:外人被排除在外

鲜有新创业者

长期失业

Figure 1
The Wallenberg Sphere in January 1996
Vote ownership is reported with equity ownership in parenthesis (reproduced from Sundin and Sundqvist, 1996).



Panel B: Total market value controlled by Investor and Industrivärden (sum of firm equity values in which Investor or Industrivärden is part of the controlling block, i.e. the largest voting block) in million SEK, market capitalization of SSE (million SEK with CEIFs excluded), and personal equity investments on the SSE by the Wallenbergs and the SHB (foundations included), either through the CEIFs (Investor (Providentia, Export Invest) or via Industrivärden (Promotion/ Bahco)) or through direct investments.

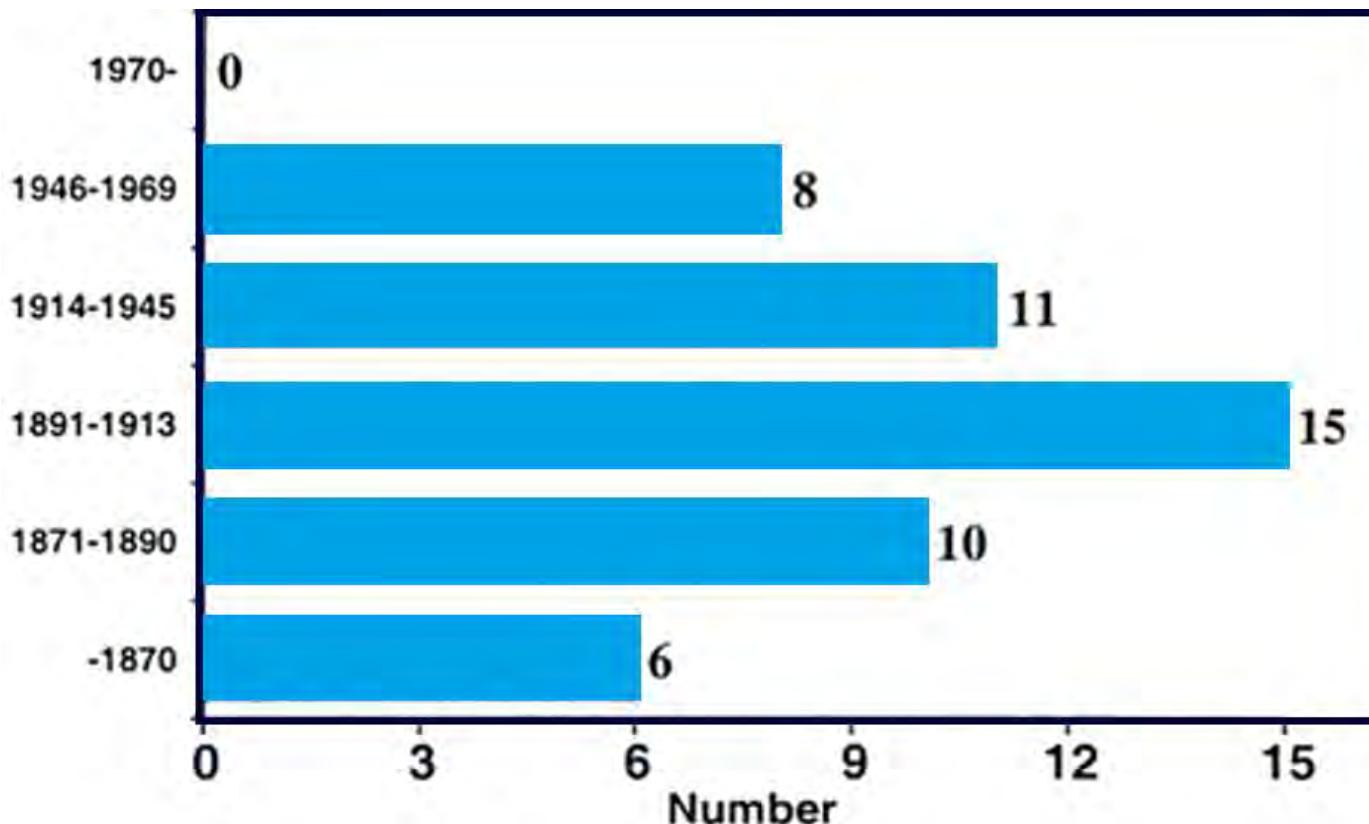
| Year | Value under Wallenberg or SHB control | Market value of SSE (CEIFs excluded) | % of SSE Value under Wallenberg or SHB Control | Personal Investments on SSE by the Wallenbergs and SHB | Personal Investments as % of SSE value | Control/Capital |
|------|---------------------------------------|--------------------------------------|--|--|--|-----------------|
| 1986 | 214167 | 405505 | 47.6 | 14467 | 3.2 | 14.8 |
| 1987 | 188426 | 402100 | 42.9 | 12659 | 2.9 | 14.9 |
| 1988 | 284120 | 566403 | 46.0 | 20589 | 3.3 | 13.8 |
| 1989 | 378846 | 701360 | 48.9 | 27034 | 3.5 | 14.0 |
| 1990 | 275475 | 504560 | 50.3 | 21935 | 4.0 | 12.6 |
| 1991 | 294597 | 516247 | 53.4 | 14691 | 2.7 | 20.1 |
| 1992 | 310584 | 505439 | 56.8 | 15459 | 2.8 | 20.1 |
| 1993 | 561866 | 831846 | 62.9 | 32699 | 3.7 | 17.2 |
| 1994 | 560923 | 964558 | 54.6 | 28911 | 2.8 | 19.4 |
| 1995 | 702468 | 1137772 | 58.1 | 36073 | 3.0 | 19.5 |
| 1996 | 1004736 | 1743868 | 54.4 | 52806 | 2.9 | 19.0 |
| 1997 | 1340257 | 1984227 | 63.4 | 66426 | 3.1 | 20.2 |
| 1998 | 1341042 | 2249611 | 56.6 | 63944 | 2.7 | 21.0 |
| 1999 | 2088542 | 3644555 | 55.0 | 96148 | 2.5 | 21.7 |
| 2000 | 1632428 | 3134973 | 49.3 | 69707 | 2.2 | 23.4 |

Source: Holmén and Högfeldt (2004b)

面板B:投资者和Industrivärden控制的总市值(投资者或Industrivärden是控制集团的一部分,即最大的投票集团的公司股权价值总和),以百万SEK为单位,SSE的市值(不包括ceif的百万SEK),以及瓦伦堡家族和SHB(包括基金会)通过ceif(投资者(Providentia), Export Invest)或通过Industrivärden (Promotion/Bahco)或通过直接投资。

Old Firms versus Potential Entrepreneurs

- ❑ Owners of existing big firms are represented, but potential entrepreneurs (not yet firm owners) needing the economy to facilitate the creation and capitalization of new firms are not represented in the tripartite agreements
- ❑ Result: No new major firms after 1970 & less innovation than other rich countries

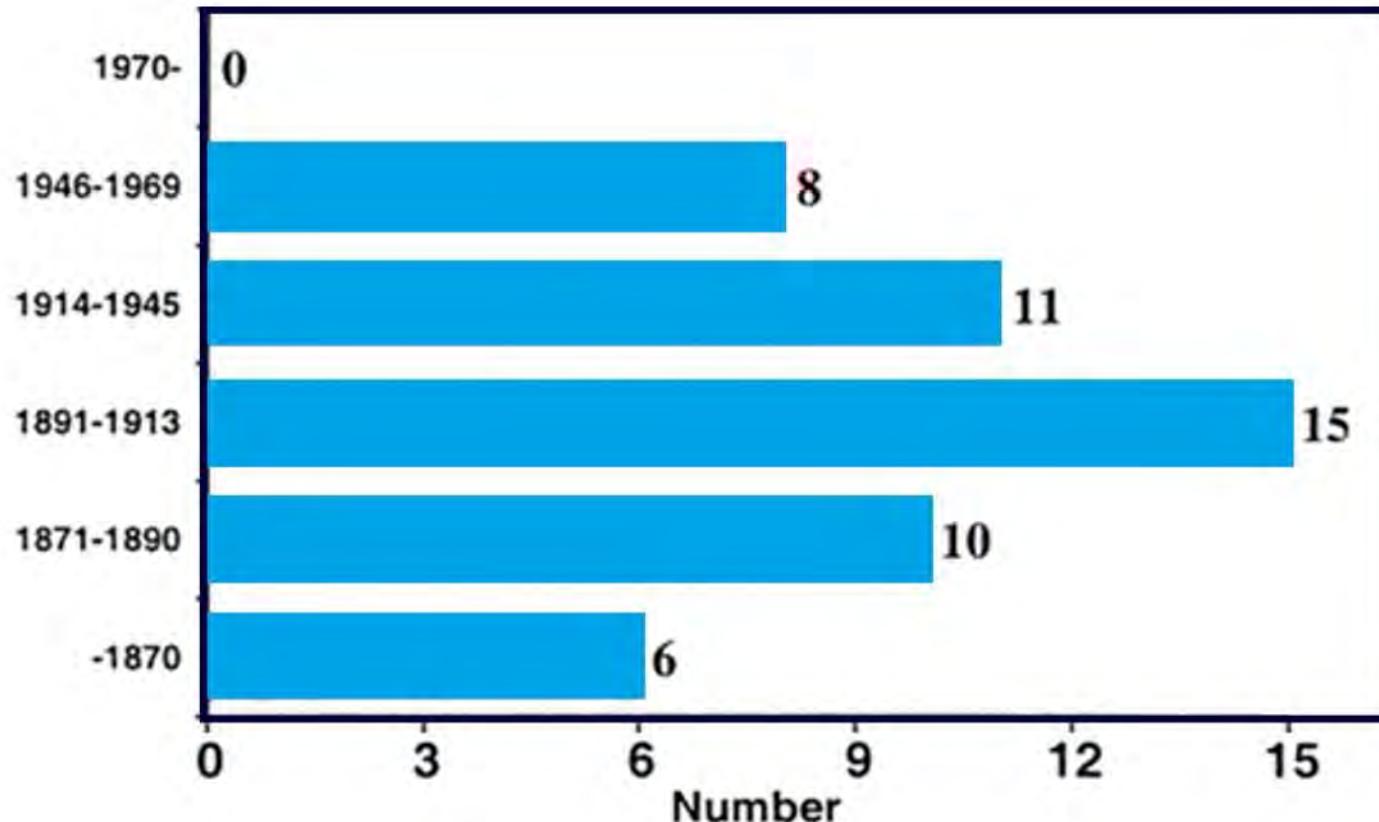


- ❑ Tension: Low pace of creative destruction? Rely on imported innovation?

Old Firms versus Potential Entrepreneurs

现有大公司的所有者有代表，但需要经济来促进新公司的创建和资本化的潜在企业家
(还不是公司所有者)在三方协议中没有代表

结果：1970年后没有新的大公司，创新少于其他富裕国家



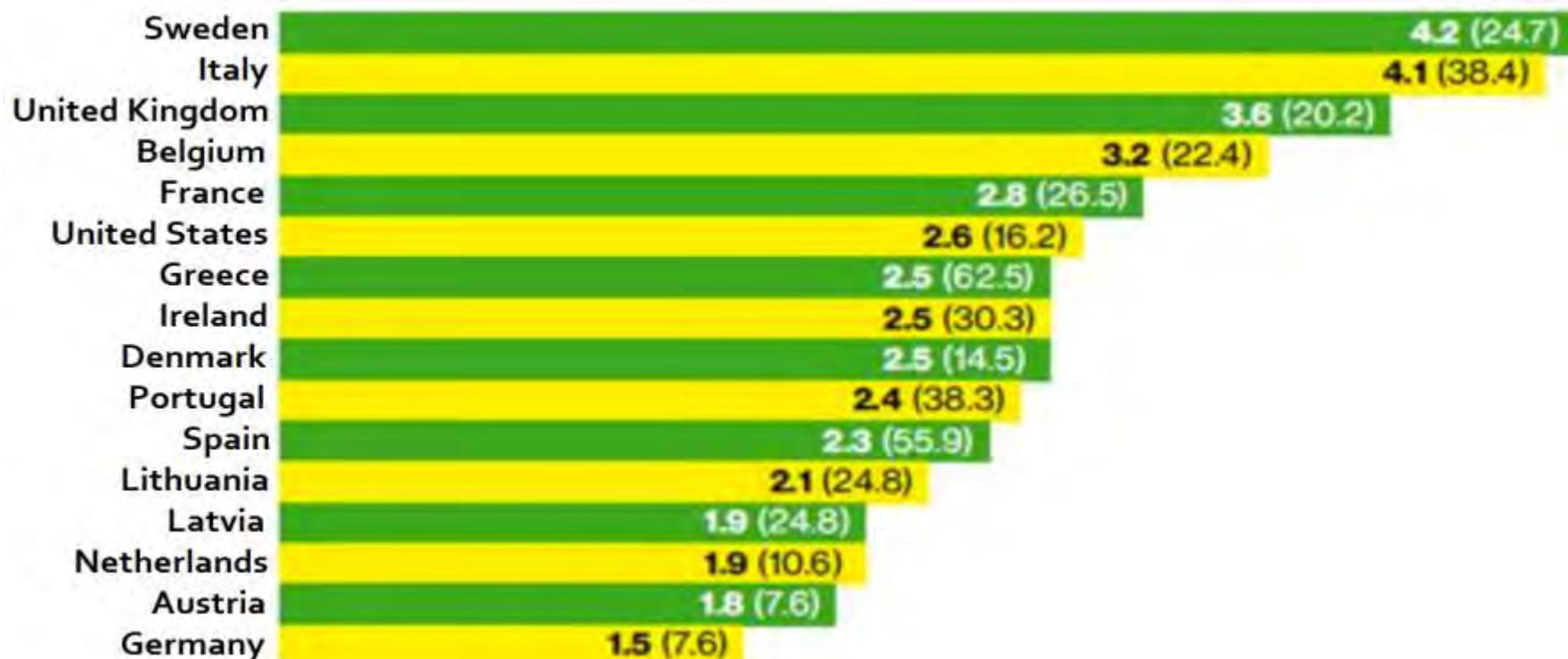
张力：创造性破坏的速度较慢？依赖引进的创新？

来源:Hogfeldt (2005)

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Old Workers versus Young Workers

- Workers with jobs are represented by labor union leaders, young people (not yet workers) needing the economy to create new jobs are not represented in the tripartite agreements
- Result: Few new jobs. The unemployment rate of people aged under 25 is 24.7%, which is 4.2 times the 5.9% unemployment rate of workers aged over 25.



$$\frac{\text{unemployment rate}_{\text{age} < 25}}{\text{unemployment rate}_{\text{age} \geq 25}} \left(\frac{\text{unemployment}}{\text{rate}_{\text{age} < 25}} \right)$$

老工人和年轻工人

有工作的工人由工会领导人代表，需要经济创造新工作的年轻人(还不是工人)在三方协议中没有代表

结果：几乎没有新的就业机会。25岁以下人群的失业率为24.7%，是25岁以上人群失业率5.9%的4.2倍。



$$\frac{\text{unemployment rate}_{age < 25}}{\text{unemployment rate}_{age \geq 25}} \left(\frac{\text{unemployment}}{\text{rate}_{age < 25}} \right)$$

Norway's Sovereign Wealth Funds

Statens pensjonsfond Utland

- Assets just under US\$1 trillion
 - Norway's population is about 4 million
 - About US\$250,000 per Norwegian
- About 1% of the total wealth of the world
- Oil revenues invested in stocks, bonds, real estate, ...
- Basic Rule: No investments inside Norway
 - Reason 1: Avoid possibility of corruption
 - Reason 2: Avoid “Dutch Disease” (elevated exchange rate) by moving money out of the country

挪威主权财富基金(Sovereign Wealth Fund) Utland 资产略低于1万亿美元

<s:1>挪威人口约400万人 均约25万美元 约占世界总资产的1% 石油收入投资于股票、债券、房地产……
基本规则：在挪威境内不得投资
原因1：避免腐败的可能性
原因2：通过将资金转移到国外来避免“荷兰病”（汇率升高）

Denmark's Foundation-run Firms

Børsting, Kühn, Poulsen & Thomsen. 2014. The Performance of Danish Foundation-Owned Companies

Danish family businesses

- Inheritance tax avoidable if you will your firm to a foundation with a social goal (e.g. medical research)
- Foundation pays generous stipend to your children, but your grandchildren get nothing
- Foundation controlled by a board with knowledge of the social goal (e.g. medical research scientists) and have a duty to advance the social goal (e.g. maximize dividends to fund more medical research grants)
- Foundation-controlled firms have higher ROA & higher productivity than other Danish firms

Differences in means (t-tests)

Return on assets (ROA)

| | Mean | Std. Dev. | Obs. |
|----------------------|----------|-----------|-------|
| Non Foundation owned | 0.030 | 0.120 | 13762 |
| Foundation owned | 0.019*** | 0.108 | 1010 |
| Total | 0.029 | 0.119 | 14772 |

*** p<0.01, ** p<0.05, *p<0.1

Productivity

| | Mean | Std. Dev. | Obs. |
|----------------------|----------|-----------|-------|
| Non Foundation owned | 0.000 | 0.581 | 13002 |
| Foundation owned | 0.053*** | 0.577 | 862 |
| Total | 0.003 | 0.581 | 13864 |

*** p<0.01, ** p<0.05, *p<0.1

Denmark's Foundation-run Firms

Børsting, k_{s:1} hn, Poulsen & Thomsen. 2014。丹麦基金会所有公司的绩效

丹麦家族企业

如果你将你的公司交给一个有社会目标的基金会(例如医学研究), 那么可以避免遗产税

基金会给你的孩子慷慨的津贴, 但你的孙子什么也得不到

由了解社会目标(如医学研究科学家)并有责任推进社会目标(如最大化股息以资助更多医学研究经费)的董事会控制的基金会

与其他丹麦公司相比, 基金会控制的公司具有更高的ROA和更高的生产率

Differences in means (t-tests)

Return on assets (ROA)

| | Mean | Std. Dev. | Obs. |
|----------------------|----------|-----------|-------|
| Non Foundation owned | 0.030 | 0.120 | 13762 |
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Productivity

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Southern Europe & Latin America



The Roman Catholic Church and Corporate Finance

Southern Europe & Latin America



The Roman Catholic Church and Corporate Finance

Southern Europe & Latin America

The Catholic Puzzle

Why Roman Catholicism correlates with worse economic outcomes?

Putnam, Robert. 19993. *Making Democracy Work. Civic Traditions in Modern Italy*. Princeton University Press

La Porta, Rafael, et al. 1997. Trust in large organizations. *American Economic Review* 87(2)333

Inglehart, R. 1999. Trust, well-being and democracy. In M. Warren (Ed.), *Democracy and Trust*, Cambridge University Press

- Members of more hierarchical religions have less trust in strangers
- Countries and regions where more hierarchical religions are more important have fewer large organizations of all kinds

Stulz, Rene M., and Rohan Williamson. "Culture, openness, and finance." *Journal of financial Economics* 70.3 (2003): 313-349.

- Large statistically robust positive correlation between % of population Catholic and creditor rights

La Porta, Rafael, et al. 1999. The quality of government. *Journal of Law, Economics & Organization* 15.1.222-279.

Treisman, Daniel. 2000. The causes of corruption: a cross-national study." *Journal of public economics* 76(3)399-457

- More corruption & less effective government in more Catholic countries

Martes, Ana Cristina & Carlos Rodriguez. 2003. Church membership, social capital & entrepreneurship in Brazilian communities in the US. *Ethnic Entrepreneurship: Structure and Process*. Emerald Books.

- Less entrepreneurship among Catholics

- These findings are puzzling because contemporary Catholic teachings about economics are not greatly different from teachings of other major religions. So what's going on?

- Response 1: Challenge the studies. Some possibilities here.
- Response 2: Catholicism isn't what it used to be

Southern Europe & Latin America

天主教之谜

为什么罗马天主教与较差的经济结果相关？

罗伯特·普特南，1993。《让民主发挥作用》。现代意大利的公民传统。普林斯顿大学出版社

门塔，拉斐尔等。1997。大型组织中的信任。《美国经济评论》87(2)333

Inglehart, R. 1999。信任、幸福与民主。见M.沃伦(编), 《民主与信任》，剑桥大学出版社

更高等级宗教的成员对陌生人的信任程度更低

在等级宗教更重要的国家和地区，人们对陌生人的信任度更低

各种大型组织更少

Stulz, Rene M.和Rohan Williamson。《文化、开放与金融》。《金融经济学学报》70.3(2003):313-349。

在统计上，天主教人口百分比之间存在较大的正相关关系
和债权

门塔，拉斐尔等。1999。政府的质量。《法律经济与组织学报》15.1.222-279。Daniel Treisman . 2000。《腐败的原因:一项跨国研究》《公共经济学杂志》76(3)399-457

在更多的天主教国家，更多的腐败和更低效率的政府

马蒂斯，安娜·克里斯蒂娜和卡洛斯·罗德里格斯，2003。教会成员、社会资本和企业家精神在美国的巴西社区。少数民族企业家精神:结构与过程。翡翠的书。

天主教徒创业较少

这些发现令人费解，因为当代天主教教义

关于经济学的教导与其他专业的教导没有太大的不同
宗教。那么这是怎么回事呢？

回应1:挑战研究。这里有一些可能性。

反应2:天主教已经不是以前的天主教了

19th Century Catholic Teachings

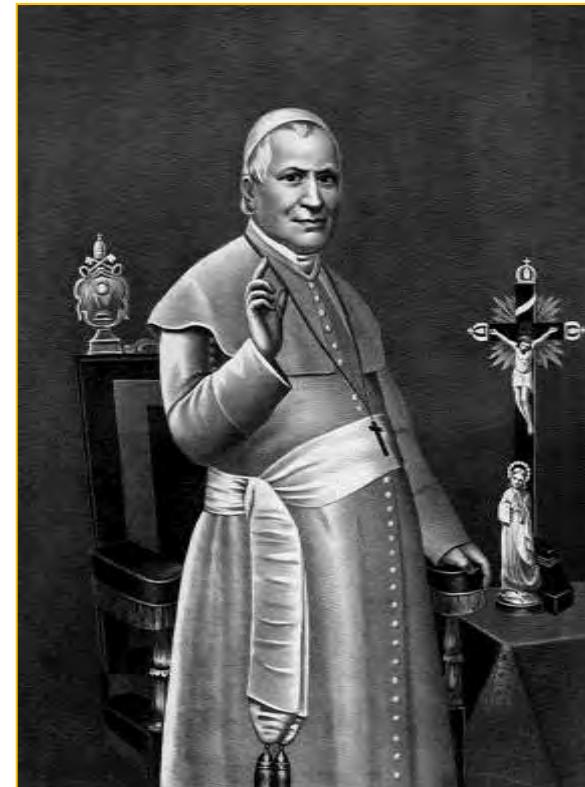
Vatican I (1869)

- Papal infallibility
- Absolute monarchy is God's perfect form of government

1864 Syllabus of Errors condemns

- Rational decision making
- Belief in progress
- Human rights, esp. religious freedom
- Liberalism
- Democracy
- Separation of Church and state
- Bible study

Note: Many other religions were no friendlier to science, progress, etc.



His Holiness,
Pope Pius IX
(1792, 1846-1878)

19th Century Catholic Teachings

梵蒂冈第一次会议(1869年)

☒ 教皇

绝对君主制是上帝完美的
政府

1864 错误教学大纲谴责

理性决策

对进步的信念

人权，尤其是宗教自由

☒ 自由主义

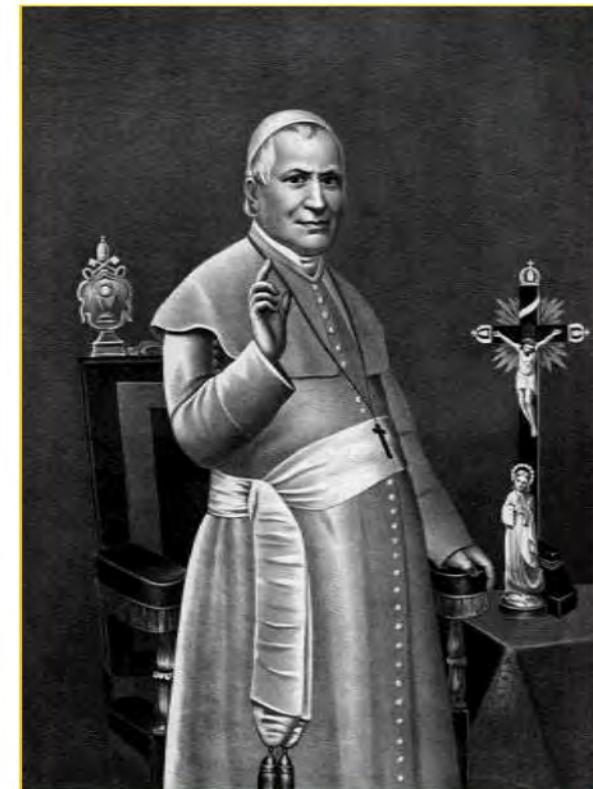
☒ 民主

< s:1 > 政教分离

☒ 圣经学习

注意：许多其他宗教对我并不友好

科学、进步等等。



他的圣洁，
教皇庇护九世

(1792年, 1846 - 1878)

Catholic Corporate Governance

Rerum Novarum (Of New Things)

- Leo grieved at “twin evils” of liberal capitalism & socialism imperiling the new century

Solution: Corporatism

- 1891 encyclical “laid down for all mankind the surest rules to solve aright that difficult problem of human relations called ‘the social question.’”
- Catholic social doctrine from 1891 until deemphasized in mid 20th C.
- Corporatism was one of the “big three” economic systems (the other two were capitalism and socialism) through the 1st half of the 20th century
- Corporatism was also widely praised and endorsed by many Protestant churches (though these were less politically powerful in general)
- John Paul II (*Sollicitudo Rei Socialis*) formally repudiated Corporatism in 1987



His Holiness Pope Leo XIII
(1810, 1878 - 1903)

Catholic Corporate Governance

新事物的回归

利奥对自由资本主义的“双重邪恶”感到悲伤

社会主义危及新世纪

解决方案:社团主义

1891年教皇通谕《为全人类奠定的。

正确解决那个难题的最可靠的规则

被称为‘社会问题’的人际关系问题。”

天主教的社会教义，从1891年直到

中期不再强调20thC.

社团主义是经济“三巨头”之一

制度(另外两个是资本主义和

社会主义)经历了20th世纪的1st半叶

社团主义也受到了广泛的赞扬

许多新教教会(虽然)支持社团主义

这些教会在政治上的影响力一般较小。)

正式任命若望保禄二世(*Sollicitudo Rei Socialis*)

在1987中否定社团主义



教皇利奥十三世(1810,
1878 - 1903)

Fundamentalist Corporatism

Rerum Novarum describes God's perfect economy

1. Equality is a cruel illusion, people are happiest when rightly placed in a lawful hierarchy guided by the Church.
2. Competition is spiritually demeaning, so business, labor, & the state must cooperate to form Associations that, guided by the Church, set prices, wages, production quotas and entry regulations throughout designated vertically connected swathes of the economy called Corporations
 - Note: This is a different use of the term from the usual meaning. Here, a Corporation means all the workers & firm owners in the industry must form one body, a Corporation from the Latin *corpus*).
3. Private property is a stewardship, sanctified by owners' obedience to Church & Association, forfeited by competition
4. Principle of Subsidiarity devolves authority unneeded at higher levels to lowest feasible level throughout hierarchy.
 - Note: The term “corporatism” returned in 1970s with a vague new leftist meaning. I refer to the fundamentalist version.

原教旨主义社团主义

*Rerum Novarum*描述了上帝完美的经济

1. 平等是一种残酷的幻觉，人们在地位正确的时候是最幸福的
在教会指导下的合法等级制度。

2. 竞争是精神上的贬低，所以商业，劳动，&
国家必须合作，组成协会，以社会主义为指导
教会制定价格、工资、生产配额和准入规定
整个指定垂直相连的地段
被称为公司的经济

☒ 注意：这是该术语与通常含义不同的用法。在这里，一个
公司是指行业内所有的工人和企业所有者必须组成一个公司
一个实体，即Corporation(来自拉丁语*corpus*)。

3. 私有财产是一种管理权，由于所有者的服从而变得神圣
赠予教会及协会，因竞争而丧失资格

4. 辅助性原则下放上级不需要的权力
层级到整个层级中最低可行层级。

注意：“社团主义”一词在20世纪70年代以一个模糊的新
左派的意思。我指的是原教旨主义的版本。

Silos: Structure of Corporatism

- ❑ Economy partitioned into about 30 Corporations
 - ❑ Example: The “Agriculture Corporation” contains all firms having anything to do with food production (farming, farm equipment, fishing, milling, meat packing, flour mills, ...), food distribution (warehouses, bakeries, food stores, ...), etc. - all run by an Association (council of business owners, worker representatives, officials & priests)

| National Corporation | | | | | |
|-----------------------------------|---|--|--|--|--|
| | | Corporatist economies feature about 30 such vertically integrated “Corporations” | | | |
| | | Each silo contains all firm owners & workers in the relevant production chain | | | |
| | | Each silo run by an Association of devout Catholic politicians, business owners, and labour representatives, guided by the Church | | | |
| | | Each Association sets all prices and wages throughout its production chain, and also sets production limits and bars new firms from entering | | | |
| | | A national Association sets prices of intermediate goods traded between silos | | | |
| Chemicals Corporation | Dye makers, production chemicals makers, explosives manufacturers, munitions makers | | | | |
| Iron and Steel Corporation | Iron ore mines, coal mines, ore refiners, smelters, steel mills, weapons production, etc. | | | | |
| Construction Corporation | Forestry, sawmills, carpenters; quarries, cement makers, bricklayers, etc. | | | | |
| Textiles Corporation | Flax and sheep farmers, spinners, weavers, clothes makers, shopkeepers, etc. | | | | |
| Agriculture Corporation | Food producing farmers, farm equipment, abattoirs, millers, bakers, food stores, etc. | | | | |

简仓:社团主义的结构

经济被划分为大约30个公司

例子：“农业公司”包含所有与食品生产(农业、农场设备、渔业、碾磨、肉类包装、面粉厂等)、食品分销(仓库、面包店、食品店等)有关的公司，所有这些公司都由一个协会(由企业主、工人代表、官员和牧师组成的理事会)经营。

国家的公司

| | | | | | |
|---|--|---|--|---|--|
| 农业公司 生产粮食的农民，农业设备，屠宰场、磨坊主、面包师、食品店等。 | 化学品公司 染料制造商，生产化学品制造商，炸药制造商，军火制造商 | 钢铁公司 铁矿、煤矿、矿石精炼厂、冶炼厂、炼钢厂、武器生产等。 | 建设总公司 林业、锯木厂、木匠；采石场、水泥制造商，瓦匠等。 | 纺织品有限公司 亚麻和羊的农民，纺纱工，织布工，服装创客、店主等。 | <p>Corporatist economies feature about 30 such vertically integrated “Corporations”</p> <p>Each silo contains all firm owners & workers in the relevant production chain</p> <p>Each silo run by an Association of devout Catholic politicians, business owners, and labour representatives, guided by the Church</p> <p>Each Association sets all prices and wages throughout its production chain, and also sets production limits and bars new firms from entering</p> <p>A national Association sets prices of intermediate goods traded between silos</p> |
|---|--|---|--|---|--|

Italy: World's First Corporatist Economy

- ❑ Mussolini's Fascist Party ran Italy from 1922 to 1943
- ❑ He needed a way to control every firm in the economy, but without the state owning the firms (He was a Fascist, not a Communist!)
- ❑ Solution: Implement Corporatism with one change:
Instead of "guided by the Church and priests", substitute "guided by the Fascist Party and Fascist Party officials"
- ❑ Full-fledged Corporatist system implemented
 - ❑ Economy divided into 31 Corporations
 - ❑ Each Corporation run by an Association (loyal Fascist business owners, Fascist worker representatives, Fascist government officials and Fascist Party representatives) that set all prices and wages throughout the Corporation, set production limits and regulated entry (all to prevent competition)



“Corporatism places the labor force, as an obedient mass, at the disposal of the leader.”

Benito Mussolini

I意大利:世界上第一个社团主义经济

墨索里尼的法西斯党从1922年到1943年统治意大利

他需要一种方法来控制经济中的每一家公司，

但又不能让国家拥有这些公司(他是一个

法西斯主义者，不是共产主义者!)

解决方案:通过一个改变来实现社团主义:

而不是“由教会和神父指导”，

代之以“由法西斯党和法西斯主义者指导”

党内官员”

执行成熟的社团主义系统

经济被划分为31个公司

每个公司由一个协会(忠诚的法西斯主义者)经营

企业主、法西斯工人代表、法西斯主义者

政府官员和法西斯党的代表)

制定全公司的价格和工资，

设定生产限制和管制进入(都是为了防止)

竞争)



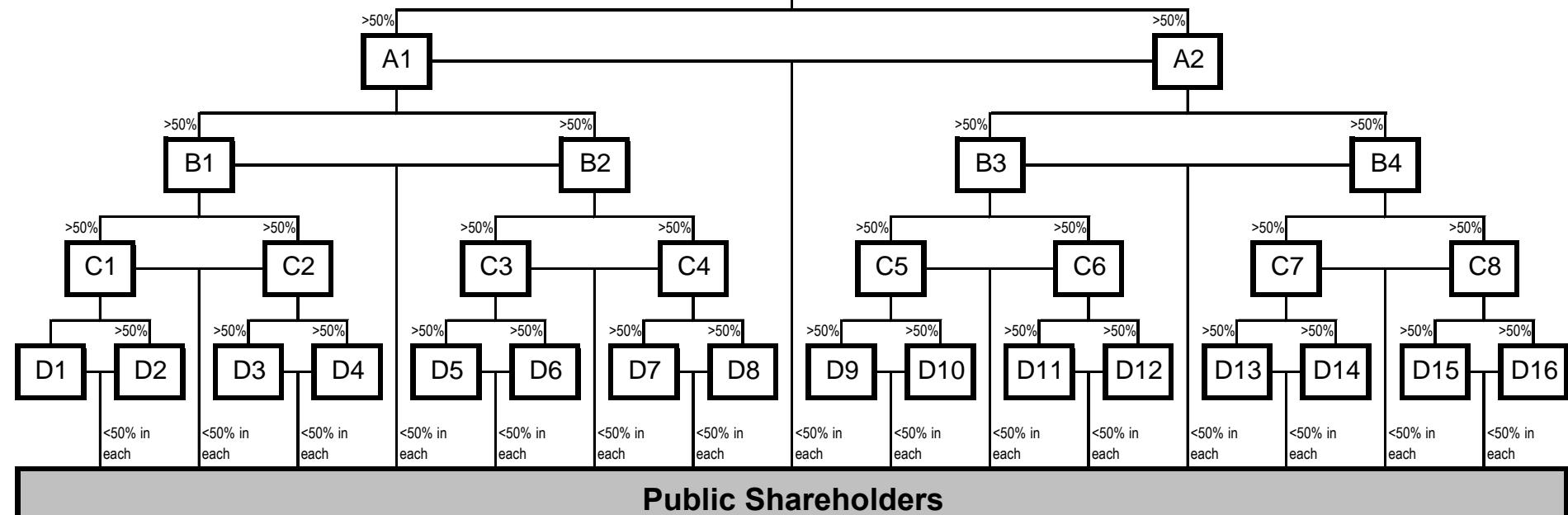
“社团主义把
劳动力，作为一个听话的群
体，听任领导者支配。”

贝尼托·墨索里尼

Italy: World's First Corporatist Economy

- Mussolini dealt with a financial crisis by nationalizing many banks
- Bankrupt firms and business groups were reorganized into new business groups of listed firms with state-owned enterprises at the apex of each pyramid
- All of the group member firms look like listed, separate, private sector firms; but they are really member firms of a Fascist Party-run pyramidal group
- After the war, subsequent Italian governments kept these state-run pyramidal groups of listed firms (until they were privatized in the late 20th century)

Istituto per la Ricostruzione Industriale



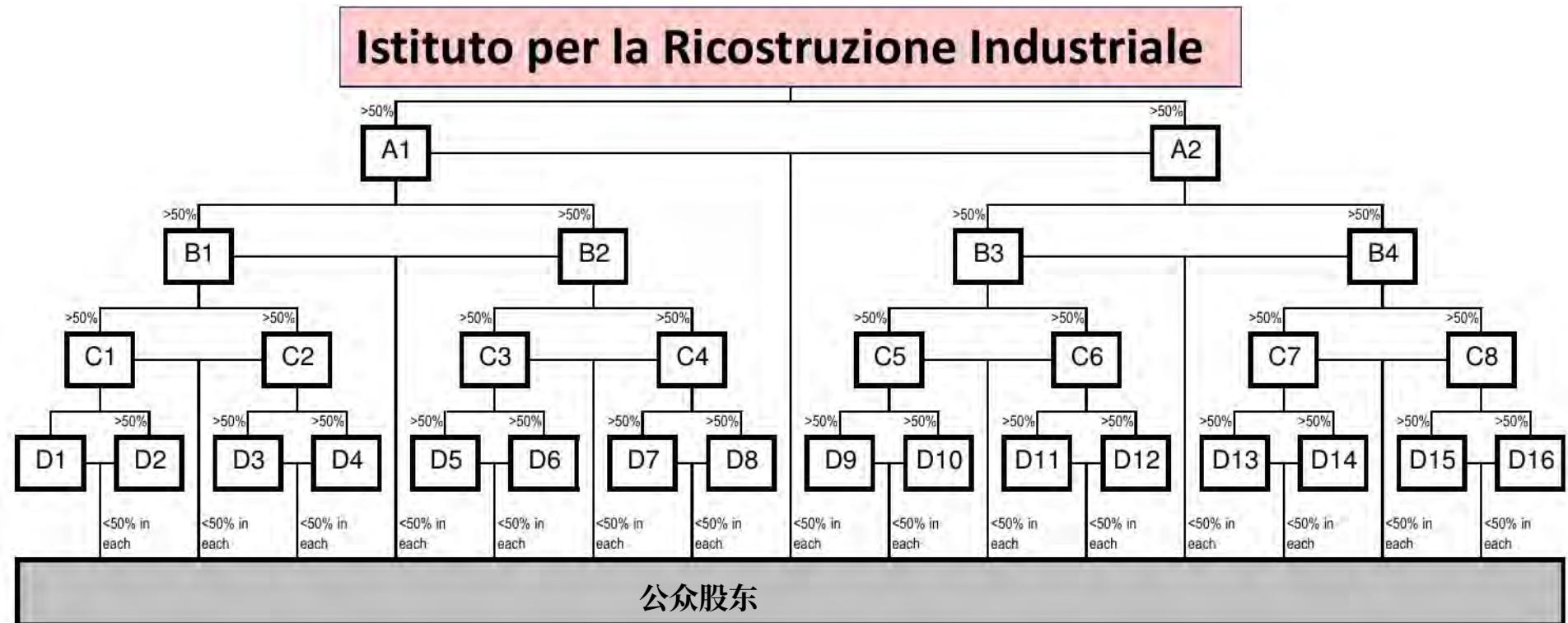
I意大利:世界上第一个社团主义经济

墨索里尼通过国有化许多银行来应对金融危机

破产的公司和商业集团被重组为上市公司的新商业集团，国有企业位于每个金字塔的顶端

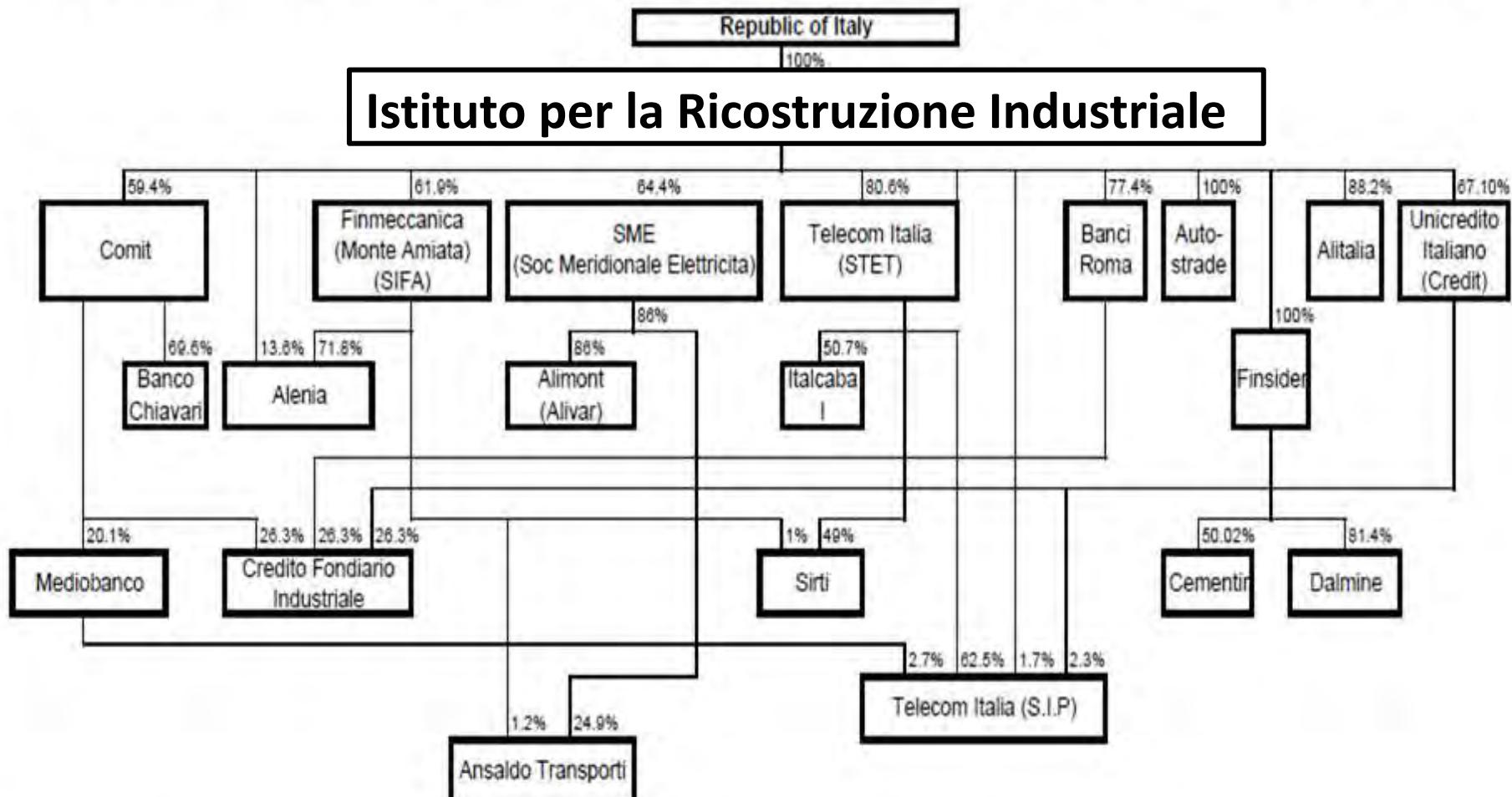
所有集团成员公司看起来都像是上市的、独立的私营企业;但它们实际上是法西斯党经营的金字塔集团的成员公司

战争结束后，随后的意大利政府保留了这些国有金字塔状的上市公司集团(直到20th世纪末它们被私有化)



Example: IRI in 1987

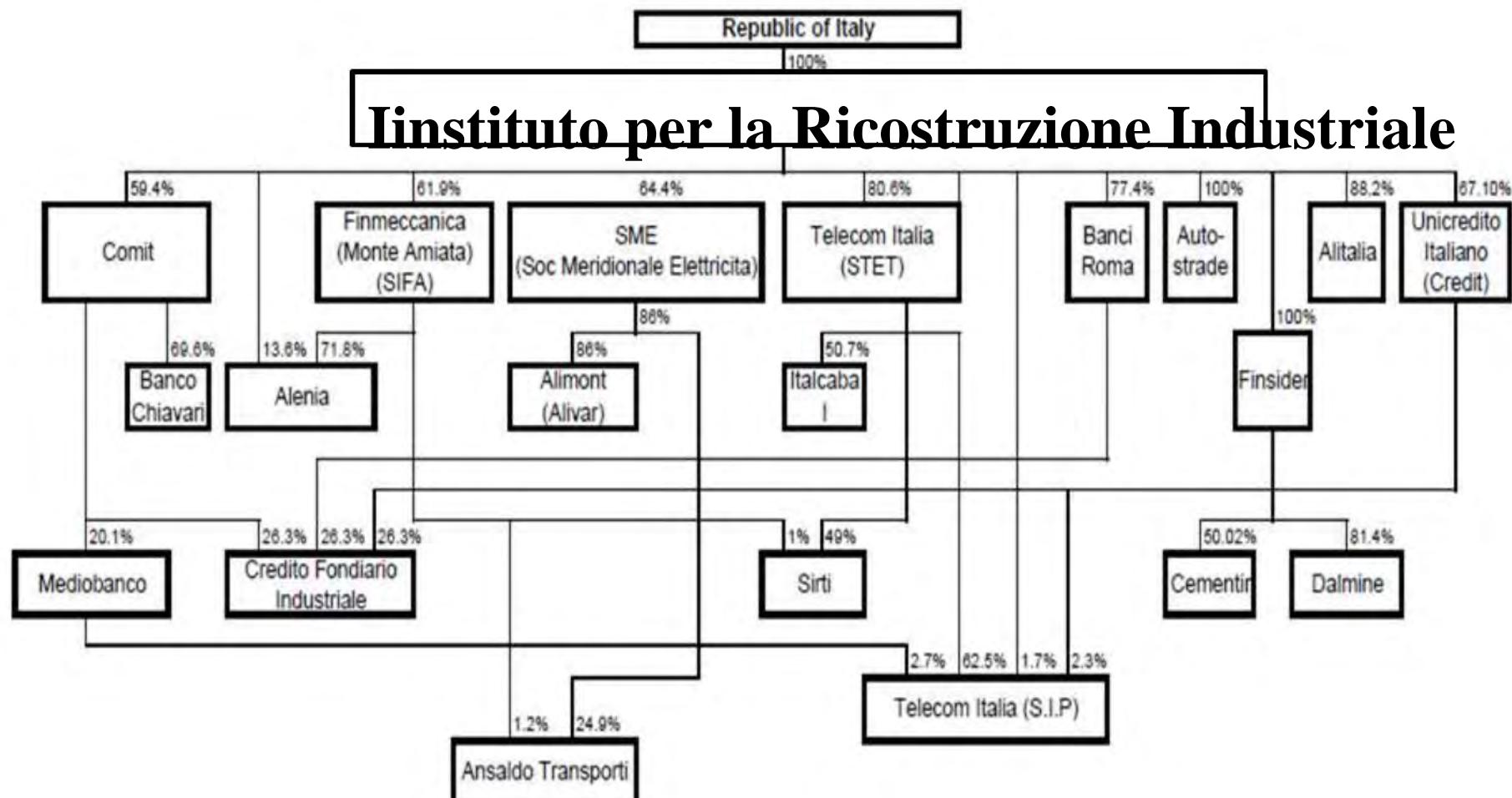
The IRI, a state controlled pyramidal business group constructed by Mussolini, remained a fixture of the Italian economy until the 1990s, when it was broken up and its component firms were privatized.



Source: We are grateful to Paulo Volpin for providing the data used in assembling this diagram.

Example: IRI in 1987

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Pope Pius XI Extols Italian Corporatism

- § 91. Recently, as all know, there has been inaugurated a special system of syndicates and corporations of the various callings which in view of the theme of this Encyclical it would seem necessary to describe here briefly and comment upon appropriately.
- § 92. The civil authority itself constitutes the syndicate as a juridical personality in such a manner as to confer on it simultaneously a certain monopoly-privilege, since only such a syndicate, when thus approved, can maintain the rights (according to the type of syndicate) of workers or employers, and since it alone can arrange for the placement of labor and conclude so-termed labor agreements. Anyone is free to join a syndicate or not, and only within these limits can this kind of syndicate be called free; for syndical dues and special assessments are exacted of absolutely all members of every specified calling or profession, whether they are workers or employers; likewise all are bound by the labor agreements made by the legally recognized syndicate. Nevertheless, it has been officially stated that this legally recognized syndicate does not prevent the existence, without legal status, however, of other associations made up of persons following the same calling.
- § 93. The associations, or corporations, are composed of delegates from the two syndicates (that is, of workers and employers) respectively of the same industry or profession and, as true and proper organs and institutions of the State, they direct the syndicates and coordinate their activities in matters of common interest toward one and the same end.
- § 94. Strikes and lock-outs are forbidden; if the parties cannot settle their dispute, public authority intervenes.
- § 95. Anyone who gives even slight attention to the matter will easily see what are the obvious advantages in the system. We have thus summarily described: The various classes work together peacefully, socialist organizations and their activities are repressed, and a special magistracy exercises a governing authority. ...

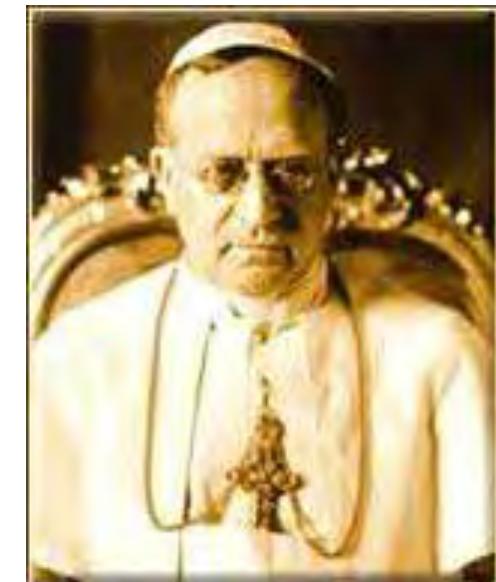
教宗庇护十一世颂扬意大利社团

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Quadragesimo Anno, 1931

Pius XI blasts free market economics

- Blasts “an economic science alien to the true moral law” [ends v means]
- Condemns “the evil of Individualism” and “the doctrine of Rationalism” because they give “free reign was given to human avarice” [XX]
- Condemns free markets for creating a world where “men were hardened in excessive self-love, ... deceived by the attractions of false liberty, ... and endeavored to throw off all authority” [XXX]
- Enthusiastically applauds Corporatism as God’s commandment & man’s only ethical economic system. Points to Italy as a good model.
- Explains why there are no agency problems under Corporatism run by “those sons of Ours whom Catholic Action imbues with Catholic principles” [XCVII]



His Holiness
Pope Pius XI
(1857, 1922-39)

《Quadragesimo Anno》, 1931年

路易十一世抨击自由市场经济

炮轰“一门与真正道德相悖的经济科学”

法律” [目的v手段]

谴责“个人主义的邪恶” 和 “邪恶”

理性主义学说”，因为它们给予“自由”

统治被赋予了人类的贪婪” [XX]

谴责自由市场创造了一个世界

“人们在过度的自爱中变得冷酷无情，……

被虚假自由的诱惑所欺骗……而且

试图摆脱一切权威” [XXX]

热情地称赞社团主义是上帝的

戒律&人类唯一的伦理经济

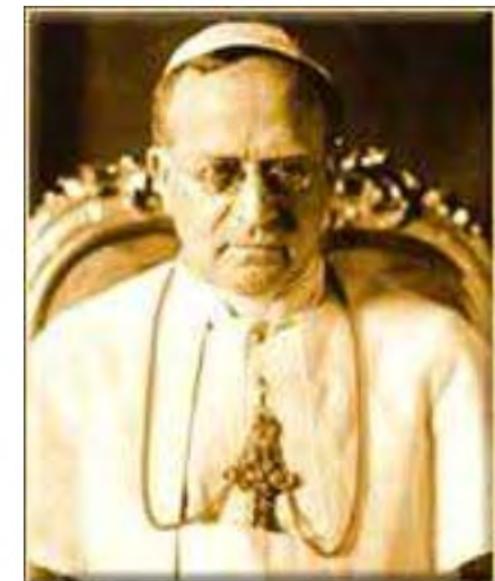
系统。指出意大利是一个很好的模式。

解释为什么下没有代理问题

社团主义由“我们的儿子们” 经营

天主教行动充满了天主教原则”

(XCVI)



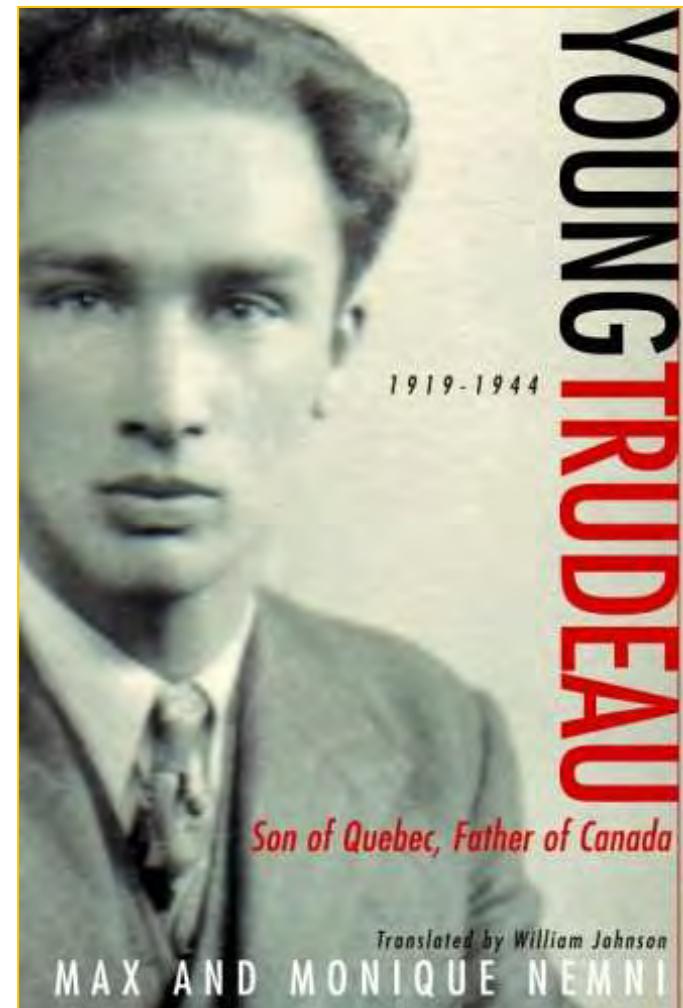
教皇庇护十一世(18
57,1922-39)

What Catholic Schools Taught

A biography of Prime Minister Pierre Trudeau reproduces his notes from classes at his Roman Catholic high school in Montreal

- "Liberalism leads to excesses: to unemployment, anarchy. The ideal is corporatism, which does not separate people into parties, but unites their interests"
- "The democratic principle has contributed to the undermining of civilization by impeding the development of the elite."

Pierre Elliott Trudeau, private notes, 1937



天主教学校教学内容

皮埃尔总理的传记

特鲁多复制了他在课堂上的笔记

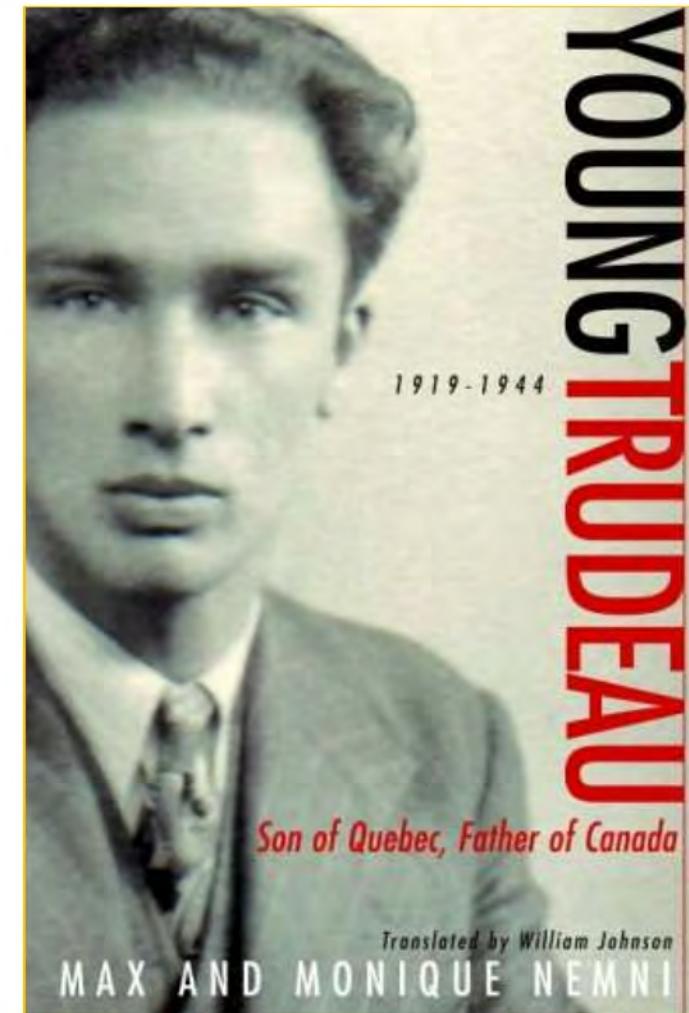
在他的罗马天主教高中

蒙特利尔

“**自由主义导致过度:to**
失业、无政府状态。的
理想的是社团主义，这是可行的
不把人分成政党，
而是统一他们的利益。”

“民主原则已经
促成了……的破坏
文明的阻碍
精英的发展。”

皮埃尔·埃利奥特·特鲁多，私人笔记，1937



Corporatist Corporate Governance

Corporatist model spreads across interwar & WWII Europe

- ❑ 1922 Christian Social Austria under Seipel, Dolfuss & Schuschnigg
- ❑ 1933 National Socialist Germany under Hitler
- ❑ 1931 Falangist Spain under Franco
- ❑ 1932 Estado Novo Portugal under António Salazar & successors
- ❑ 1940 Vichy France under Marshall Henri Philippe Pétain

Military coups spread Corporatism across Latin America

- ❑ Stroessner in Paraguay, Somozas in Nicaragua, PRI in Mexico
- ❑ Generals & colonels in Brazil, Chile, Uruguay, Bolivia, Ecuador, Panama, Honduras, Guatemala, El Salvador, ...
- ❑ Corporatist institutions deeply entrenched in Latin America (ex. Cuba)
 - ❑ *R. Novarum* & *Q. Anno* extracts still in many Lat. American countries' constitutions
 - ❑ This make economic reform difficult because Corporatism firmly links rent-seeking oligarchs to government officials

And into the Middle East in 1950s and 1960s

- ❑ Lebanese Christian Falangist Party & other Arab movements too

Corporatism widely lauded as a “Third Way for the Third World”

- ❑ By Catholic & Protestant theologians & other religious intellectuals
- ❑ By anti-capitalist secular intellectuals

Corporatist Corporate

社团主义模式在两次世界大战和第二次世界大战之间的欧洲蔓延

1920年塞佩尔、多尔弗斯和许士尼格领导下的基督教社会奥地利

1933年希特勒统治下的国家社会主义德国

1931年佛朗哥统治下的长枪党西班牙

1932年António萨拉查及其继任者统治下的葡萄牙新国家

1940年马歇尔·亨利·菲利普·帕萨坦治下的维希法国

军事政变将社团主义扩散到整个拉丁美洲

巴拉圭的斯特罗斯纳、尼加拉瓜的索莫扎斯、墨西哥的PRI

巴西、智利、乌拉圭、玻利维亚、厄瓜多尔、巴拿马的将军和上校，

洪都拉斯、危地马拉、萨尔瓦多……

社团主义制度在拉丁美洲根深蒂固(如古巴)

R. Novarum & Q. Anno的提取物仍在许多Lat. 美国国家的宪法

这使得经济改革变得困难，因为社团主义与寻租紧密相连

寡头与政府官员

并在五六十年代进入中东

黎巴嫩基督教长枪党和其他阿拉伯运动也是如此

社团主义被誉为“第三世界的第三条道路”。

被天主教和新教神学家及其他宗教知识分子所推崇

反资本主义的世俗知识分子

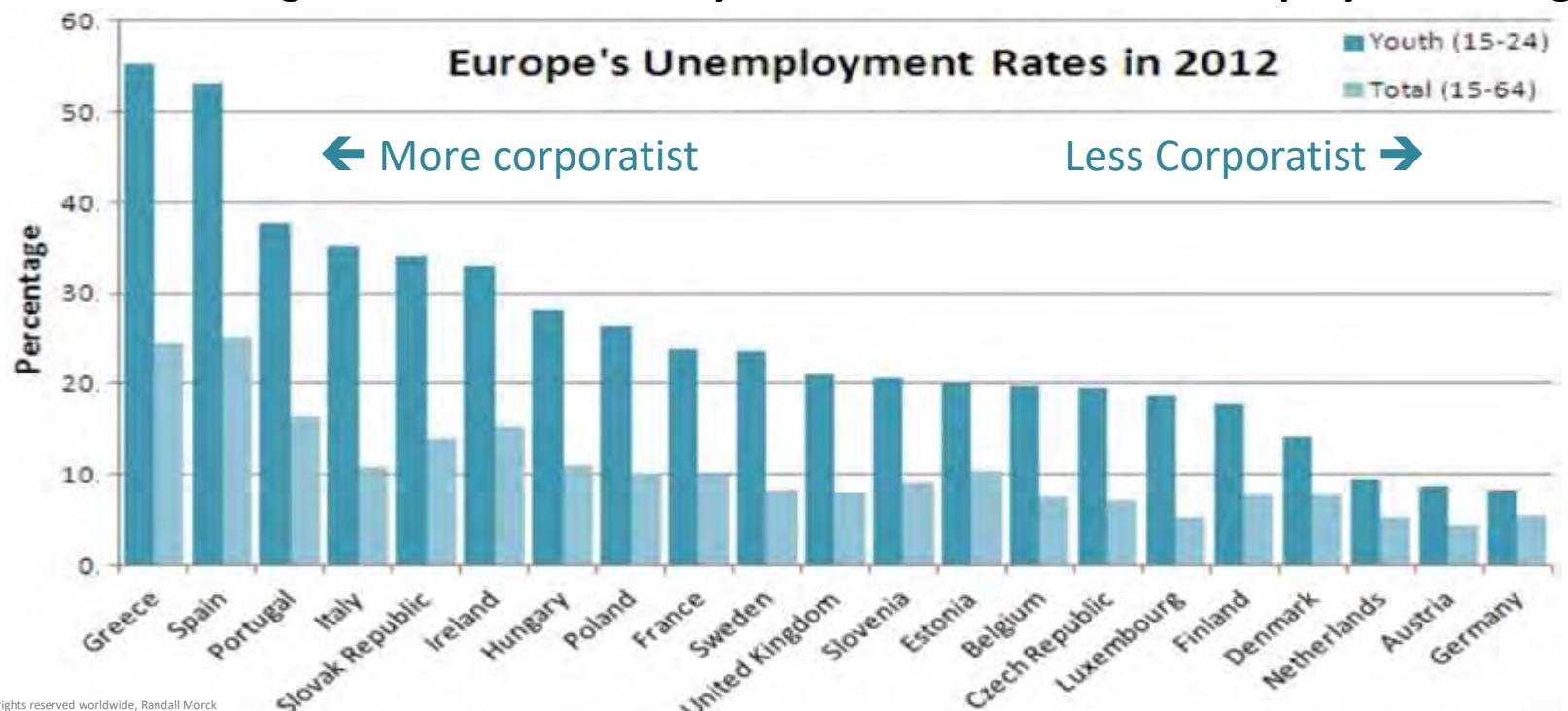
Corporatist Economic Policies

Associations under Corporatism

- Set wages & prices & output limits, so no competition to be more efficient
- Regulate entry, so no creative destruction that would harm existing business owners
- Ban competition (stealing other firms' customers with low prices or innovative new products illegal), so prices are high & innovation is slow
- Protect employed workers' jobs for life (once hired, workers can never be fired)

But important parts of the economy are not represented in Associations

- Entrepreneurs with creative ideas are shut out, so no innovative new firms
- Firms avoid hiring workers because they can never be fired, so unemployment is high



社团主义经济政策

社团主义下的协会

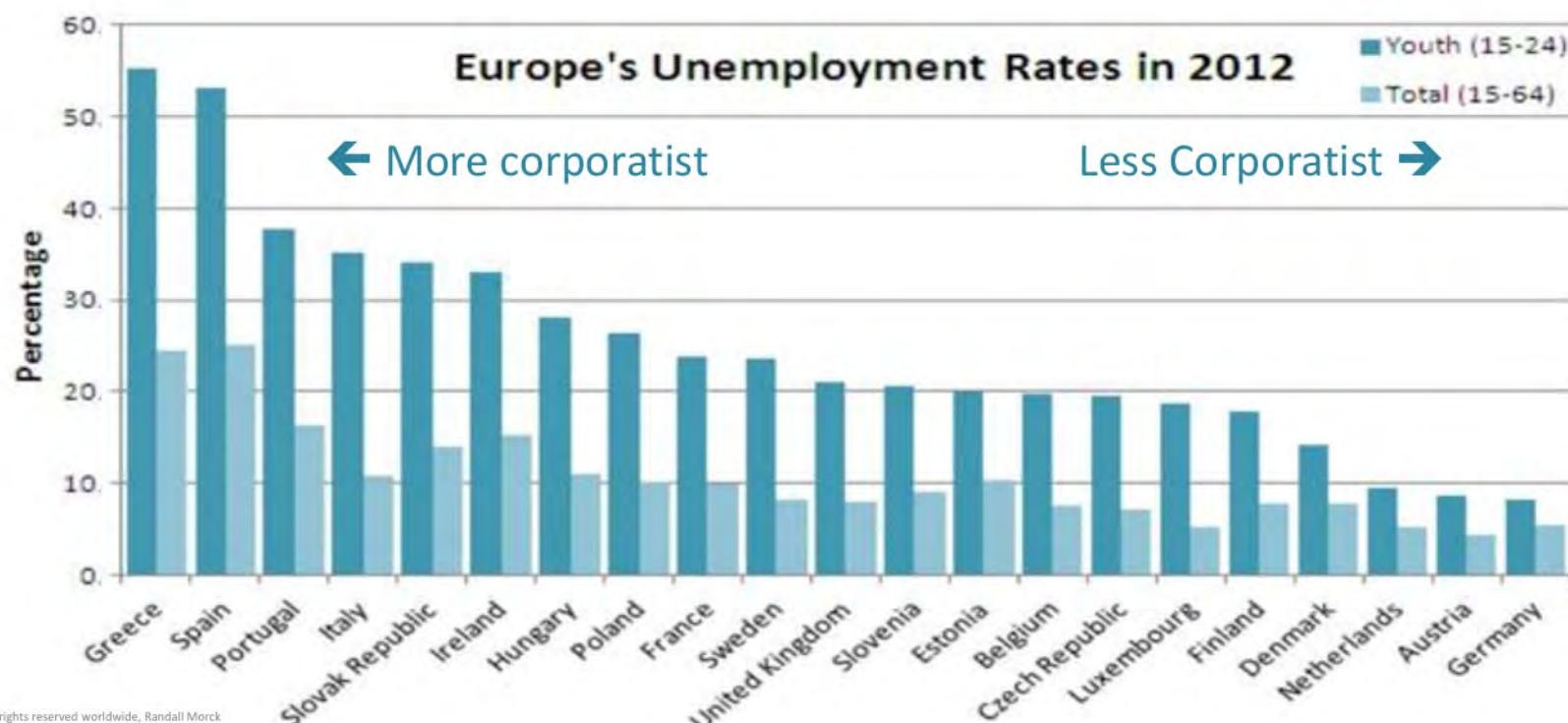
设置工资、价格和产出限制，这样没有竞争才能更有效率

规范进入，因此不会有伤害现有企业主的创造性破坏；禁止竞争（以低价或创新新产品非法窃取其他公司的客户），因此价格高企，创新缓慢

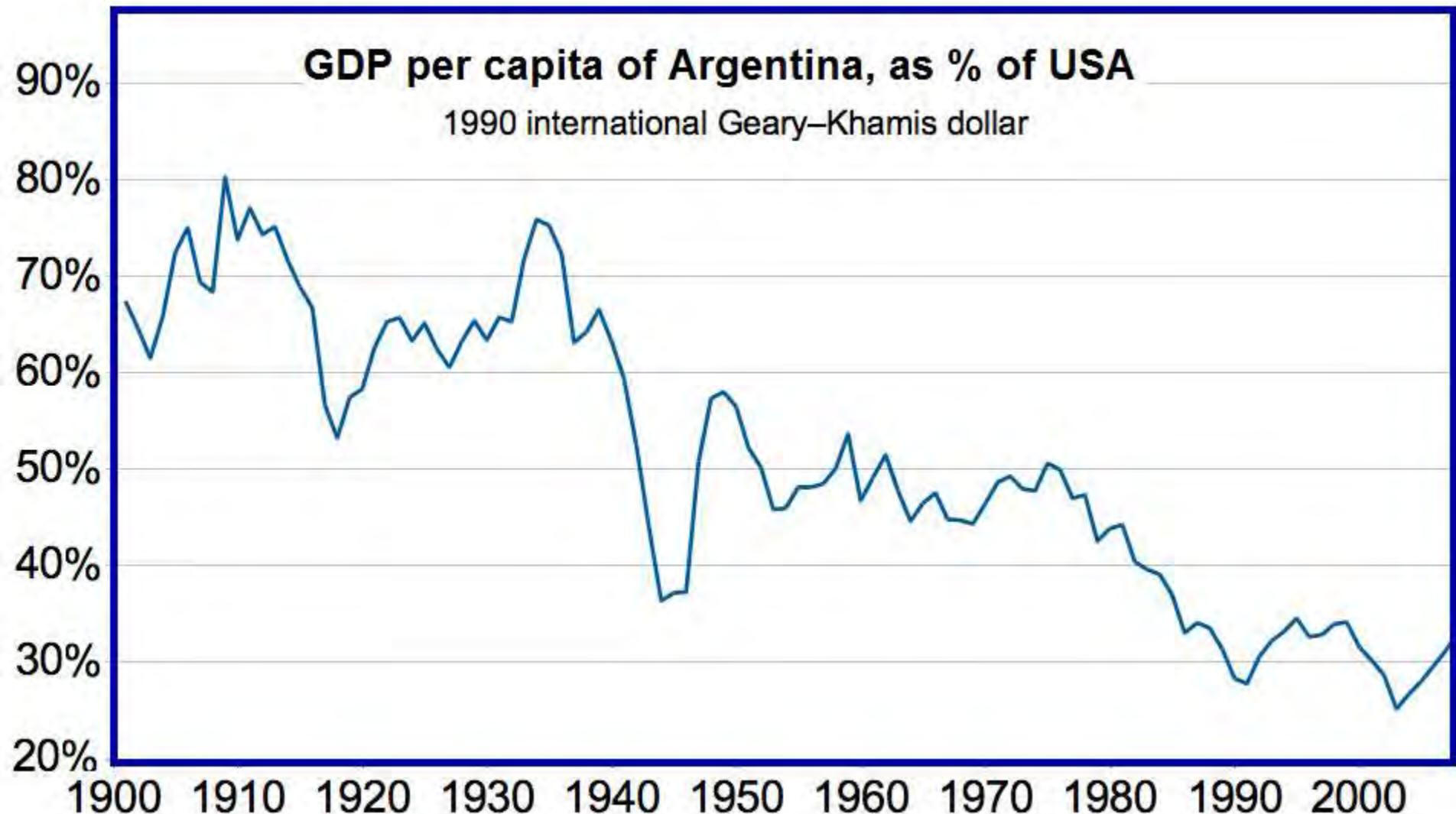
终身保护被雇佣工人（一旦被雇佣，工人永远不能被解雇）但是经济的重要部分在协会中没有代表

具有创造性想法的企业家被拒之门外，因此没有创新的新公司

企业避免雇佣工人，因为他们永远不会被解雇，所以失业率很高



The World's Most Unsuccessful Country



The World's Most Unsuccessful Country



The World's Most Unsuccessful Country

Argentina was a 1st World country in early 20th C.

- Standard of living similar to Canada, USA
- Pres. Gen. Juan Peron (1946-55, 73-4)
- Seized & held power via coups & elections of varying dishonesty
- Implemented Corporatism (“Peronism” in Argentina)
 - Wages prices, entry, output levels in each industrial “Corporation” set by its Association (committee of business family members, labor leaders & Peronist officials)
 - Continued after Peron’s death - succeeded by Isabel Peron (his 2nd wife)
 - Years of brutal military rule suppress dissent
 - Democracy restored after military unsuccessfully invaded Falkland Islands in 1983
 - Elected Presidents of all parties retain Corporatist system
 - Socialists give more power to labor leaders
 - Peronists give more power to business owners



Juan & Evita Peron



Isabel Martinez de Peron

世界上最不成功的国家

阿根廷在早期是一个1st世界国家20thC.

生活水平与加拿大、美国相似

总统。胡安·庇隆将军(1946- 55,73 -4)

通过政变和各种选举夺取并掌握权力

不诚实

实施社团主义(阿根廷的“庇隆主义”)

每个工业的工资价格、进入、产出水平

“公司”由其协会(委员会)制定

企业家族成员、劳工领袖和庇隆主义者
官员)

庇隆死后继续-由伊莎贝尔庇隆继任

(他的2nd妻子)

多年残酷的军事统治压制了异议

军事入侵失败后恢复民主

福克兰群岛 1983

各党派当选总统保留社团主义制度

社会主义者给予劳工领袖更多权力

庇隆主义者给予企业主更多权力



胡安和埃维塔庇隆



伊莎贝尔·马丁内斯·德·庇隆

Import Substitution

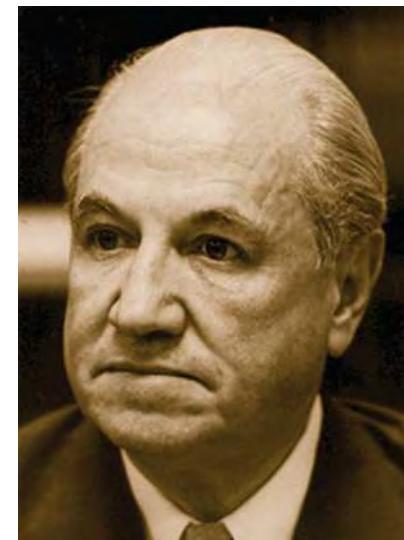
Prebisch, Raúl. 1962 The economic development of Latin America and its principal problems. Economic Bulletin for Latin America

Countries adopting Corporatism usually also adopted Import Substitution

- Argentina was a major food and raw materials exporter in the 1920s, and hurt severely by the 1930s global trade war
- Argentine economist Raúl Prebisch attributed Argentina's economic problems to unfair US trade policy

Raúl Prebisch's "Import Substitution" Theory

- Assumptions: All business everywhere is rigged monopolies
- Problem: Latin America treated unfairly because US multinationals have price-setting monopoly power and ...
 - Force Latin Americans to sell raw materials & agricultural goods to them at rigged low prices
 - Force Latin Americans to buy manufactured goods from them at rigged high prices
- Conclusion: Latin America is being taken advantage of
- Solution: Import substitution
 - Ban international trade
 - Substitute domestically owned manufacturing monopolies (all businesses are monopolies anyway) for US multinationals
 - Subsidize local monopolies to buy local raw materials and agricultural goods at higher prices and sell locals manufactured goods at lower prices
- Implemented by Argentina & then other Latin Am. countries, then around the world
 - Recommended to all developing countries by United Nations Commission on Tariffs & Trade (UNCTAD) headed by Prebisch
 - Made Corporatism easier to implement by preventing foreign imports from interfering with Associations' price & quantity setting powers
 - Extremely popular with entrenched business families in low-income countries



Raúl Prebisch
Argentine Economist
Secretary General,
UNCTAD (UN Conference
on Trade & Development),
1964 – 69

Import替换

劳尔·普雷维什，1962拉丁美洲的经济发展及其主要问题。拉丁美洲经济公报

采用社团主义的国家通常也采用进口替代

阿根廷在20世纪20年代是一个主要的食品和原材料出口国

受到1930年代全球贸易战的严重打击

阿根廷经济学家Raúl普雷维什将阿根廷的经济问题归咎于美国不公平的贸易政策

Raúl普雷维什的“进口替代”理论

假设:任何地方的所有商业都是被操纵的垄断

问题:拉丁美洲受到不公平待遇,因为美国跨国公司有定价权

垄断力量和……

强迫拉丁美洲以操纵的低价向他们出售原材料和农产品

强迫拉丁美洲人以操纵的高价从他们那里购买制成品

结论:拉丁美洲正在被利用

解决方案:进口替代

禁止国际贸易

替代国内拥有的制造业垄断(所有企业都是垄断企业)

对美国跨国公司来说

补贴当地垄断企业以更高的价格购买当地原材料和农产品

价格并以较低的价格出售当地制成品

由阿根廷和其他拉美国家实施。国家,然后是世界各地

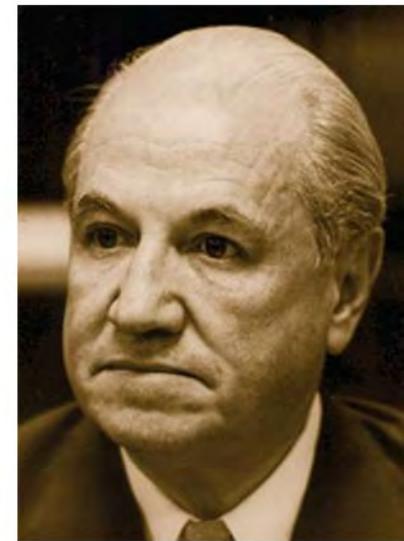
联合国关税委员会向所有发展中国家推荐

由普雷维什领导的贸易(UNCTAD)

通过防止外国进口的干涉,使社团主义更容易实施

协会的价格和数量设定权

在低收入国家根深蒂固的商业家庭中非常受欢迎



Raúl普雷维什
阿根廷经济学家
秘书长
UNCTAD
贸易与发展会议,
1964 -69

Under Corporatism & Import Substitution

Schumpeterian circular flow slows & stops

- Little innovation (new technology only allowed if imported by an existing firm)
- Little to no competition (no price cutting, no entry of new firms)
- Small illiquid stock market (existing firms can get Association to raise prices to get more money if need to invest more; no need for continual investment because no need to modernize PP&E)
- Unstable crash-prone financial system
 - Repeated sovereign defaults (government defaults on T-bills issued to raise money for subsidies)
 - Repeated episodes of hyperinflation (government prints money to pay subsidies)
 - Repeated episodes of bank failures (banks fail because people withdraw rapidly inflating money to buy real assets such as gold, silver, ...)
 - Domestic savings rate very low (nothing to invest in, saving is dangerous)

Weak institutions

- Widespread corruption
 - Insiders (firm owners, labor leaders, politicians) use economic powers to get rich
 - People evade taxes because system increasingly viewed as corrupt
 - Low funding for schools, universities, infrastructure, ...
- Low investment in higher education (no need for educated workers)
 - Workers OK in same old jobs, no need for new skills

Argentina falls from 1st World to 3rd World status

在社团主义与进口替代下

熊彼特循环流减慢并停止

很少创新(新技术只有在现有公司引进时才被允许)

几乎没有竞争(没有降价，没有新公司进入)

小的流动性差的股票市场(现有的公司可以得到协会提高价格来获得资金多则需多投资;不需要持续投资，因为没有需要现代化的PP&E)

不稳定、易崩溃的金融体系

反复出现主权违约(政府为筹集补贴资金而发行的国库券违约)

恶性通货膨胀反复发作(政府印钞支付补贴)

反复出现的银行倒闭(银行倒闭是因为人们将迅速膨胀的货币提取到银行购买黄金、白银等实物资产……)

<s:1>国内储蓄率很低(没什么可投资的，储蓄很危险)

虚弱的机构

普遍的腐败现象

内部人士(公司老板、劳工领袖、政客)利用经济权力致富

人们逃税是因为这个制度越来越被视为腐败

学校、大学、基础设施等的资金不足……

高等教育投入低(不需要受过教育的工人)

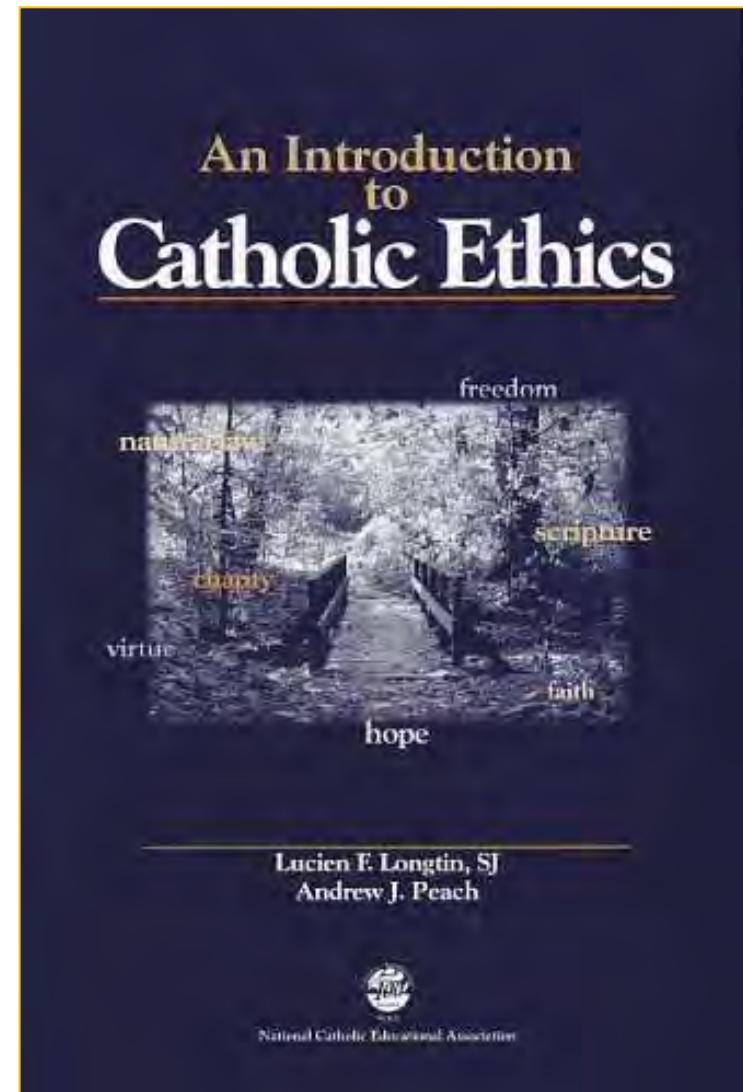
在同样的老工作岗位上工作还可以，不需要新的技能

阿根廷从1stWorld跌至3rdWorld

状态

Values Created, Value Destroyed?

- ❑ Why are Catholic majority countries (and their ex-colonies) statistically significantly poorer, less financially developed, less open to entrepreneurship?
- ❑ It wasn't always so. These countries fell behind in the early & mid 20th century, when Corporatist teachings were at their most confident
- ❑ Roman Catholic schools and universities largely stopped teaching Corporatism by the 1980s
- ❑ Does a Corporatist residue constrain financial development in some countries?
- ❑ Did an attempt to force “ethics” into economics needlessly consign a billion plus people to additional generations of poverty?



Catholic thought
has moved on

V价值创造，价值毁灭？

为什么天主教占多数的国家(和他们的前殖民地)在统计上是显著的更穷，经济不发达，更少对创业开放？

情况并非一直如此。这些国家衰落了在20th世纪早期和中期就落后了，当时社团主义的教义正处于鼎盛时期最自信的

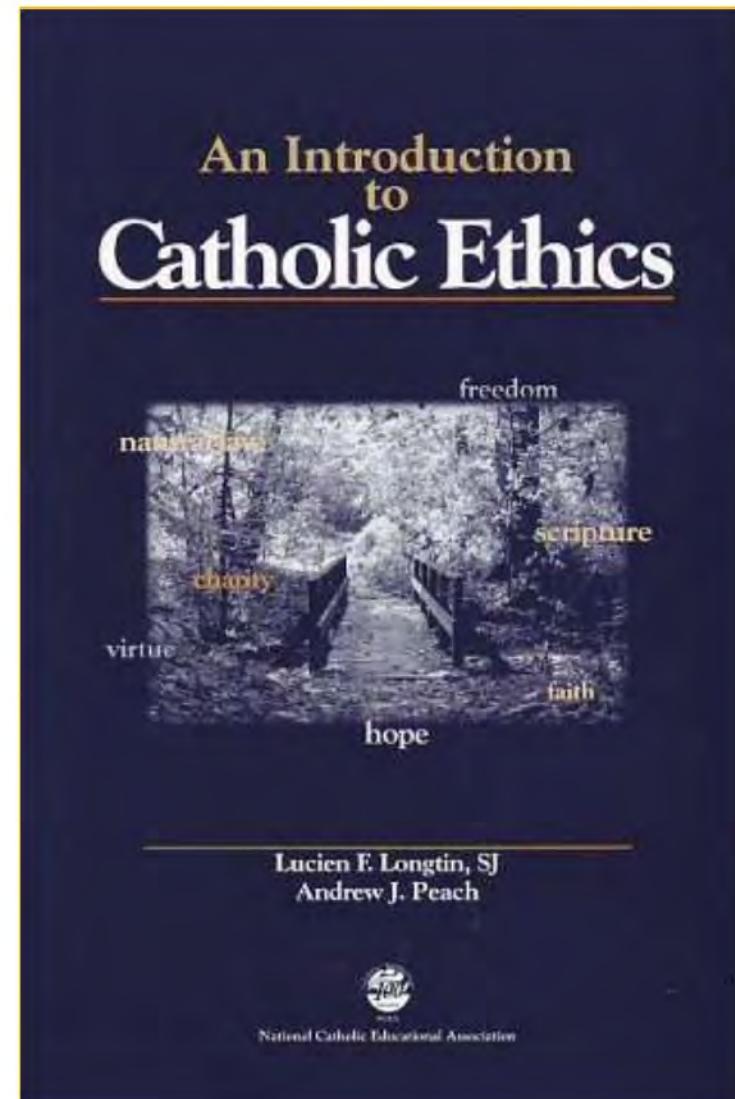
罗马天主教学校和大学

基本上不再教授社团主义
1980年代

社团主义的残余是否会约束

一些国家的金融发展？
曾试图强行将“伦理”带入经济学不必要地委托了10多亿

人们多了几代人
贫穷？



天主教的思想已经
有了进步





Les Grandes Écoles

France signed a “separate peace” with Nazi Germany & Fascists took power

- Fascist government of France adopted religious Corporatism
- After 1945 Liberation, priests in corporate governance deemed unacceptable
- Replaced by a “republican meritocratic” version of Corporatism (1945 to now)

Les Grandes Écoles are a set of small & highly selective colleges

- École national d’administration was most important (closed in 2021 in anti-elitism reforms)
- ENA graduates were called “énarchs”, a term still used for graduates of small elite colleges:
Institut national du service public (successor institution to ENA), École polytechnique, École normal, École des mines & École des ponts et chaussées

Admission, grades & graduation solely based on merit

- Admission based only on examinations, corruption in admissions is ‘unthinkable’
- But students from wealthy families can afford tutors, special “cram-schools”, etc.

Énarchs typically first became state bureaucrats, then become CEOs

- Almost all top government officials are énarchs
- Almost all large company CEOs are énarchs & ex-government officials

System defended because

- Énarchs are considered a “pure meritocracy”
- Énarchs are taught “republican values” of “noblesse oblige” [elite merits power & privileges, but in return elite must protect ordinary people]

System criticized as elitist and overly uniform in ideology

大军团Écoles

法国与纳粹德国签署了“单独和平”协议，法西斯掌权

法国法西斯政府采用宗教社团主义

1945年解放后，牧师在公司治理中被认为不可接受

被社团主义的“共和精英”版本所取代(1945年至今)

大军团Écoles是一组规模小且选择性高的大学

École national d'administration是最重要的(在2021年反精英主义改革中关闭)

ENA毕业生被称为“ENA毕业生”，这个词仍然用于小型精英大学的毕业生：

国立公共服务学院(ENA的后继机构)，École理工学院，École

Normal, École des mines & École des ponts et chaussées

录取，成绩和毕业完全基于成绩

仅基于考试的录取，招生中的腐败是“不可想象的”

但富裕家庭的学生可以请得起家教、特殊的“补习学校”等。

Énarchs通常首先成为政府官员，然后成为首席执行官

几乎所有的高级政府官员都是职业经理人

几乎所有大公司的首席执行官都是职业经理人和前政府官员

系统辩护是因为

Énarchs被认为是“纯粹的精英管理”

Énarchs被教导“贵族义务”(noblesse oblige)的“共和价值观”

特权，但作为回报，精英必须保护普通人]

制度被批评为精英主义，在意识形态上过于统一

French Corporate Governance

A corporation is called a Société Anonyme (S.A.)

- ❑ Means *anonymous society* because anonymous shareholders can own shares

CEO or Président et Directeur Général (PDG) runs the firm

- ❑ Chooses successor (board ratifies), retires at 65 (board can waive)

Board of directors

- ❑ Directeurs (all are usually énarchs, who are bureaucrats or ex-bureaucrats)
 - ❑ Appointed & fired at will by PDG (shareholders ratify decision)
- ❑ Non-voting “observers” on board (leftover from Corporatism)
 - ❑ Censors (2 current civil servants)
 - ❑ Represent the ministry responsible for regulating the firm
 - ❑ Duty is to ensure close “business-government” cooperation
- ❑ Comité d’entreprise (2 worker reps) vet employment decisions to:
 - ❑ Maintain total job security for full-time workers (no firings, demotions, ...)
 - ❑ Establish & expand social welfare programs for full-time workers (long vacations, high pay, lower workloads, ...)
 - ❑ Many “extra” social services are provided through state-subsidized unions, professional associations, industry programs, etc. so different workers get different social benefits

法国公司治理

公司被称为society<s:1> Anonyme (S.A.)

意思是匿名社团，因为匿名股东可以拥有股份

首席执行官(CEO)或PDG主管(director)管理公司

选择继任者(董事会批准)， 65岁退休(董事会可以放弃)

董事会

董事(通常都是文职人员，即官僚或前官僚)

PDG任免(股东批准决定)

无投票权的董事会“观察员”(社团主义遗留下来的)

审查人员(2名现任公务员)

代表负责管理该公司的部门

职责是确保密切的“企业-政府”合作

企业委员会(2名工人代表)审查雇佣决定，以便：

维持全职员工的整体工作保障(不解雇、降职……)

建立并扩大全职员工的社会福利计划(长假期、高福利)

工资高、工作量小……)

许多“额外”的社会服务是由国家补贴的工会提供的，

专业协会、行业项目等等，所以不同的工人得到的待遇是不同的社会福利

Dirigisme des Trente Glorieuses

Trente Glorieuses = “glorious thirty” years (1945 – 75)

- Period of very rapid economic growth with very limited role for free markets
- “Dirigisme” = state-direction was central principle
- Evoked with great pride by many French people

Énarchs at *trésor directorat* in Finance Ministry ran vast system of subsidies & other state interventions to direct SOEs & private firms

- Centrale des bilans* (to supervise individual firms & individual projects)
- Central des risques* (to supervise firms' major financial transactions)
- Fichier bancaire des entreprises* (to monitor careers of 700,000 managers)

A ministry was created to supervise each related set of industries

- Each industrial ministry to regulate its set of industries & supply top managers to private firms & SOEs in those industries
- Bureaucrats in regulating industry to become CEOs of firms they previously regulated.
This is called “pantouflage” (walking in slippers (i.e. “not going outside”))

The end of the era

- Economic growth slowed in late 20th century
- Free-market reforms in France to restart economic growth only partially successful
- European integration & global competition (e.g. from China) hurt less competitive French companies

光荣三旬节的国家统制主义

光荣三旬节(1945 - 1975)

经济高速增长的时期，自由市场的作用非常有限

“国家统制主义” =国家主导是中心原则

被许多法国人引以为傲

Énarchs at trsamsor司在财政部运作着庞大的补贴体系

和其他国家干预，以指导国有企业和私营企业

中央银行(监督个别公司和个别项目)

<s:1>中央风险管理委员会(监督公司的主要金融交易)

监管70万名管理人员的职业生涯

设立了一个部门来监督每一组相关的行业

每个工业部门都要规范自己的行业，并为私人提供高级管理人员

这些行业的公司和国有企业

监管行业的官僚成为他们之前监管的公司的首席执行官。

这被称为“pantouflage”(穿着拖鞋走路(即“不出门”))

这个时代的终结

20th世纪末经济增长放缓

法国重启经济增长的自由市场改革只取得了部分成功

欧洲一体化和全球竞争(例如来自中国的竞争)伤害了竞争力较弱的法国人

公司

Insider-outsider Tensions Now High

System popular with “insiders”

- Officials, PDGs & managers (énarchs) like their power & privileges
- Full-time workers like job security, high pay & special social benefits

System unpopular with “outsiders”

- Graduates of ordinary universities rare in upper levels of society
- Students can't find jobs because firms don't want to hire workers they must pay well, provide social benefits, & can never fire
- Temporary & immigrant workers are not protected, have weak job security, low pay & fewer social benefits

Reform attempts make few real changes

- Nicolas Sarkozy, the first non-énarch President, was deeply resented
- Replaced by énarch, President Emmanuel Macron
- Regardless of who is President, massive & violent demonstrations by “insider” workers prevent major reforms
- Recent violent demonstrations were against carbon tax-related reforms “insider” workers thought threatened their economic security
- More recent demonstrations were against reforms raising employee retirement age from 62 to 64

New explanations of Trente Glorieuses at least partly right

- French economy destroyed in WWII
 - German bombing when France was on US, UK, Canada, China side
 - US & UK bombing when France was on Germany & Japan side
- France's 30 years of fast growth = repairing war damage
- After war damage repaired, France needs creative destruction to sustain prosperity?



Anti-reform demonstrators in France, 2018



I 内部与外部关系紧张

受“局内人”欢迎的制度

官员、pdg和管理人员(即“文官”)喜欢自己的权力和特权

全职员工喜欢有保障的工作、高收入和特殊的社会福利

制度不受“外来者”欢迎

普通大学的毕业生在社会上层很少见

学生找不到工作是因为公司不想雇佣他们的工人

必须支付高薪，提供社会福利，而且永远不能解雇他们

临时和移民工人没有受到保护，工作薄弱

安全、低工资和更少的社会福利

改革尝试并没有带来什么真正的改变

尼古拉·萨科齐(Nicolas Sarkozy)，第一个不使用薪金限制的总统，对此深为不满

被“不可变”所取代的，是法国总统马克龙

无论谁是总统，大规模的暴力示威都是由

“内部”工人阻止重大改革

最近的暴力示威是针对碳税相关的

“内部”工人认为改革威胁到他们的经济安全

最近更多的示威活动是反对提高员工工资的改革

退休年龄从62岁提高到 64

对光荣三旬节的新解释至少部分是正确的

法国经济在二战中被摧毁

法国轰炸美国、UK、加拿大和中国时，德国进行了轰炸

当法国站在德国和日本一边时，美国和UK进行了轰炸

法国30年的快速增长=修复战争破坏

战争破坏修复后，法国需要创造性的破坏

维持繁荣吗？



2018年，法国反改革示威者







ӘХЛИ ЮРДЛАРЫН ПРОЛЕТАРЛАРЫ, БИРЛЕШИН!

ПРОЛЕТАРХОЙ ҲАМАМ МАМЛАКАТХОЯК ШАВЕД!

VISU ZEMJU PROLETARIEŠI, SAVENOJETIES!

VISU ŠALIÇ PROLETARAI, VIENYKITES!

ЗАМСЭВУБЫР ЧЭСКИЙ ЗЭСУБОЙ, ЗЭСЛЮФОН!

БУТУН ДҮНЁ ПРОЛЕТАРДАРЫ, БИРЛАШИНГЭ!

ПРОЛЕТАРІ ВСІХ СОНАЙТЕСЯ!

KÖIGI MAADE PROLETTAARLASED, ÜHINEGE!

PROLETARIOF FOLG ԵՐԿՐԵՐԻ, ՄԻՎԵՐ

БАРЛЫК ӨЛКӘЛӘРДҮН ПРОЛЕТАРЛАРЫ, БИРЛІККИЛЕ!

ПРОЛЕТАРДИН ТОАТЕ ЦЭРИЛЕ, УНИЦЬ-ВЭ!

БУТУН ӨЛКӘЛӘРИН ПРОЛЕТАРЛАРЫ, БИРЛӘШИН!

БАРЛЫК ЕДЕРДІН ПРОЛЕТАРЛАРЫ, БИРІГІНДЕР!

ПРОЛЕТАРДЫ ҰСІХ КРАИН, ЕДНАЙ-

Soviet Financial System

- ❑ Farms collectivized, common property
 - ❑ Tragedy of the commons plays out
- ❑ Factories, shops, etc. are parts of various ministries
 - ❑ Each has two accounts at state-owned bank
 - Cash account: can withdraw, but not deposit
 - Non-cash account: can deposit, but not withdraw
- ❑ Central planners plan entire economy
 - ❑ Collect all revenues of all factories, shops, farms, ... from their non-cash accounts
 - ❑ Allocate funds to all cash accounts
 - ❑ Allocate workers, raw materials, intermediate goods
 - ❑ Assign output quotas
- ❑ Problems
 - ❑ People give central planners false information
 - ❑ People fail to obey orders
- ❑ Solution: Informers, secret police
 - ❑ Socialist ethics: System is evil and stupid, cheating = fighting back

苏联金融体系

农场集体化，共有财产

- ☒ 公地悲剧上演
- 工厂、商店等都是各个部委的一部分
- ☒ 每人在国有银行有两个账户
 - 现金账户:可以支取，不能存款
 - 非现金账户:可以存款，不能取款

中央计划者计划整个经济

- ☒ 收取所有工厂、商店、农场等的非现金收入账户
- ☒ 将资金分配到所有现金账户
- ☒ 调配工人、原材料、中间产品
- ☒ 分配产出配额

☒ 问题

- ☒ 人们给中央计划者提供虚假信息
- ☒ 人们不服从命令

解决方案:告密者、秘密警察

- ☒ 社会主义伦理:制度邪恶愚蠢，作弊=反击

Soviet Financial System

Shleifer, Andrei & Robert Vishny. 1992. Pervasive Shortages under Socialism. *Rand Journal of Economics* 23(2)237-246

- Why shortages of everything?
 - If central planners made mistakes randomly, shortages of half of all goods & surpluses of half of all goods
- Agency problem: SOE managers self interest:
 - Bribe income*
 - SOE managers earn bribes for goods in shortage, but no bribes for goods in surplus
 - Provide information to central planners designed to ensure production is always “too low”
 - Quota failure*
 - SOE managers’ careers at risk if fail to produce “quota” specified in central plan
 - Lower quota means less risk of punishment

Soviet Financial System

Andrei Shleifer & Robert Vishny. 1992。社会主义下的普遍短缺。兰德经济学杂志23(2)237-246

为什么什么都短缺？

如果中央计划者随机犯错，短缺

所有商品的一半和所有商品的一半的盈余

代理问题:SOE管理者自身利益:

贿赂的收入

SOE管理人员收受短缺货物的贿赂，但事实并非如此

为货物过剩而行贿

向中央计划者提供信息，旨在确保

产量总是“过低”

配额失败

SOE经理如果不能完成“配额”，将面临职业风险

中央计划指定

较低的配额意味着较低的处罚风险

Eastern Europe

Different “mass privatization” processes

- ❑ Former East Germany
 - ❑ Corporatization of East German government assets
 - ❑ Assign each piece of property, plant, equipment to a specific SOE
 - ❑ Investment fund Treuhand Anstalt formed to hold all SOE stock
 - ❑ Treuhand Anstalt ordered to sell SOEs to private buyers. Very few private buyers interested because the government insisted that they had to preserve jobs and keep obsolete plants running
 - ❑ The unified Germany’s government had to “pay” private buyers to buy major East German SOEs (i.e. the SOEs were “privatized” at share prices < 0)

东欧

不同的“大规模私有化”进程<s:1>

前东德

东德政府资产公司化

将每一项财产、工厂、设备分配给特定的机构

国有企业

特鲁韩安斯塔特成立的投资基金全部持有

国有企业股票

特鲁韩安斯塔特下令将国有企业出售给私营企业

买家。很少有私人买家感兴趣，因为

政府坚持他们必须保存

工作岗位，让过时的工厂继续运转

统一后的德国政府不得不“买单”

私人买家购买主要的东德国有企业(即

国有企业在股价 < 0 时被“私有化”。

Eastern Europe

Different “mass privatization” processes

Russia

- Corporatization of government assets
- Government prints “vouchers” and distributes to all citizens



- Citizens use vouchers to buy shares in SOEs
- Problem: Russian oligarchs bought vouchers from people for cash, then used the vouchers to buy control of SOEs

东欧

不同的“大规模私有化”进程

☒ 俄罗斯

政府资产公司化

政府印制“代金券”，发放给所有人

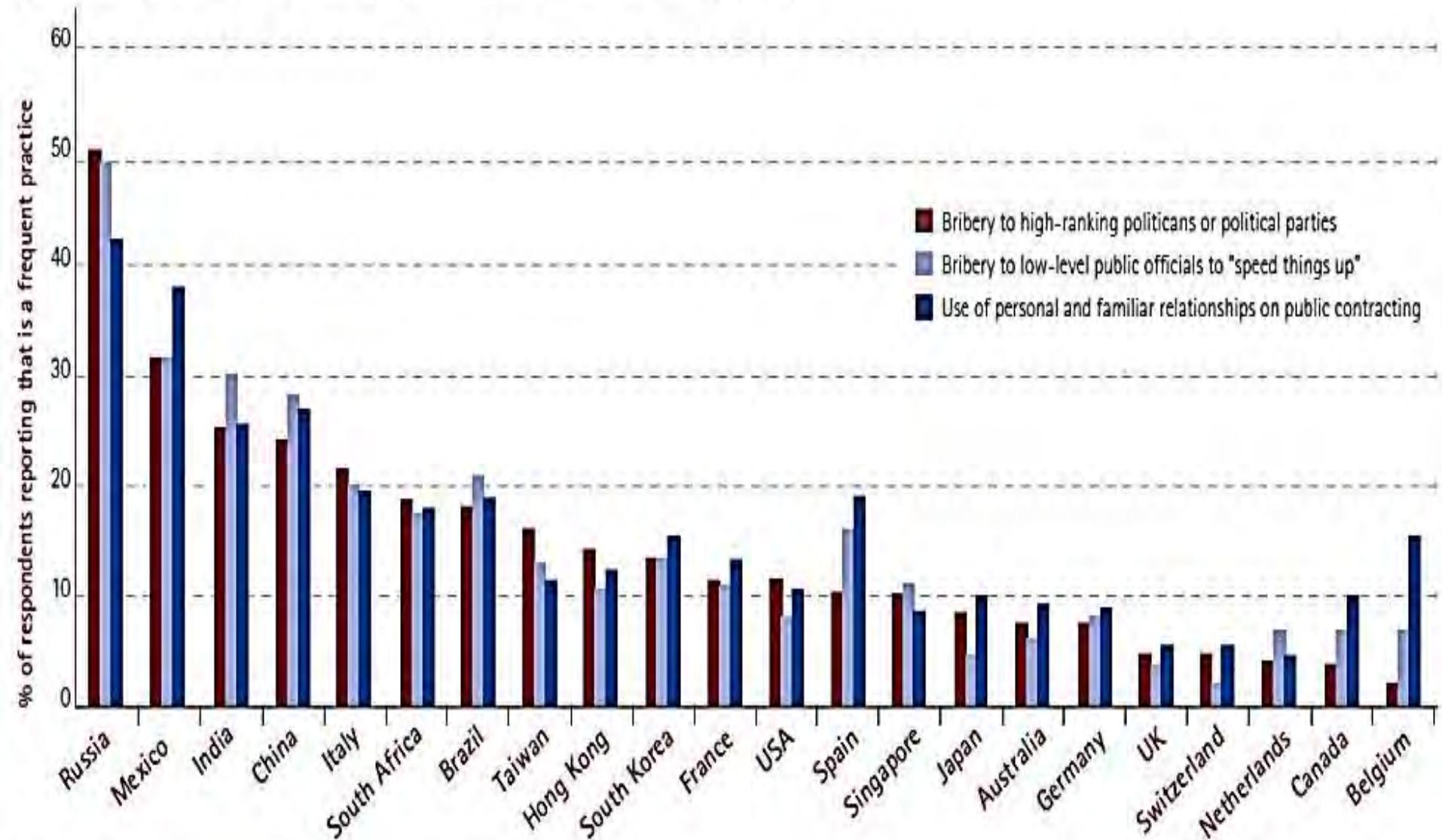
公民



问题：俄罗斯寡头用现金从民众手中购买代金券，然后用代金券购买国有企业的控制权

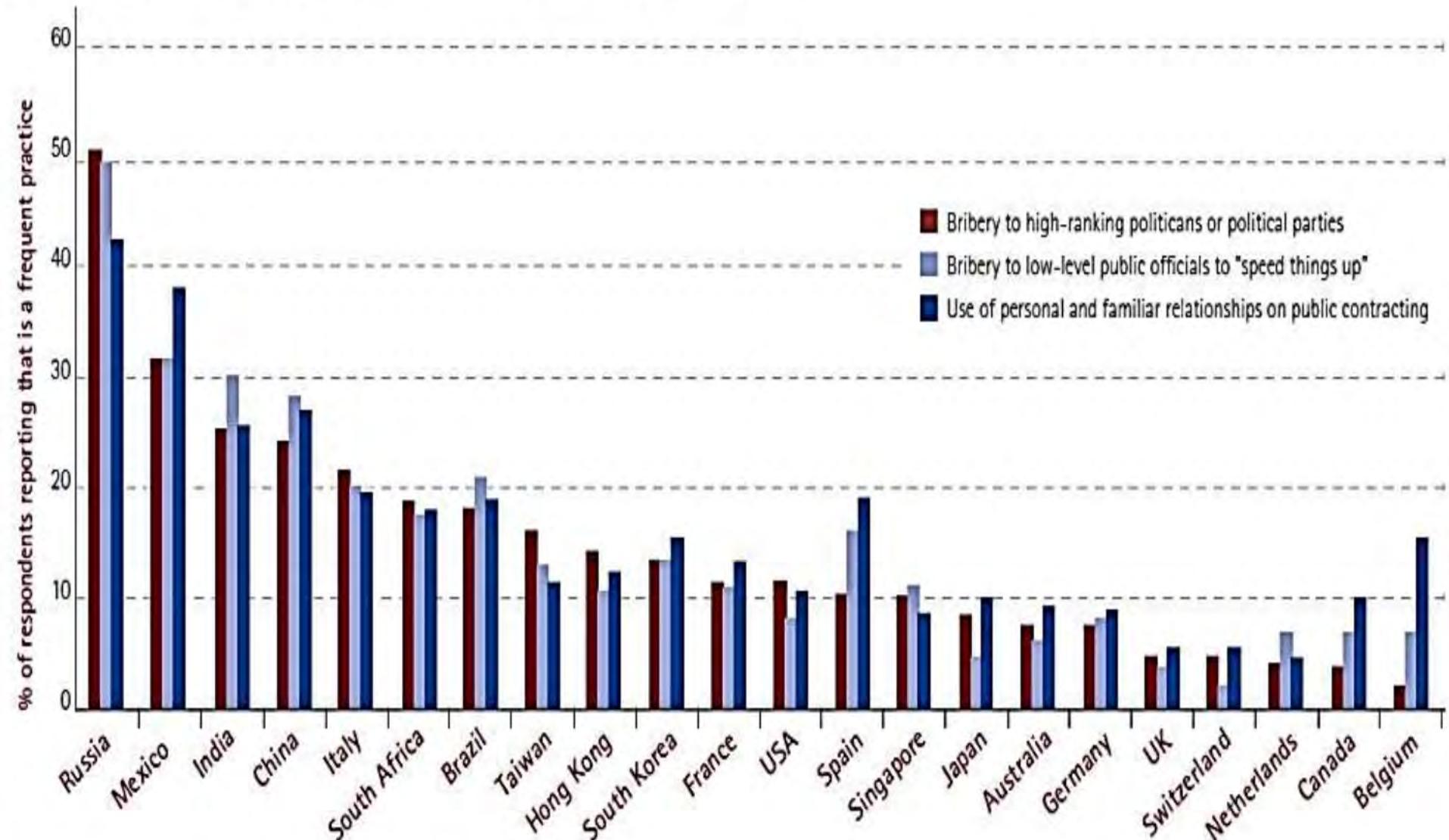
Corruption

Type of Foreign Bribery – by Companies Based in Identified Country (2008)



腐败

Type of Foreign Bribery – by Companies Based in Identified Country (2008)



Eastern Europe

Different “mass privatization” processes

Hungary

- Corporatization of government assets**
- SOE shares sold to foreign corporations**
- Advantage: Competent management, new technology in place immediately**
- Disadvantage: Foreign investors very important immediately, Hungarian nationalists resent foreign influence**

东欧

不同的“大规模私有化”进程

☒ 匈牙利

政府资产公司化

向外国公司出售国有企业股份

优势:管理能力强, 技术新颖

立即到位

劣势:外国投资者非常重要

匈牙利民族主义者立即开始憎恨外国
影响

Eastern Europe

Different “mass privatization” processes

- Poland
 - Corporatization of government assets
 - SOE shares distributed to several large investment funds, each assigned a ‘social task’
 - Old age pension fund
 - Unemployment insurance fund
 - Medical insurance fund
 - Funds begin trading shares in Polish stock market
 - Funds use dividends to pay pensions, unemployment benefits, medical care costs, ... for all Polish people

东欧

不同的“大规模私有化”进程

☒ 波兰

政府资产公司化

国有企业股份分配给几家大型投资

基金，各分配一项“社会任务”

养老基金

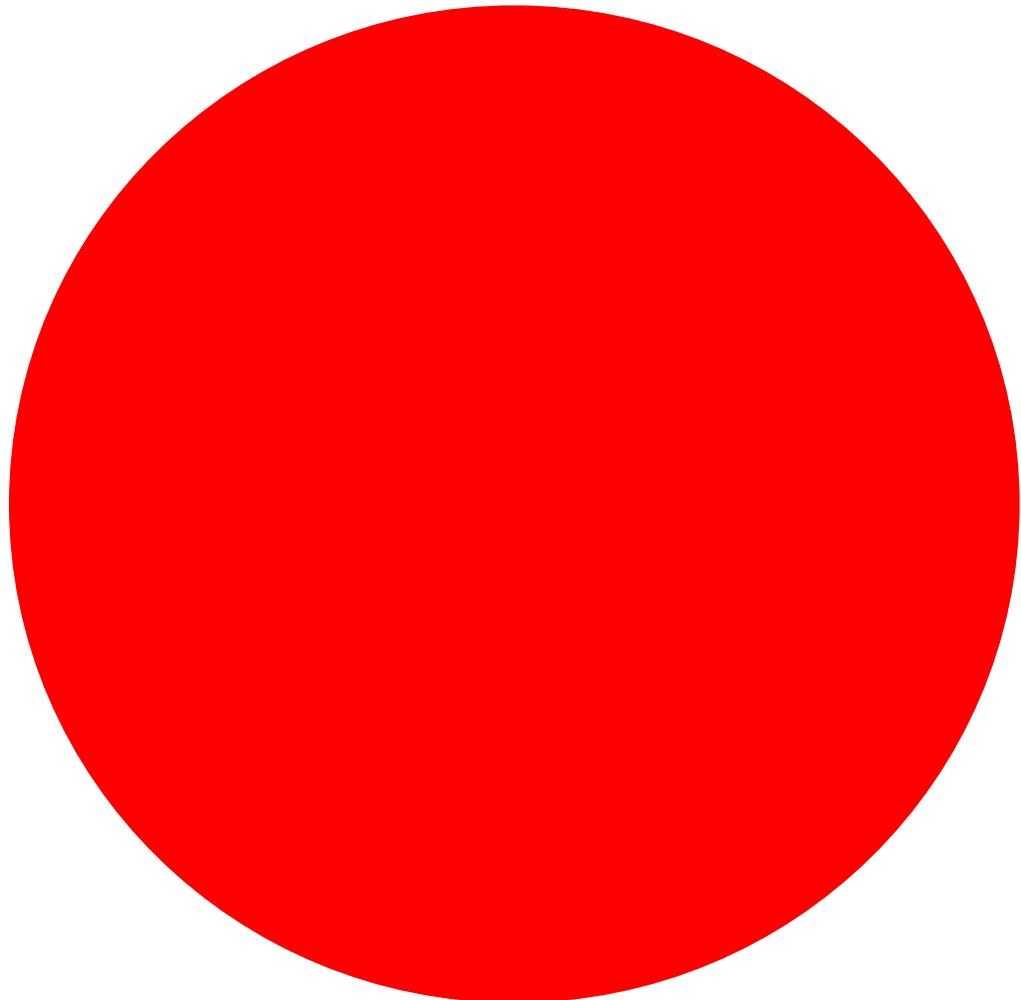
< s:1>失业保险基金

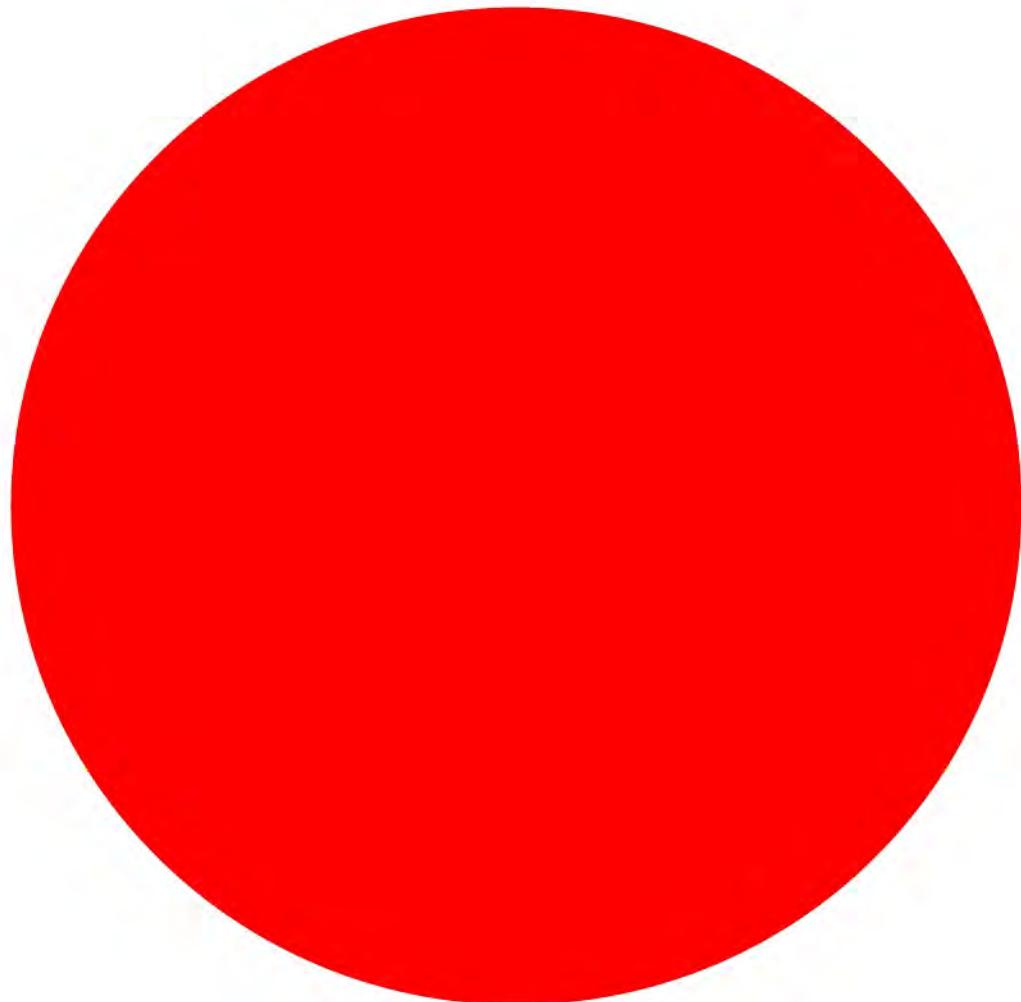
医疗保险基金

基金开始在波兰股票市场交易股票

基金用股利支付养老金、失业

福利、医疗费用……为所有波兰人民支付





Few Big Japanese Firms Are Family Firms



No large shareholder, CEO is “sarariman”

很少有日本大公司是家族企业



没有大股东，CEO都是“舍利曼”

Japanese Agency Problems?

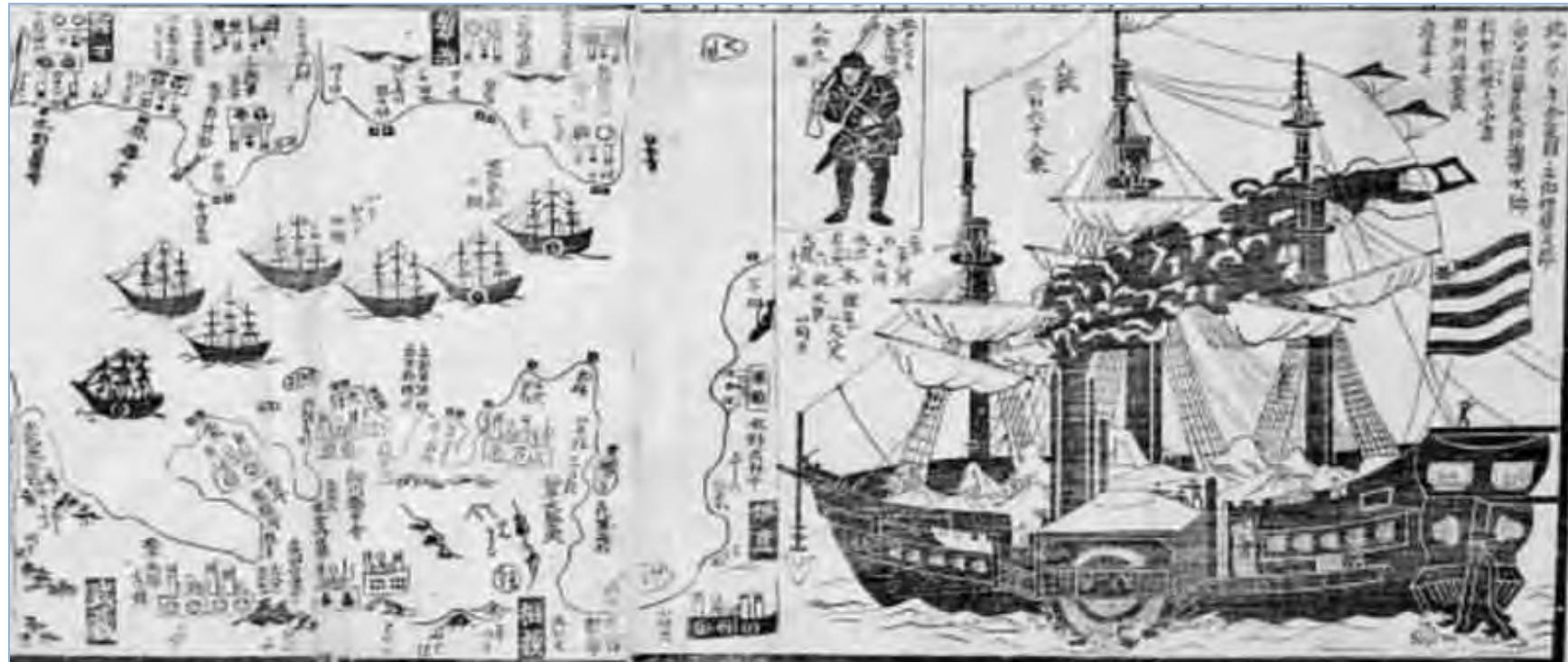


日本代理问题?



Japan's Shame

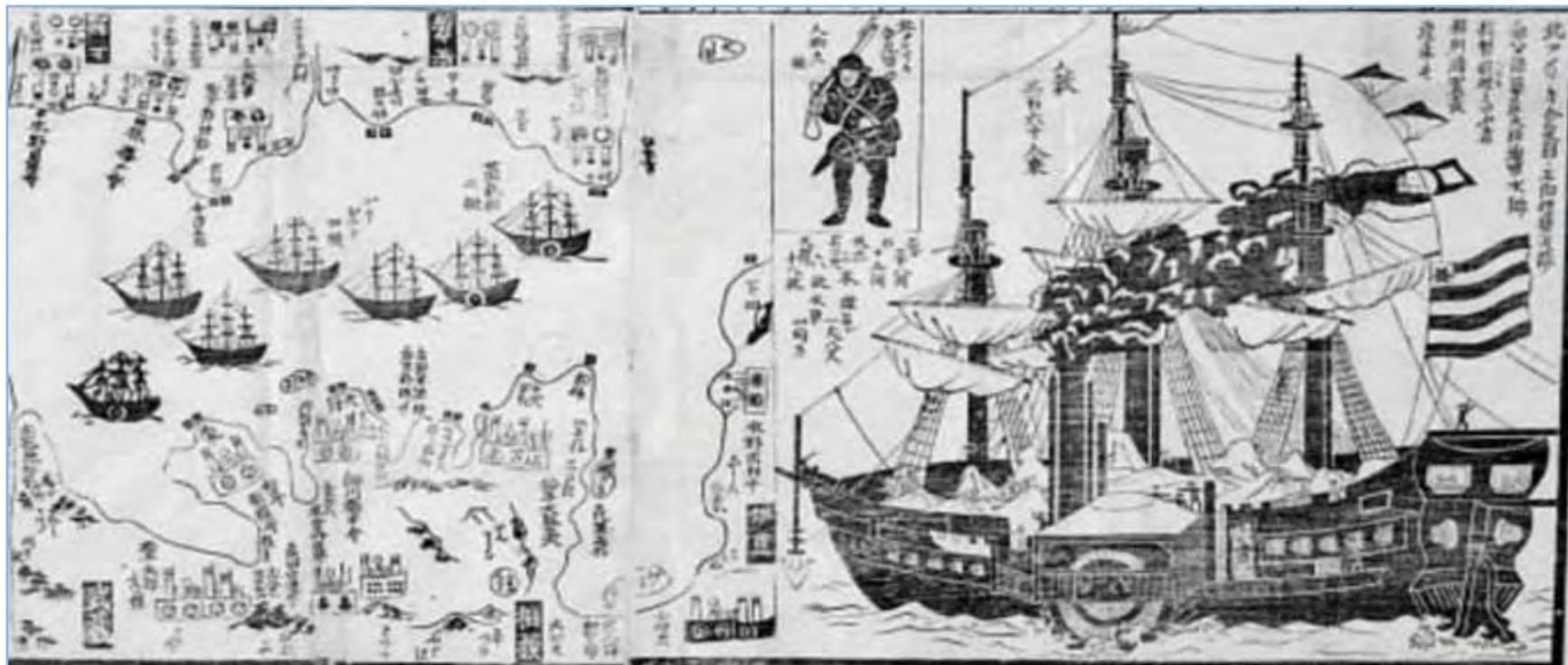
- Tokugawa shoguns forbade almost all contact with foreign barbarians
- Admiral Perry's "Black Ships" in Tokyo Harbour, 1853



- Shogunate shocked by Japan's technological inferiority, surrenders
- Outraged samurai overthrows cowardly shogun
- Students sent abroad to "learn foreign ways to kill foreigners"
- Students return with evidence that Japan is even farther behind

日本的耻辱

德川幕府将军几乎禁止与外国蛮族的一切接触



被日本技术落后震惊的幕府投降愤怒的武士推翻懦弱的幕
府将军学生被送往国外“学习外国杀外国人”的方法”
学生带着证据返回，日本甚至落后得更远

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Japan's Socialist Experiment (1870s)

- More students sent abroad to learn foreign science
- Meiji government establishes an SEO in each industry
 - Returning students (+ some foreign experts) put in charge or SOEs
 - Cement, chemicals, glass, machinery, printing, railways, shipbuilding, telegraphy, and textiles.
 - Losses expected until a modern economy took hold
- All SOEs lose money (even SOE gold mine!)
 - Government subsidies to SOEs grow steadily larger
 - Many SOEs near bankruptcy, bailed out by government
 - Government debt crisis, Japanese bonds no longer sell abroad
 - Rapidly rising inflation as Japan prints money to continue bailouts
- Financial crisis

日本的社会主义实验(19世纪

更多的学生被送往国外学习外国科学

明治政府在每个产业设立SEO

归国留学生(+部分外国专家)负责国有企业

水泥、化工、玻璃、机械、印刷、铁路、造船、

电报、纺织。

预期的损失，直到现代经济站稳脚跟

所有国有企业都在赔钱(甚至国有企业金矿!)

- ☒ 政府对国有企业的补贴不断扩大
- ☒ 许多国有企业濒临破产，得到了政府的救助
- ☒ 政府债务危机，日本债券不再卖到国外
- ☒ 随着日本印钞继续救助，通货膨胀迅速上升
- ☒ 金融危机

Free Market Reformer Takes Over

Finance Minister Masayoshi Matsukata

Regulatory reforms

- Stock market established, banking regulations reform

Civil service reforms

- Pay greatly increased,
- Immediate dismissal for corruption

Fiscal reforms

- Across-the-board budget cuts
- Tax reform
- Absolutely no subsidies to state-owned enterprises

Mass privatization of state-owned enterprises



Matsukata

自由市場改革者接管

财务大臣松方正芳

監管改革

证券市场建立，银行监管改革

公务员制度改革

薪酬大幅提高，

因腐败立即撤职

财政改革

全面削减预算

税制改革

对国有企业绝对不补贴

国有企业大规模私有化



Mass Privatization (1880s)

Step 1. Corporatize SOEs

- Clarify which assets and liabilities belong to which SOE
- Hard SEO budget constraints improve governance.
- After 1878, SOEs must provide financial statements
 - SEO managers' budgetary excesses visible to superiors
 - Undercut lobbying for expanded subsidies.
 - Let politicians appreciate value of past state investment in SOEs
 - Prospect of recovering this value made privatization politically popular

Step 2. Sell SOEs

- 1st privatization attempt failed – no buyers willing to pay book value of SOEs
- 2nd privatization program successful – SOEs auctioned off to highest bidders
 - Highest bidder is usually a wealthy merchant family, sometimes political insiders

大规模私有化(19世纪80年代)

步骤1。国有企业公司化

明确哪些资产和负债属于哪个国有企业

硬SEO预算约束可以改善治理。

1878年以后，国有企业必须提供财务报表

SEO经理的预算超支被上级看到

削弱扩大补贴的游说。

让政治家们了解过去国家对国有企业投资的价值

恢复这一价值的前景使私有化在政治上受到欢迎

步骤2。出售国有企业

☒ 1st私有化尝试失败——没有买家愿意支付账面价值

国有企业

☒ 2nd私有化计划成功-国有企业拍卖至最高

投标人

出价最高的人通常是富有的商人家庭，有时是政治家庭

内部人士

Mass Privatization (1880s)

| Sale date | State-owned enterprise | Book (12/85) | Est. value (6/85) | Sale price | Initial buyer, | Subsequent buyer & date | Current status (successor firm) |
|-------------------------------|--|-------------------------|-------------------|------------------|-------------------------------------|--------------------------------------|------------------------------------|
| Nov.74 | Takashima Coal Mine | ¥393,848 ^[1] | — | ¥550,000 | Shojiro Goto | Mitsubishi, 1881 | Closed, 1986. (Mitsubishi Mat.) |
| <i>Phase I privatization</i> | | | | | | | |
| June 82 | Hiroshima Cotton Spinning | 54,205 ^[2] | — | 12,570 | Hiroshima Menshi Boseki Co | Kaizuka Boseki, 1902 | |
| Jan. 83 | Aburato Coal Mine | 48,608 | 17,192 | 27,943 | Nariteru Shirase | Mitsubishi, 1896* | Closed, 1956 (Mitsubishi Mat.I) |
| <i>Phase II privatization</i> | | | | | | | |
| July 84 | Nakakosaka Iron Ore | 85,507 | 24,300 | 28,575 | Yahachi Sakamoto, others | | Closed |
| July 84 | Cement Manufacturing & Fukagawa Shirorengaishi | 101,559 (comb'd) | 67,965 (comb'd) | 61,741 12,121 | Soichiro Asano Katsuzo Nichimura | Nihon Cement Shinagawa Shirorenga | Closed (Taiheiyo Cement) |
| Oct. 84 | Nashimotomura Shirorengaishi | — | — | 101 | Raizo Inaba | — | — |
| Aug. 84 | Kosaka Silver Mine | 547,476 | 192,000 | 273,659 | Shosaburo Kuhara | — | (Dowa Kogyo) |
| Dec. 84 | Innai Silver Mine | 703,093 | 72,993 | 108,977 | Ichibei Furukawa | Furukawa Kogyo | Closed, 1953 (Furukawa Kogyo) |
| Mar. 85 | Ani Copper Mine | 1,673,211 | 240,772 | 337,766 | Ichibei Furukawa | Furukawa Kogyo | Ani Kozan, 1973 |
| May 85 | Shinagawa Glass | 294,168 | 66,305 | 79,950 | Katsuzo Nishimura, Eiichi Isobe | — | Closed, 1892 |
| June 85 | Daikatsu Makiyama Gold Mine | 149,546 | 98,902 | 117,142 | Sen Abe | Mitsubishi, 1888 | Okosawa Kozan, 1972 |

大规模私有化(19世纪80年代)

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Mass Privatization (1880s)

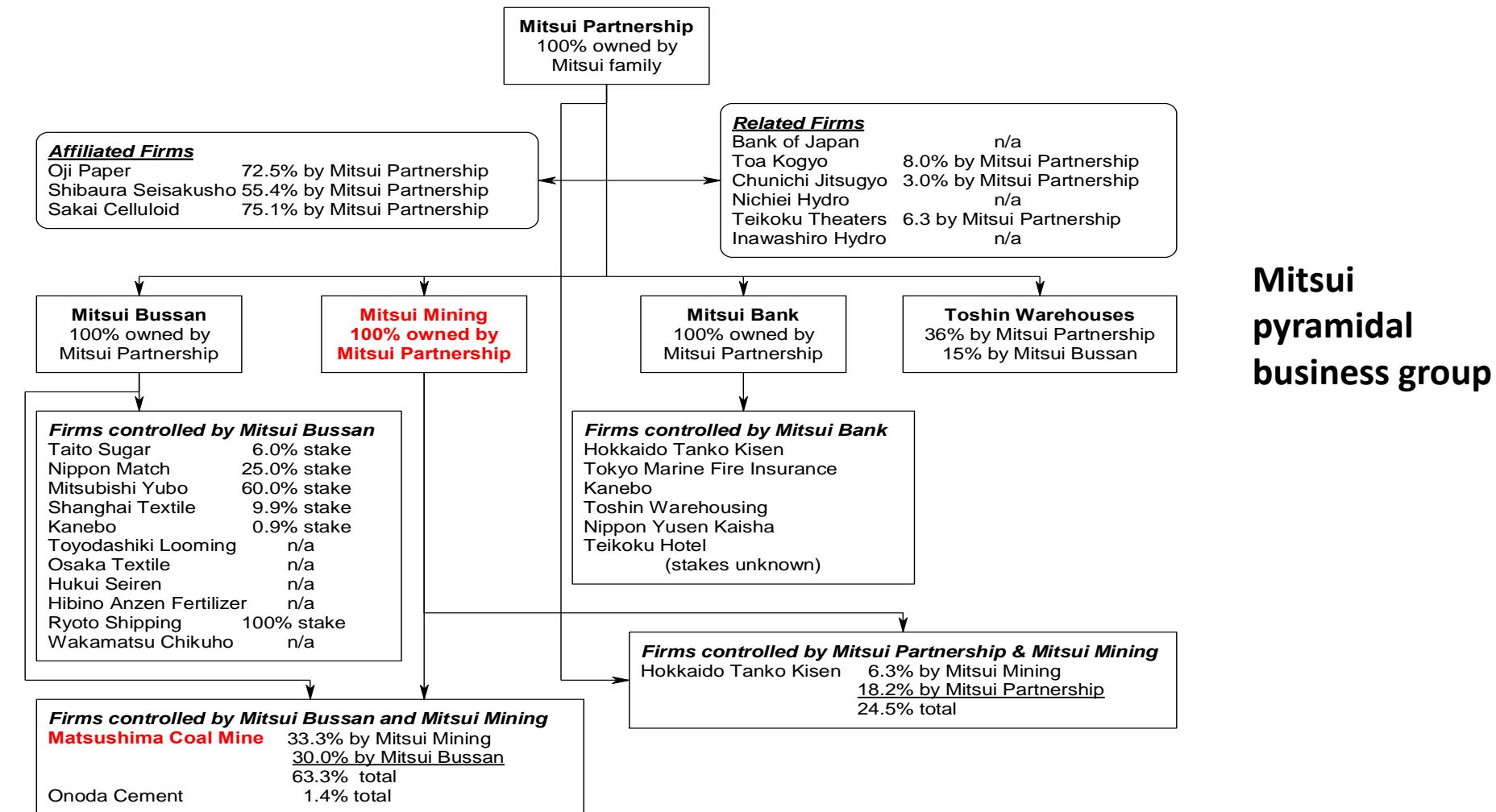
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|-----------|--------------------------|------------------------|-------------------|------------------------|------------------------|-----------------------------|------------------------------------|
| Nov. 86 | Aichi Cotton Spinning | ¥58,000 | ? | ? | Naoto Shinoda | — | Burned down, '96 |
| Dec. 86 | Sapporo Brewery | ? | ? | 27,672 | Kihachiro Okura | Sapporo Beer, 1887 | Sapporo Beer |
| May 87 | Shinmachi Textile (Silk) | 138,984 | ? | 141,000 ^[3] | Mitsui | Yasushi Asaba, Kanebo, 1911 | Kanebo Co. |
| June 87 | Nagasaki Shipbuilding | 1,130,949 | 459,000 | 459,000 | Mitsubishi | Mitsubishi Heavy Ind. | Mitsubishi Heavy Ind. |
| July 87 | Hyogo Shipbuilding | 816,139 | 320,196 | 188,029 | Shozo Kawasaki | Kawasaki Heavy Ind. | Kawasaki Heavy Ind. |
| Dec. 87 | Kamaishi Iron Ore | 2,376,625 | 733,122 | 12,600 | Chobei Tanaka | Kamaishi Kozan, 1924 | Nippon Steel |
| Jan. 88 | Mita Ag. Tools Mfg. | ? | ? | 33,795 | Shun Koyasu | Tokyo Kikai Mfg. | Tokyo Kikai Mfg. |
| Mar. 88 | Banshu Vineyard | 8,000 | ? | 5,477 | Shomei Maeda | | |
| Aug. 88 | Miike Coal Mine | 757,060 | 448,549 | 4,590,439 | Hachiro Sasaki | Mitsui, 1889 | Mitsui Coal, closed, 1997 |
| Nov. 89 | Hornai Coal Mine & RR | 2,291,500 | | 352,318 | Hokkaido Tanko Tetsudo | Mitsui, 1889 | Hokkaido Tanko Kisen, closed, 1989 |
| Mar. 90 | Monbetsu Sugar Beets | 258,492 ^[1] | | 994 | Kuninari Date | Sapporo Seito, 1895 | Closed, 1896 |
| Sept. 93 | Tomioka Textiles (Silk) | 310,000 | 105,000 | 121,460 | Mitsui | Katakura Kogyo, 1939 | Closed, 1987 |
| Sept. 96 | Sado Gold Mine | 1,419,244 | 445,250 | 1,600,000 | Mitsubishi | Mitsubishi Materials | Closed, 1973 |

大规模私有化(19世纪80年代)

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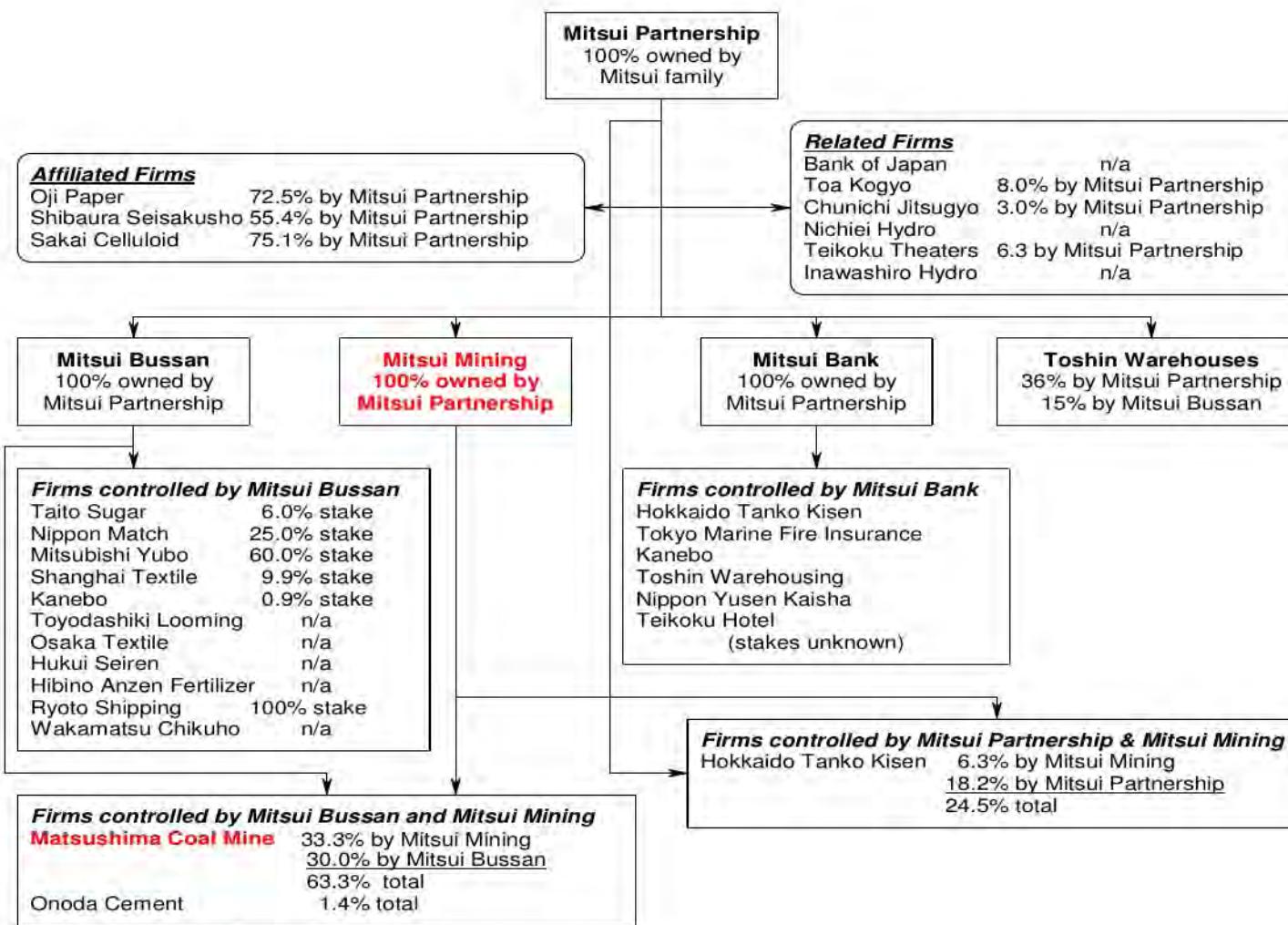
Japan's Rapid Growth Era

Late 1800s to WWII: Standard pyramidal groups controlled by wealthy families & very fast growth



日本的快速增长时代

19世纪末到二战：由富裕家庭控制的标准金字塔集团，增长非常快



**Mitsui
pyramidal
business group**

Japan's 19th Rapid Growth Era

Bureaucracy reform & fiscal discipline throughout government

- Very high pay for high competence in civil service, instantly fired for corruption
- No corruption because officials have “too much to lose”

Very complete trade liberalization

- Unfair treaties from mid 19th century mean Japan has no trade barriers
- Yen freely exchangeable &convertible into silver/gold, so free international capital movement & government cannot print money freely

Very complete economic liberalization

- Government focus on courts, military, police, jails, embassies, schools, roads, bridges & railroads only
- Extreme “free markets” economic policies: minimum regulations; tonally free trade, free capital flow, free entry; no SOEs, no subsidies, no bailouts, ...
- No corruption because “no point in corrupting government officials who cannot intervene in the economy”

Late 1800s to WWII: Japan’s “high growth” era

- Several decades of sustained very rapid GDP growth
- Pyramidal groups controlled by wealthy families & very fast growth
- Japan becomes a “developed economy” with per capita GDP similar to many European countries by the mid-1920s

日本的 19th 快速增长时代

整个政府的官僚体制改革和财政纪律

- ☒ 高能力的公务员待遇非常高，因腐败立即被解雇
- ☒ 没有腐败，因为官员“损失太大”

非常彻底的贸易自由化

- ☒ 19世纪中期的不公平条约意味着日本没有贸易壁垒
- ☒ 日元可以自由兑换和兑换成白银/黄金，所以是自由的国际资本运动和政府不能自由印钞

非常彻底的经济自由化

- ☒ 政府将重点放在法院、军队、警察、监狱、大使馆、学校、道路、桥梁上
仅限铁路
- ☒ 极端的“自由市场”经济政策：最低限度的监管；全面性自由贸易，
资本自由流动，自由进入；没有国企，没有补贴，没有救助……
- ☒ 不腐败是因为“没有必要去腐败那些不能腐败的政府官员
干预经济”

19世纪末至二战：日本的“高增长”时代

- ☒ 几十年持续快速的GDP增长
 - ☒ 由富裕家庭控制的金字塔式群体，增长非常快
 - ☒ 日本成为“发达经济体”，人均GDP与许多国家相似
- 20世纪20年代中期的欧洲国家

Japan in the 20th Century

1930s to 1945: Depression & military dictatorship

- ❑ Military seizes power (assassination of civilian leaders) in 1930s
- ❑ Centrally planned economy run by military dictatorship until 1945

Immediate postwar period: 1945 to 1952

- ❑ US military government establishes system of widely held freestanding firms, as in US New Deal
- ❑ As in US, underperforming CEOs can be fired by shareholders and their firms can be taken over (Japanese CEOs dislike this)

Japan regains sovereignty: 1952

- ❑ Intense competitive pressure on Japanese firms in US-style system
- ❑ Many new innovative Japanese firms founded (Honda, Sony, ...)
- ❑ Weak firms taken over & underperforming CEOs fired in 1950s & 1960s
- ❑ Japanese CEOs dislike this

20th世纪的日本

1930s到1945年:大萧条和军事独裁

20世纪30年代, **军方**夺取政权(暗杀文官领导人)

在1945年之前由军事独裁统治的中央计划经济

战后直接时期:1945年至 1952

美国军政府建立了广泛持有的制度

独立公司, 如美国的新政

与美国一样, 表现不佳的首席执行官可能会被股东解雇

他们的公司可以被收购(日本的首席执行官不喜欢这一点)

日本重获主权: 1952

美国式体制下日本企业的**激烈**竞争压力

许多新的创新型日本企业成立(本田、索尼……)

20世纪50年代, **弱小**的公司被接管, 表现不佳的首席执行官被解雇

1960年代

日本的首席执行官不喜欢这种做法

The *Keiretsu* Takeover Defense

A bank arranges a meeting of CEOs of 30 or so firms

- Each firm creates new treasury shares > number of shares already issued
- Bank organizes reciprocal swaps of small blocks of treasury shares between firms

Result: a *keiretsu* business group

- Not pyramidal, no controlling family, no apex firm
- Each *keiretsu* member firm owns ~2% of the stock of every other *keiretsu* firm
- About 60% of every *keiretsu* firms are owned by other *keiretsu* firms
- All *keiretsu* member firms CEOs swear they will never sell these shares

Effective takeover defense

- Japanese firms look widely held, but they're not
- Failed Koito takeover by T. Boone Pickens

Long-term weak performance

- Keiretsu* firms are weak performers, heavily dependent on State subsidies
- The most dynamic Japanese firms (Sony, Toyota, Honda, ...) are outside the *keiretsu* system

经联接管防御

一家银行安排30家左右公司的首席执行官开会

每家公司创造新的库存股>已发行的股票数量

银行在公司之间组织小额库存股的互换

结果:一个经连企业集团

不是金字塔式，没有控制家族，没有顶点企业

每个经连成员公司拥有其他经连公司约2%的股份

每家经连公司约有60%的股份为其他经连公司所有

所有经连成员公司的首席执行官都发誓他们永远不会出售这些股票

有效的收购防御

日本公司看起来被广泛持有，但事实并非如此

T. Boone Pickens收购Koito失败

长期业绩不佳

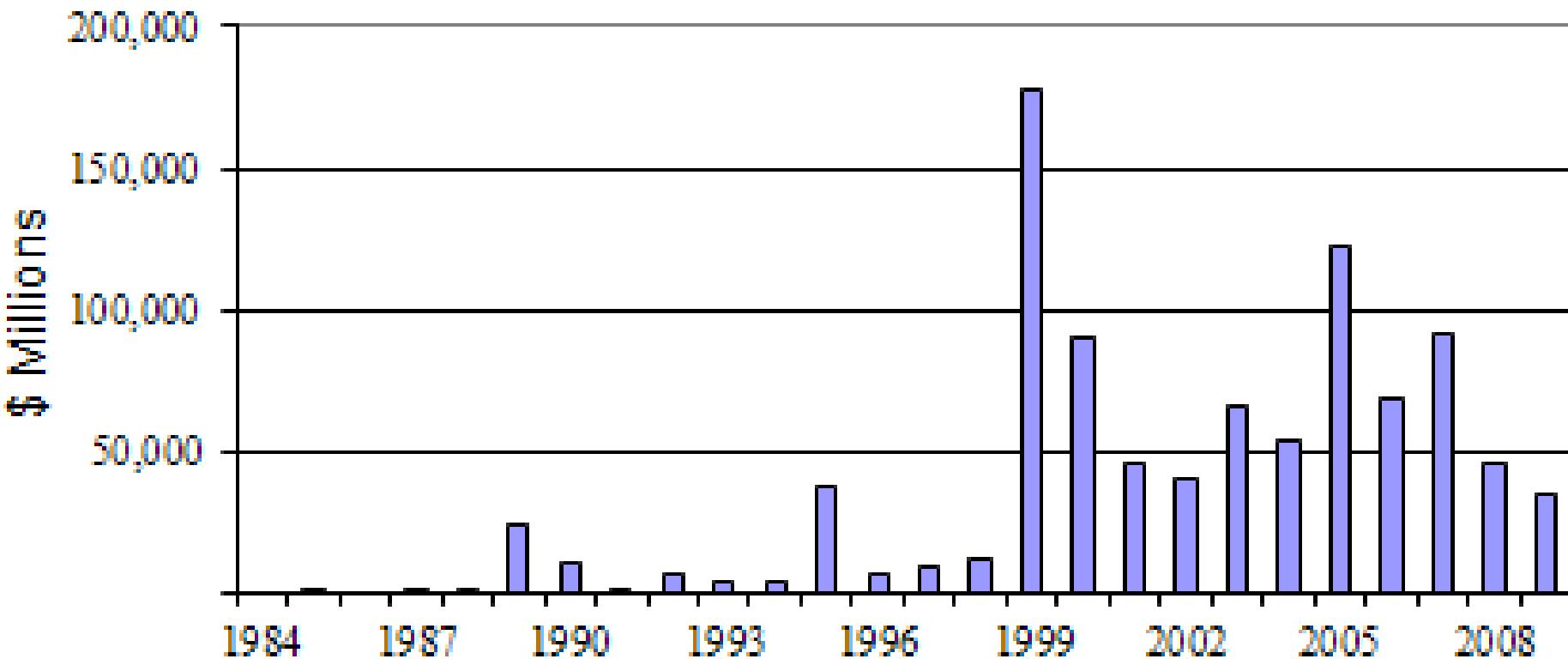
经连公司表现不佳，严重依赖国家补贴

最具活力的日本企业(索尼、丰田、本田等)都不在国家补贴范围内

集团公司系统

Keiretsu Firms in Japan

- Many keiretsu firms grew financially distressed in the 1990s, and sold their shares in other keiretsu firms – either into the open market or directly to acquirers accumulating control blocks
- This allowed takeovers for the first time in decades

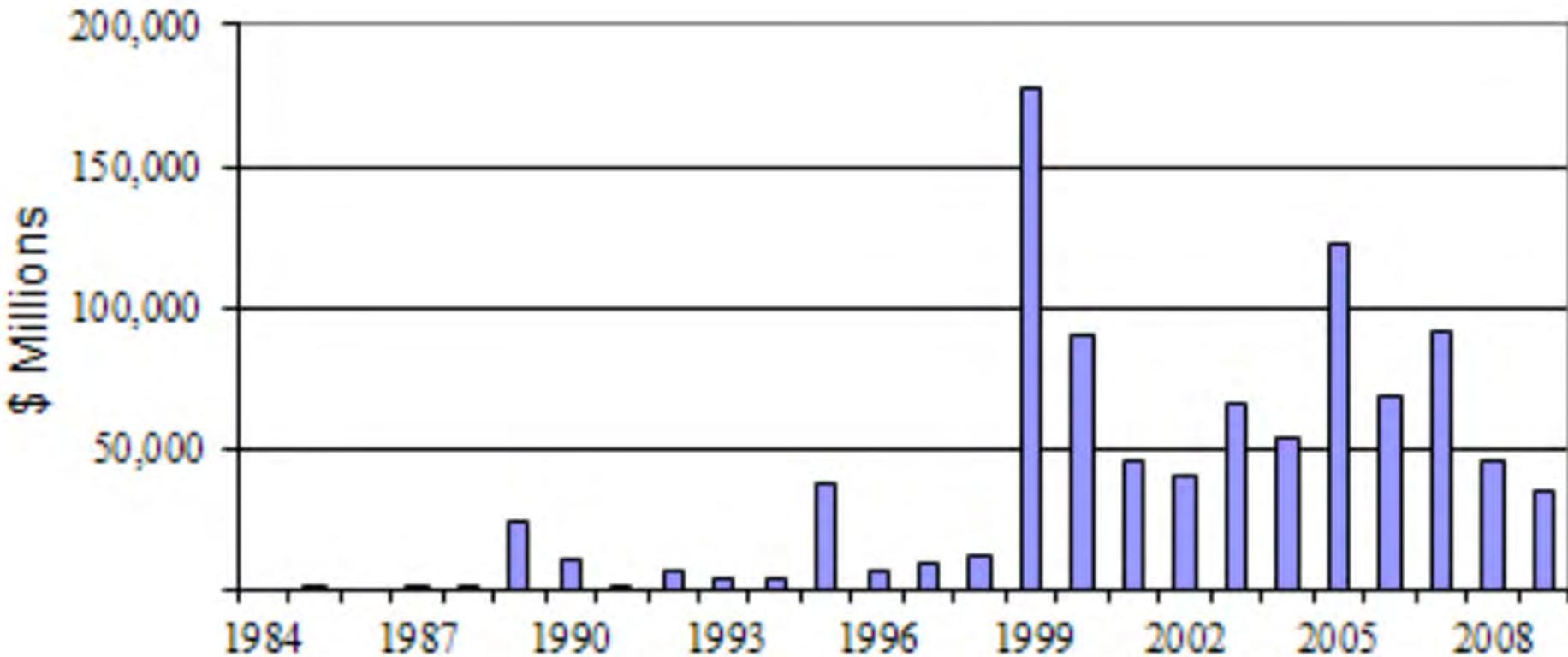


- Japanese firms are now enthusiastically adopting poison pills, as the keiretsu defense is no longer seen as reliable

日本的经连公司

许多经连公司在20世纪90年代陷入财务困境，并将其在其他经连公司的股份出售——要么进入公开市场，要么直接出售给积累控制权的收购者

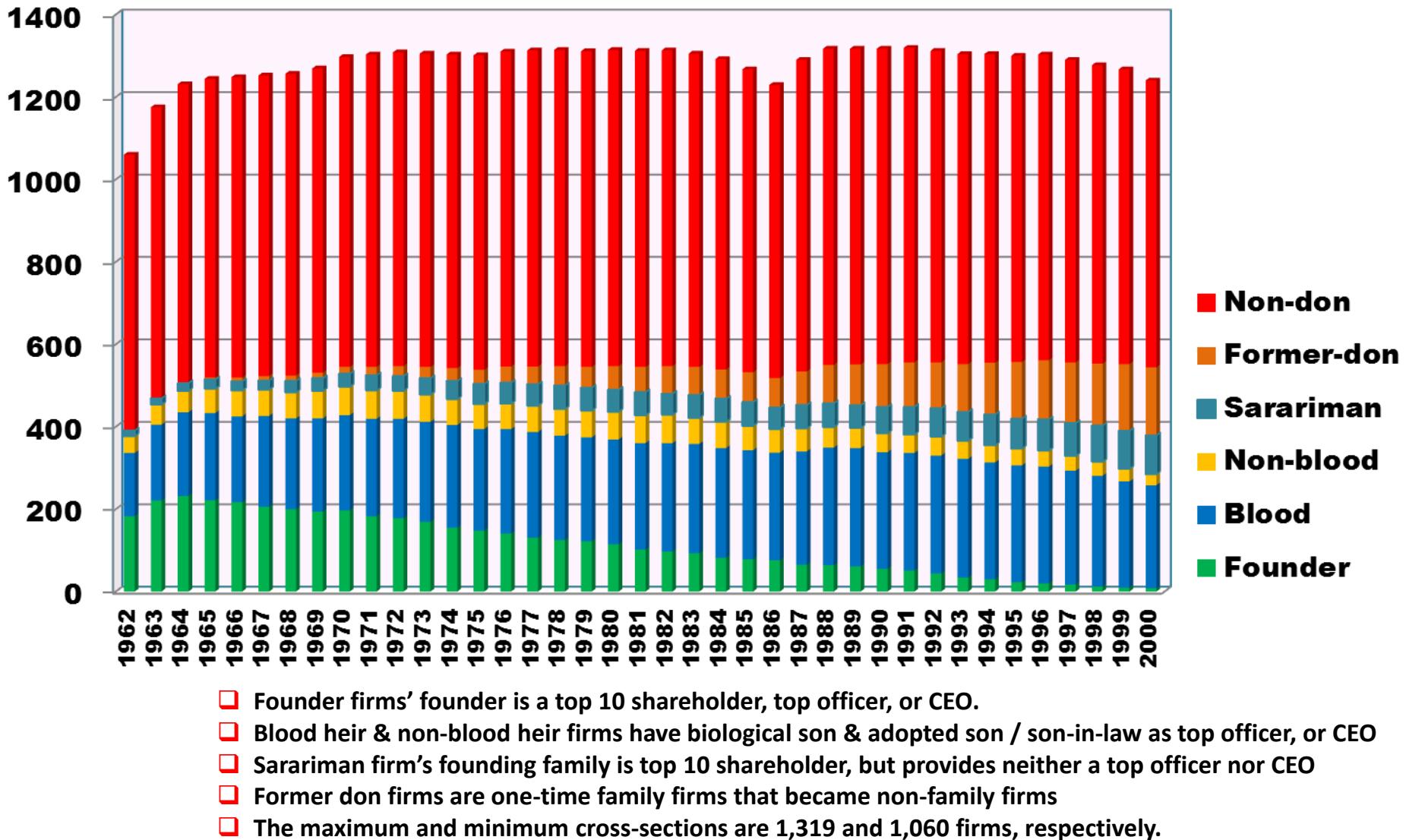
这使得数十年来首次出现了收购



日本公司现在正热情地采用毒丸，因为经联的防御不再被认为是可靠的

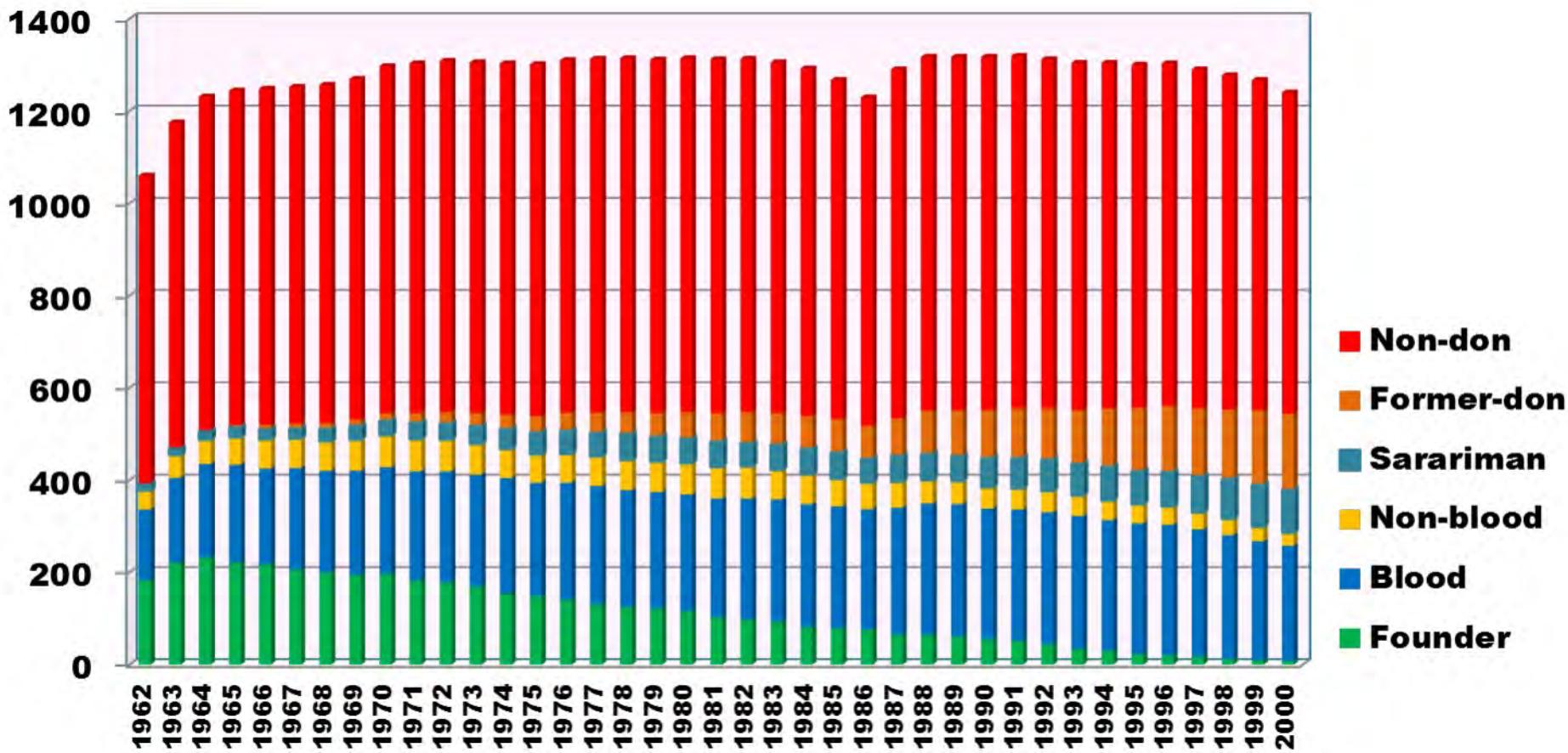
Family Firms in Japan

Population of firms trading on Japanese stock exchanges between 1949 and 1970, for which accounting and governance data are available from 1962 – 2000 (or delisting).



Family Firms in Japan

1949年至1970年间在日本证券交易所交易的公司总数，其会计和治理数据可从1962年至2000年(或退市)获得。



初创公司的创始人是前10大股东、高管或CEO。

血亲继承人和非血亲继承人的公司有亲生儿子和养子/女婿担任高管，或首席执行官CEO Sarariman公司的创始家族是前10大股东，但既不提供高管也不提供首席执行官以前的家族公司是曾经的家族企业，后来变成了非家族企业

最大和最小横截面分别为1319家和1060家公司。

Adopted Sons

- ❑ **Special adoptions** are a recent innovation, explicitly modelled on foreign idea of helping orphans and mistreated or unwanted children.
- ❑ **Ordinary adoptions** are a deeply rooted Japanese tradition, in which parents needing an heir adopt a worthy adult, or (very rarely, a worthy child).

| | All Adoptions <i>yôshi engumi</i> | Special adoptions <i>tokubetsu</i> | Ordinary adoptions of <i>miseinen yôshi</i> | Total adoptions of minors | Total adoptions of adults |
|------|--------------------------------------|--|---|------------------------------|------------------------------|
| 1955 | 101,963 | 0 | 26,983 | 26,983 | 74,980 |
| 1965 | 82,176 | 0 | 15,018 | 15,018 | 67,158 |
| 1975 | 86,844 | 0 | 6,771 | 6,771 | 80,073 |
| 1985 | 91,186 | 0 | 2,804 | 2,804 | 88,382 |
| 1990 | 82,007 | 738 | 1,502 | 2,240 | 79,767 |
| 1995 | 79,381 | 521 | 1,111 | 1,632 | 77,749 |
| 2000 | 80,790 | 362 | 994 | 1,356 | 79,434 |
| 2002 | 85,674 | 350 | 960 | 1,310 | 84,364 |
| 2004 | 83,505 | 332 | 998 | 1,330 | 82,175 |

Sources: Tokubetsu yôshi and Child Adoptions Approved by the Court: Supreme Court of Japan. shihôtôkeinenpô Kajihen are from issues of the *Annual Report of Judicial Statistics* (Table 3 of Volume 3, Family Cases). Adoptions registered by Koseki offices are from issues of the Ministry of Justice Annual report (Hômu nenkan).

Adopted Sons

特殊收养是最近的一项创新，明确模仿了外国帮助孤儿和受虐待或不受欢迎的儿童的理念。
普通收养是一项根深蒂固的日本传统，需要继承人的父母收养一个有价值的成年人，或者(很少)收养一个有价值的孩子。

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资料来源:德别社yôshi和法院批准的儿童收养:日本最高法院。shihôtôkeinenpô Kajihen来自《司法统计年报》(第3卷《家庭案件》表3)的各期。公关处登记的收养是法务部年度报告(Hômu nenkan)的问题。

Adult Adoptions

Most (97.9% in 2000) adoptions are between consenting adults

- Adoptee must be ≥ 1 day older than adopter , except for “mistakes”
- Formal adoption ceremony, sworn fealty to new ancestors
- Biological parents often paid, informal ties persist but “unthinkable” that loyalty to new ancestors not displace loyalty to previous ancestors
- Top GPA graduates of elite universities are prime adoption candidates
- In 1989, 55% of adoptees were also sons-in-law
- Married couples can be adopted as a “set”

Adoptee can displace “disappointing” biological son as next patriarch

- “The eldest son too was sometimes forced out into the world, if a more competent younger or adopted son was appointed to succeed to the family property or rights” (Burke, 1962, p. 109).
- Pelzel (1970) estimates this happens in 25% of cases
- Bachnik (1983) estimates 34%
- Beardsley et al. (1959) report at least one adopted sons superseding biological sons in the histories of 25% to 33% of rural families
- Edo records indicate even higher frequencies (Bachnik, 1983, p. 163).

成人收养

大多数(2000年为97.9%)收养是在双方同意的成年人之间进行的

<s:1>正式收养仪式，宣誓效忠新祖先

<s:1>亲生父母通常会付费，非正式关系持续存在，但“不可想象”对新祖先的忠诚不会取代对前祖先的忠诚

成绩优异的精英大学毕业生是被收养的主要对象

1989年，55%的被收养人同时也是女婿

已婚夫妇可以作为“一套”被收养

被收养者可以取代“令人失望”的亲生儿子成为下一任家长

“如果一个更有能力的小儿子或养子被指定继承家庭财产或权利，那么长子有时也会被迫离开这个世界”(Burke, 1962, p. 109)。

Pelzel(1970)估计这种情况发生在25%的案例中

巴赫尼克(1983)估计34%

Beardsley等人(1959)报告称，在25%至33%的农村家庭中，至少有一个养子取代了亲生儿子

Edo记录显示更高的频率(巴赫尼克, 1983, 第163页)。

Currently Run by Non-blood heirs

❖ Ajinomoto

❖ Bridgestone

❖ Kajima Construction

Kajima Construction, one of the largest construction businesses in the world, is a family firm run by a succession of adopted heirs for three generations. Morinosuke Kajima, a son-in-law adopted into the Kajima family, served as the first post-war CEO.⁵ He passed over his biological son to name his two adopted sons CEO and Chairman. Both married Kajima's biological daughters. Only after the younger adopted son-in-law ascended from CEO to Chairman did Morinosuke's biological son serve as CEO – and then more briefly than either adopted son.

❖ Panasonic

❖ Suzuki Motors

Suzuki, another prominent family business, also relies extensively on adoptees for top jobs. Osamu Suzuki, the old patriarch's adopted son-in-law, took over as CEO in the 1970s and held that post for 22 years, before ascending to the chairman position. Osamu belonged to the fourth successive generation of adopted heirs serving Suzuki Motors as CEO. Planning a fifth, Osamu's son-in-law, Hirotaka Ono, was destined to be the next CEO until his premature death from cancer in 2007 forced Osamu to stay on. In doing this, Osamu passed over a biological son, then with General Motors, who ultimately nonetheless joined Suzuki's board.

❖ Taisho Pharmaceuticals

❖ Nakasho Paper Co.

❑ Founded in 1783. In 1870, the 4th head of the family added “house rule” to “family code” to protect family and its business

- 1. Succession must be passed strictly to adopted sons***
- 2. Future family heads must send their biological sons away***
- 3. The business must not be handed over from father to blood son.***

Source: “CENTURIES-OLD CORP: Inheritance Policies See Family Businesses Through Centuries,” NIKKEI May 22, 2008.

目前由非血系继承人经营

食之素(Ajinomoto)、食之素(plystone)、食之素(Kajima Construction)

食松素(Lejionto)、食之素(Bridge stone)、食之素(Kajima)

a Construction
Taisho Pharmaceuticals

Nakasho Paper Co.

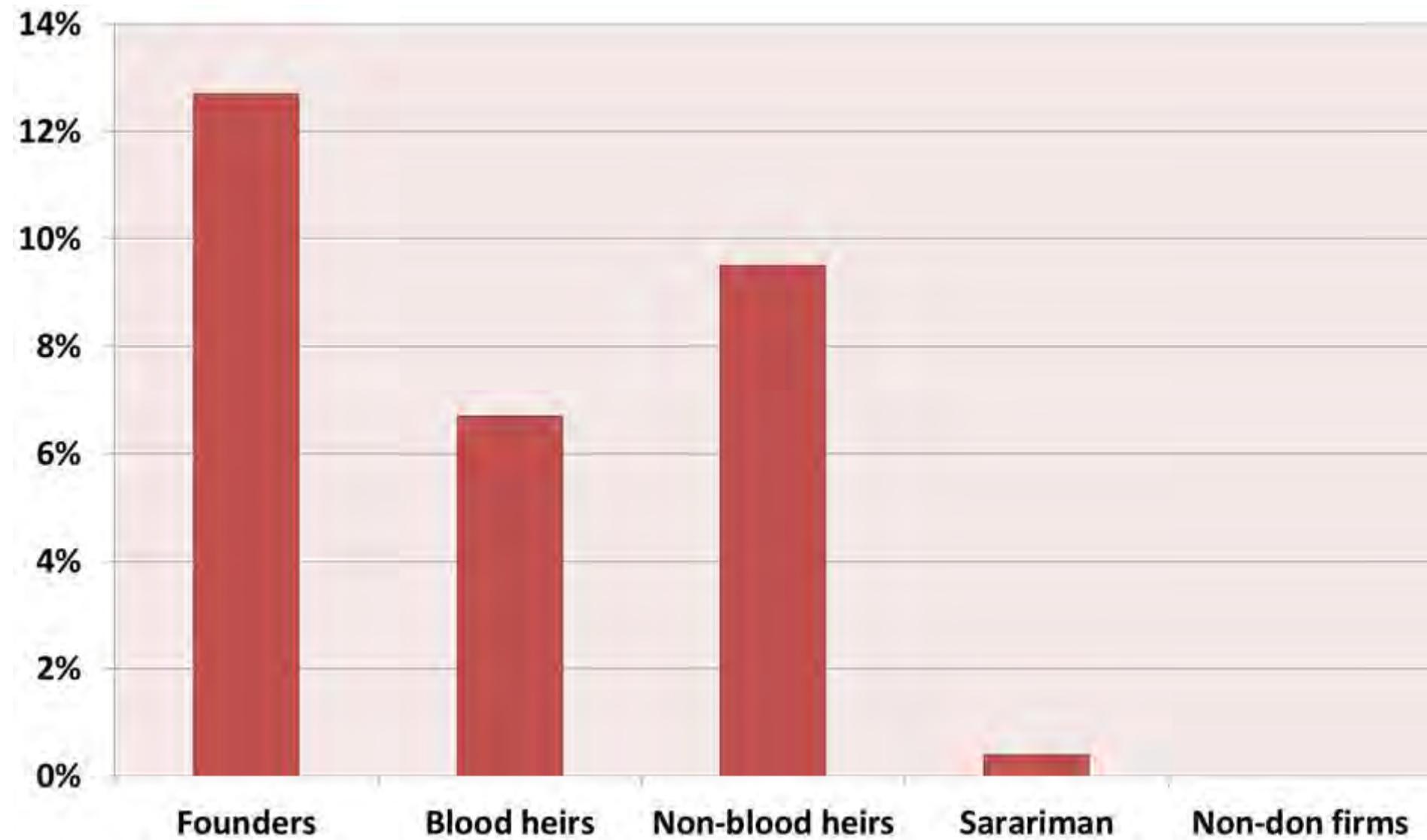
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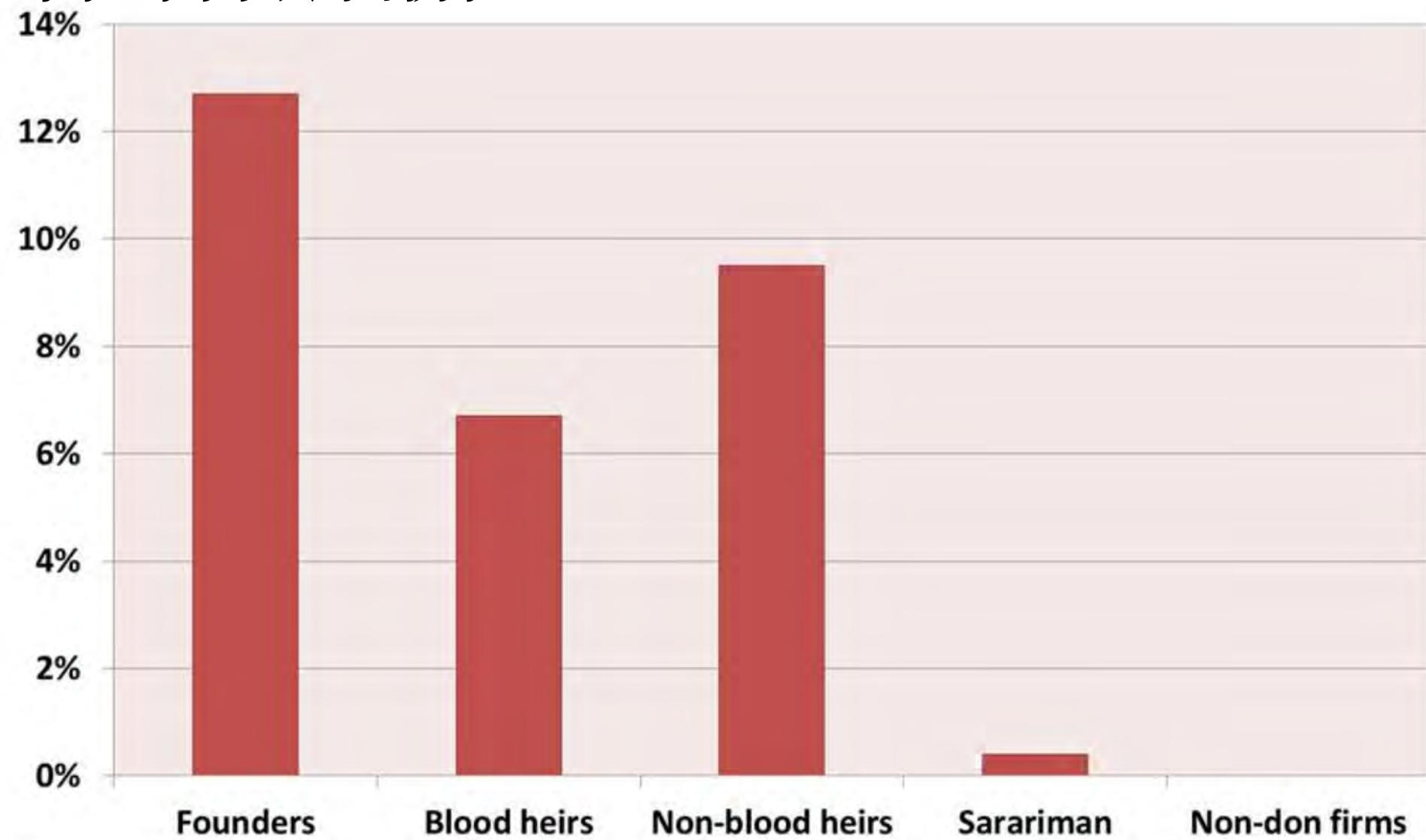
Anova Results - Illustration

Market Value: % above Book Value

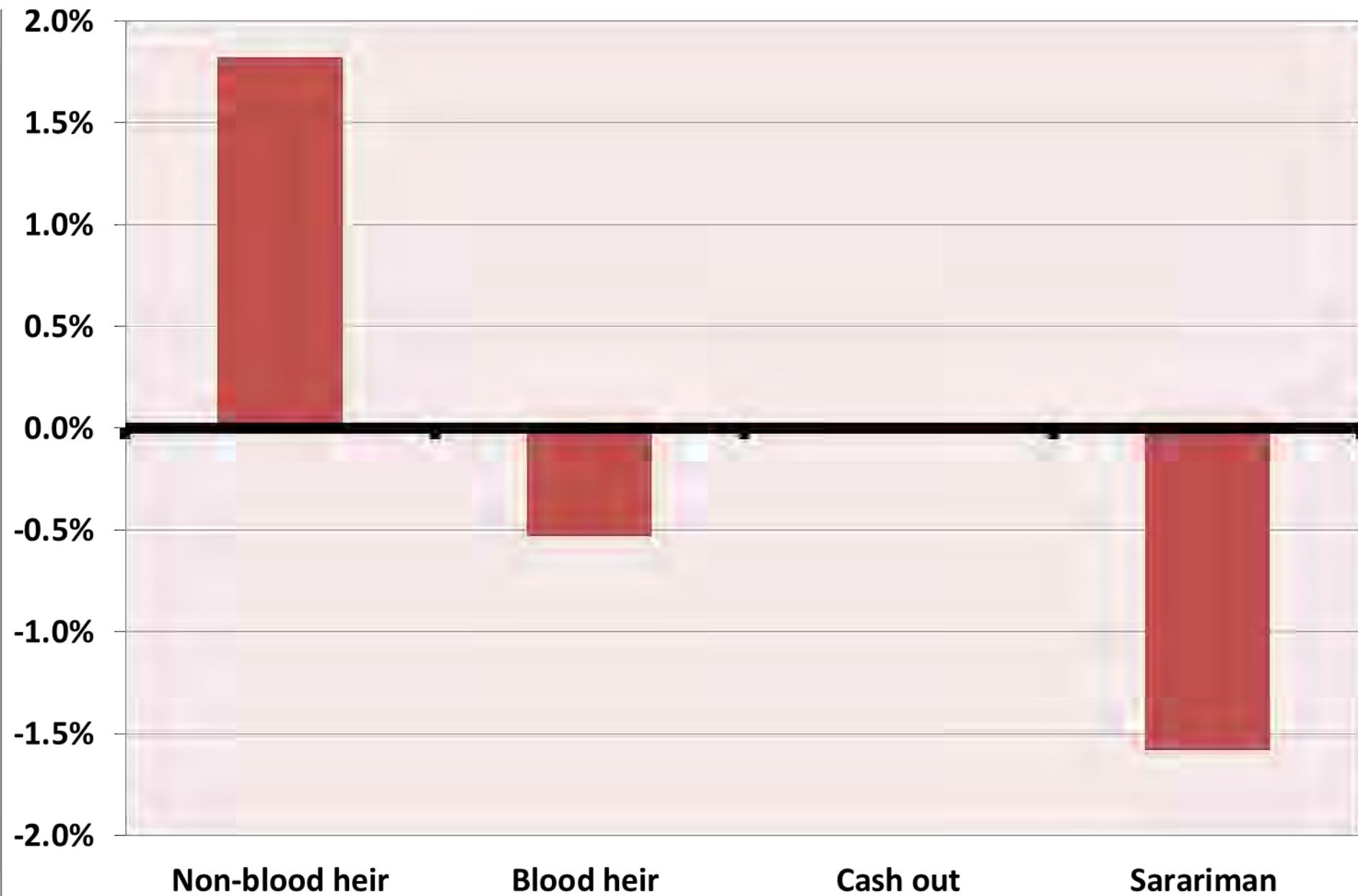


Anova Results - Illustration

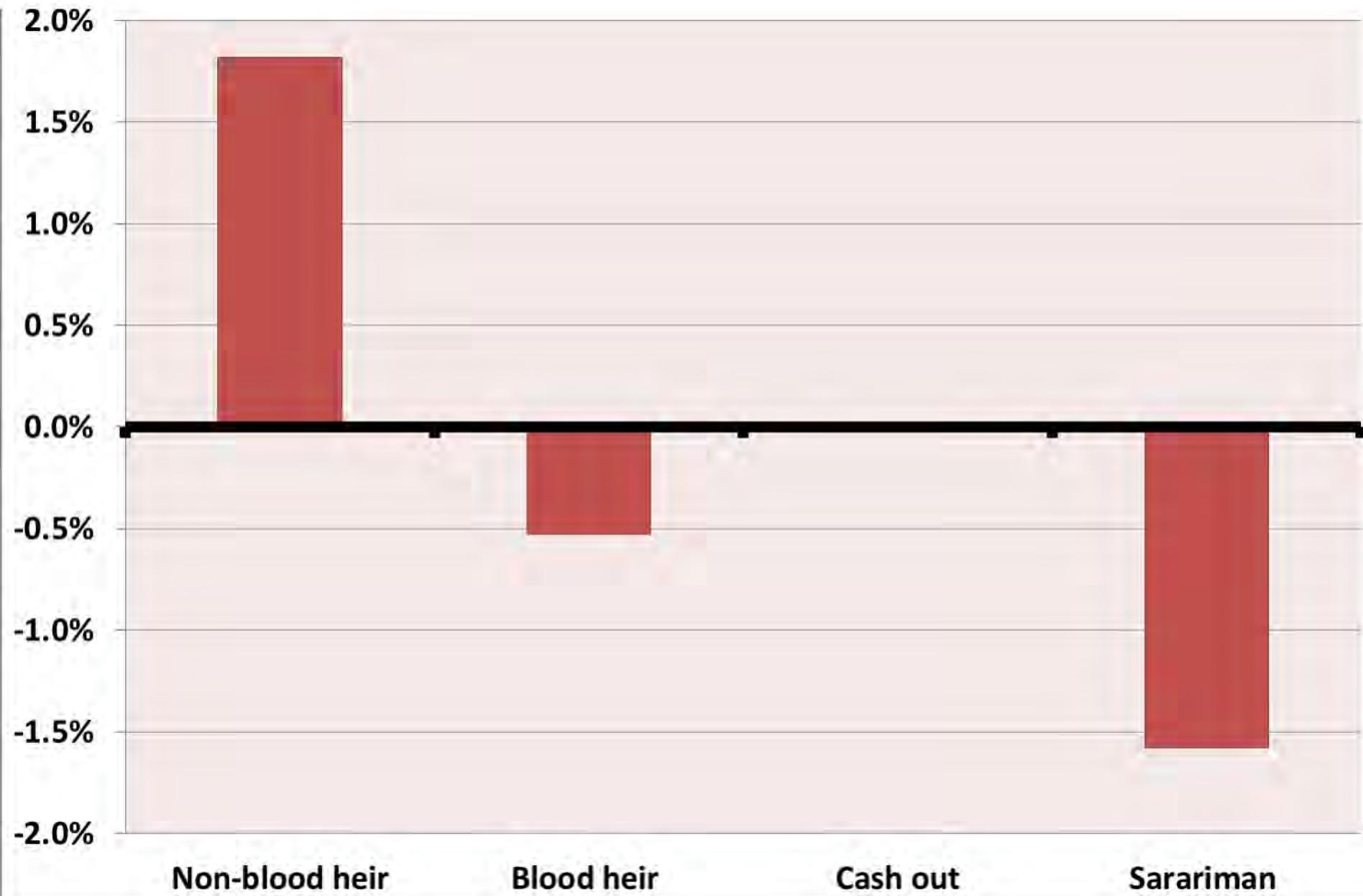
市值:高于账面价值%



Stock Price Changes on Succession News



继任消息带来的股价变动



What's Going On?

Competitive disadvantages

- ❑ Intelligence not reliably inherited
 - ❑ Extreme value theory on CEO selection
 - ❑ But adopted sons / sons-in-law drawn from whole population
- ❑ Carnegie conjecture
 - ❑ Inherited wealth dulls initiative, deadens talent
 - ❑ But fear of displacement by a “better” adopted son or son-in-law motivates effort and human capital accumulation by blood sons
- ❑ Leader take all (tournament competition)
 - ❑ CEO job motivates MBA effort
 - ❑ Possibility of being adopted or married to patriarch’s daughter motivates MBA effort

Aside

- ❑ Japanese CEO pay is much higher and more performance-related if control over family fortune is included

这是怎么呢

竞争劣势

智力不能可靠地遗传

CEO选择的极端价值理论

但从全体人口中抽取的养子/女婿

✗ 卡内基猜想

继承的财富使主动性变迟钝，使天赋变迟钝

但对被“更好”的养子或女婿取代的恐惧激励着他们

血子的努力和人力资本积累

· Leader take all(锦标赛比赛)

CEO工作激励MBA学习

被收养或与家长女儿结婚的可能性激励了MBA

努力

一边

日本CEO的薪酬要高得多，而且更多地与业绩挂钩

对家族财产的控制也包括在内

Foreign Expert Opinion

Adult adoption is evil

- “A vein of unsentimental pragmatism towards adoption arrangements. ... a fairly widespread view that it is ethically acceptable for parents to become adopters for worldly objectives, even if they do not intend from the outset, to love the child as their own.”(e.g. Hayes & Habu 2006)
- “Nurturance and intimacy were secondary or irrelevant to the mandate of professional succession, and often were completely absent from the adoptive relationship – even where the adoptee was destined to become the new head of the household.” Lebra (1998)
- “Adoptions can be used to reconstruct patriarchal families.”
 - Adoptions to hide affairs (Bryant, 1990).
 - Pimps adopt staff, homosexuals adopt partners, etc.
 - Selling girls into “adoption” as de facto slaves
 - Draft dodgers as exempt “only sons” (Paulson, 1984)

外国专家意见

成人收养是邪恶的

“对收养的一种无情的实用主义

安排。相当普遍的观点认为这是不道德的

父母为了世俗的目的收养孩子是可以接受的，即使他们从一开始就不打算，把孩子当成自己的来爱自己的。”(如。 Hayes & Habu 2006)

“**养育**和亲密关系是次要的，与职业继承的任务无关，而且往往完全不存在于收养关系中——即使被收养者注定要成为家庭的新户主。” Lebra (1998)

“收养可以用来重建父权家庭。”

收养以隐藏婚外情(Bryant, 1990)。

·皮条客收养员工，同性恋者收养伴侣等。

将女孩作为事实上的奴隶出售“**独生子女**”收养(保尔森 1984)

But ...

- ❑ Japan often “looks different”, but then turns out to be less different than people thought
- ❑ Might arranged marriages work elsewhere sort of like adopted sons-in-law in Japan?

Mehrotra, Morck, Shim & Wiwattanakantang· 2009. Must Love Kill the Family Firm?

- ❑ What does the spread of marriage-for-love to traditional societies portend for their great family business empires?

But ...

日本经常“看起来不一样”，但后来发现并没有人们想象的那么不同包办婚姻在其他地方会不会有点像日本的养子？

Mehrotra, 莫克, Shim和Wiwattanakantang, 2009。Must Love Kill the
家族企业吗？

以爱换婚姻在传统社会的传播，对他们伟大的家族企业帝国来说预示着什么？

Power Distance

High values (Arab, Latin, & SE Asian countries)

- Cultural norms legitimize extreme social inequality
- Exalt obedience, authority, conformity, supervision, and social hierarchy.
In these countries, children are taught to honor and obey their parents and elders, and to continue doing so as adults.
- Conformity is considered an indispensable virtue

Low values (N Europe, Israel, etc.)

- Children are encouraged to make decisions, pursue their own welfare, and take responsibility for their own decisions.

Link to arranged marriage

- Squire (2008), and other gender studies scholars, link arranged marriages to authoritarian patriarchal cultures
- Studies in psychology find people living in higher *power distance* cultures more prone to suppress positive emotions (as well as negative emotions) because the social expression of excessive positive affect could mean lack of deference (Basabe *et al.*, 1999). This suppression plausibly renders marriage-for-love less important.

Power Distance

高价值观(阿拉伯、拉丁和东南亚国家)

文化规范使极端的社会不平等合法化

提升服从、权威、顺从、监督和社会等级。在这些国家，孩子们被教导要尊敬和服从父母和长辈，并在成年后继续这样做。

循规蹈矩被认为是不可缺少的美德

低值(N欧洲、以色列等)

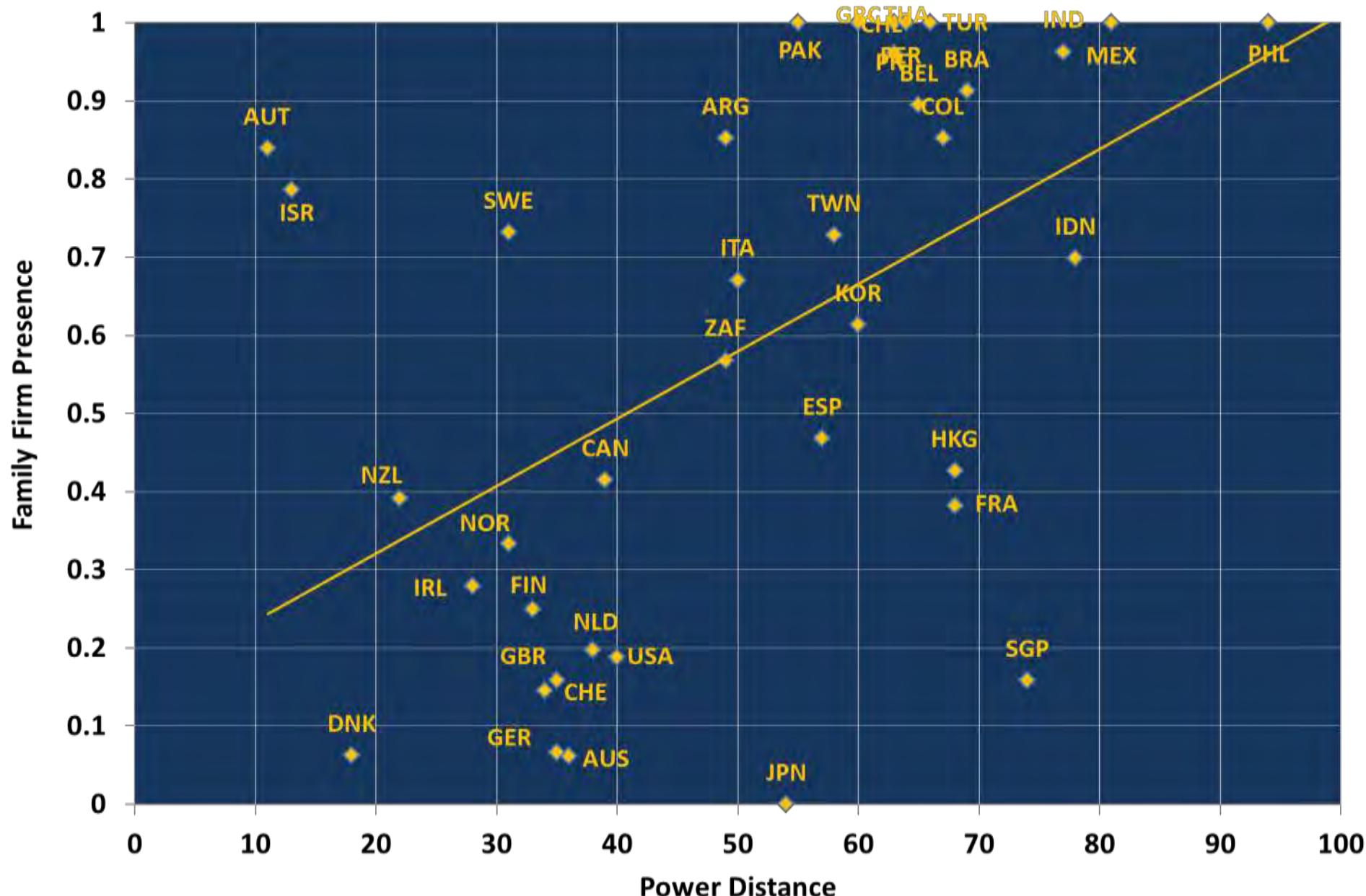
鼓励孩子做决定，追求自己的幸福，为自己的决定负责。

链接包办婚姻

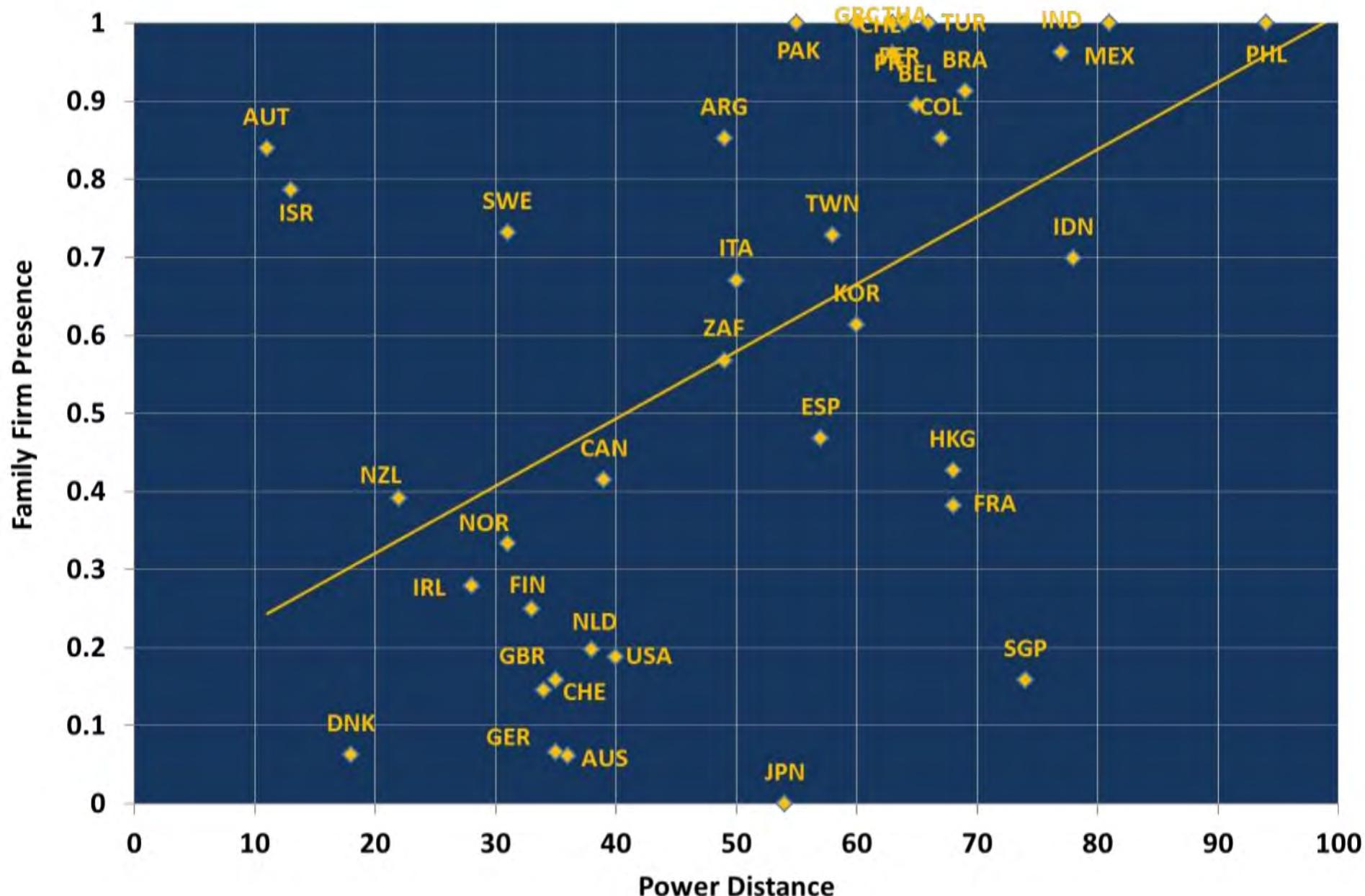
斯奎尔(2008)和其他性别研究学者将包办婚姻与专制的父权文化联系起来

心理学研究发现，生活在更高权力距离文化中的人更倾向于压抑积极情绪(以及消极情绪)，因为过度积极情绪的社会表达可能意味着缺乏尊重(Basabe *et al.*, 1999)。这种抑制似乎会呈现为爱而结婚不那么重要了。

Extent to which inequality tolerated & endorsed



不平等被容忍和认可的程度



Individualism

High values (Australia, Canada, W. Europe, & US)

- People value individual over collective needs, laud independence & self-reliance, & strive to develop individual talents in a search of personal fulfillment (Markus & Kitayama, 1991; Ting-Toomey, 1991).

Low values (Latin America, S. Asia, & E. Asia)

- People subordinate welfare as individuals to collectives (families, castes, tribes, sects)
- The family, or extended family, is generally the most important of these

Link to arranged marriage

- Family structure & marriage correlated (117 country x-section) (Lee & Stone 1980)
- Love marriage rarer where extended families dominate nuclear families (Todd 1985)
- Students from more collectivistic cultures (e.g. India, Thailand, & Philippines) place less emphasis on love as basis for marriage than those from more individualistic countries (e.g. America, Australia, and Britain) (Sato, Hashimoto & Verman 1995)
- Children of immigrants from collectivist cultures accept arranged marriage & don't date (Lee, 1988; Lipson & Miller, 1994; Segal, 1991; Stopes-Roe and Cochrane, 1988; Rosenthal, 1988).
- Highly individualistic cultures validate love as a foundation of marriage, making marriage a personal decision by the couple (Triandis, 1995)
- Arranged marriage neg. cor. with *individualism* (Ting-Toomey, 1991).
- Accepting an arranged marriage is part of one's unavoidable duty to one's family; brides are selected for good nature and grooms for status (Dion and Dion, 1993)

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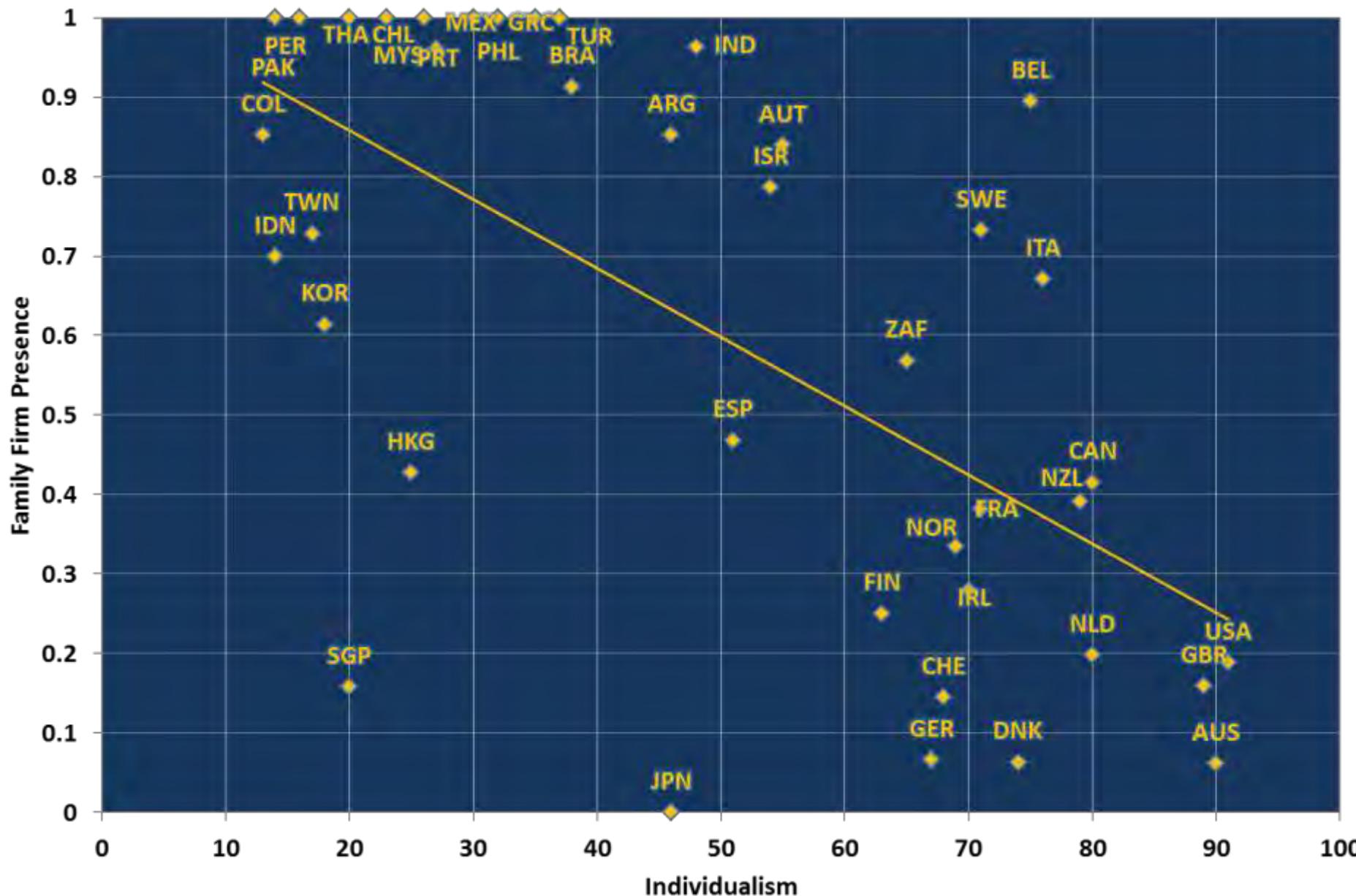
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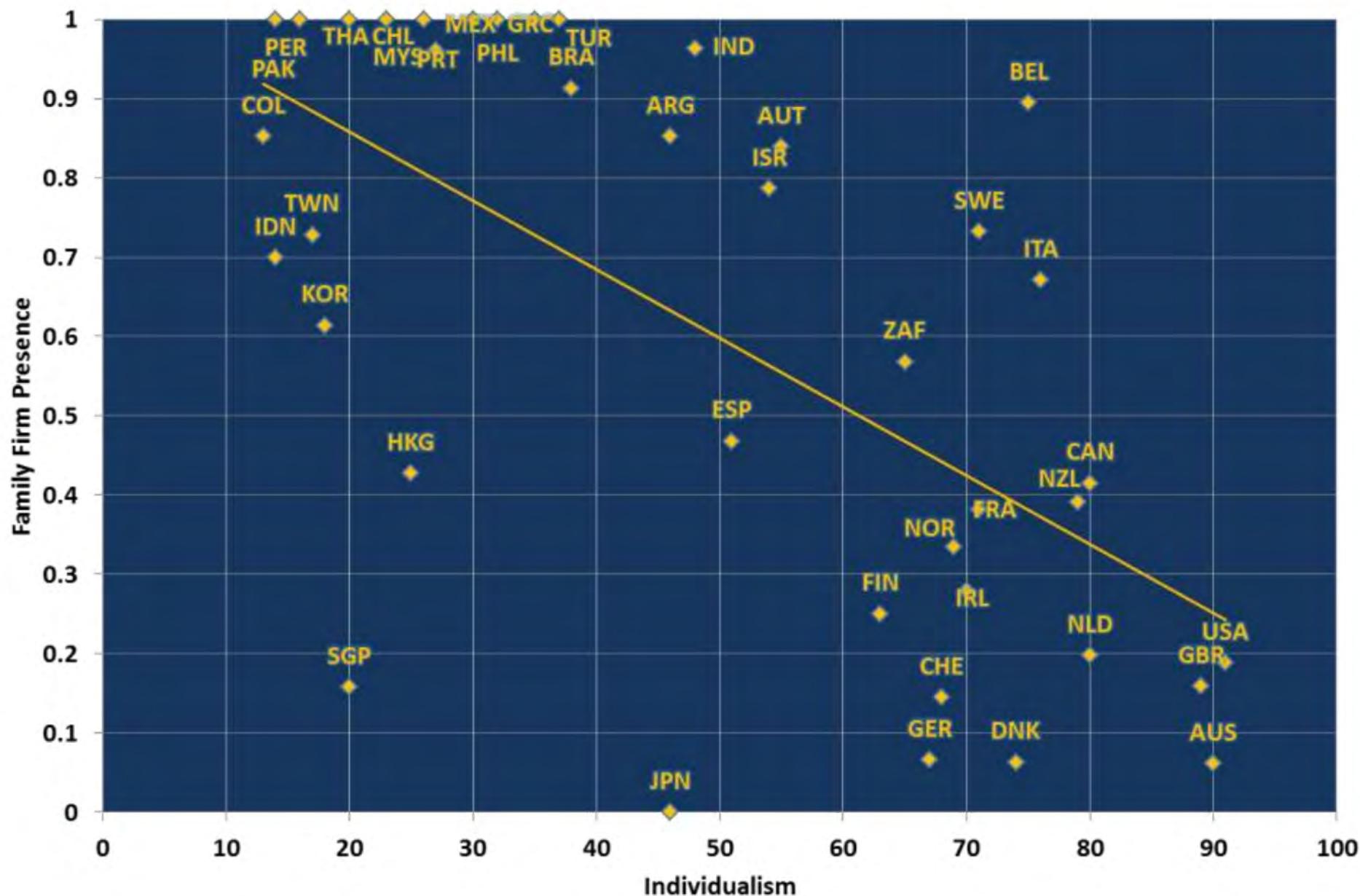
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- ☒ Accepting an arranged marriage is part of one's unavoidable duty to one's family;

The extent to which individuals value their own welfare above that of collectives to which they belong



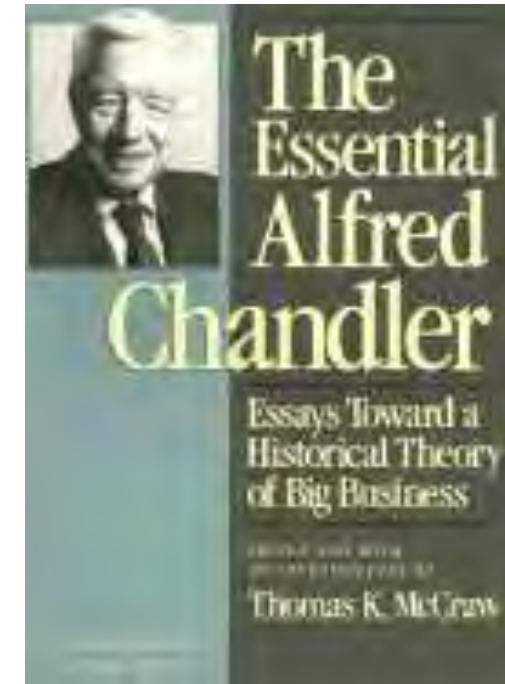
个人把自己的福利看得比他们所属的集体的福利更重要的程度



Professionalized Family Firms

Economic development

- ❑ Alfred Chandler argued that big business in a modern economy must be professionals, citing the US, UK, Germany and Japan
- ❑ Adult adoptions professionalizes “family firms” too (in Japan)
- ❑ Arranged marriage is not uniquely Japanese, and may professionalize family firms elsewhere
 - ❑ Sons-in-law recruited for talent
 - ❑ Replacement by a son-in-law scares blood sons straight?
 - ❑ Performance-based executive pay includes $E[PV(\text{joining family})]$?



But Westernization accompanies modernization

- ❑ Traditional institutions & business organization?
- ❑ Hidden costs of Westernization

专业化家族企业

经济发展

阿尔弗雷德·钱德勒认为，大企业在

现代经济必须是专业人士，

比如美国、英国、德国和日本

成人收养使“家族企业”专业化

too(在日本)

包办婚姻并非日本独有，

可能会使其他地方的家族企业专业化

女婿招聘人才

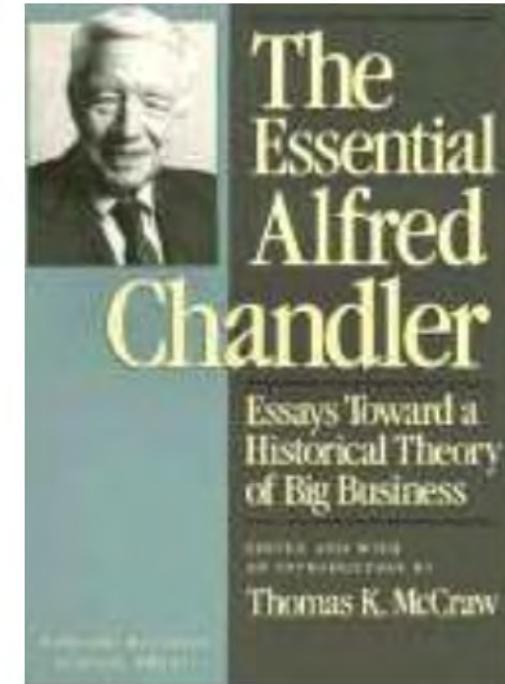
被女婿替代吓血子直？

业绩高管薪酬包括E[PV(入家)]？

但是西方化伴随着现代化

传统制度&商业组织？

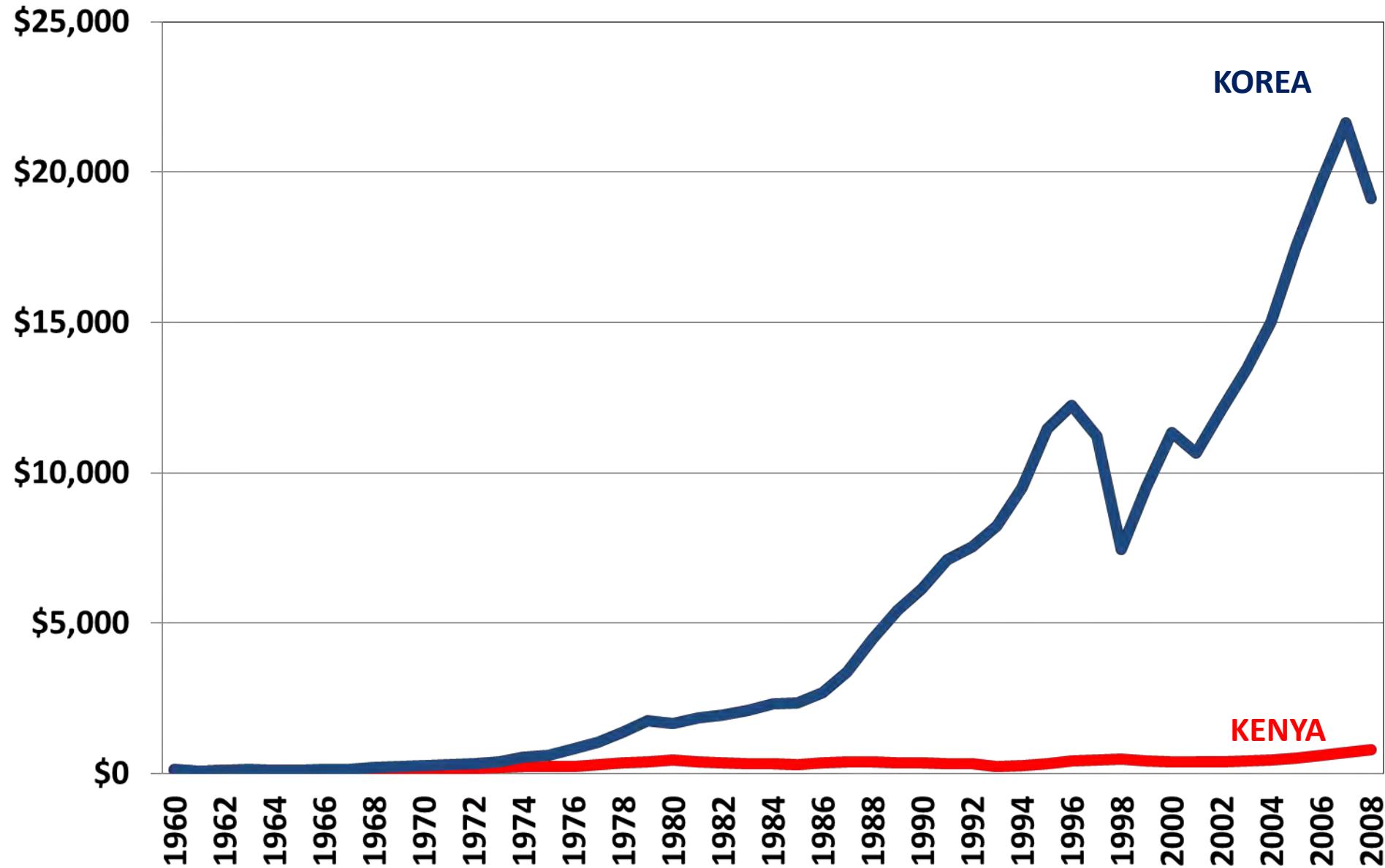
西方化的隐性成本





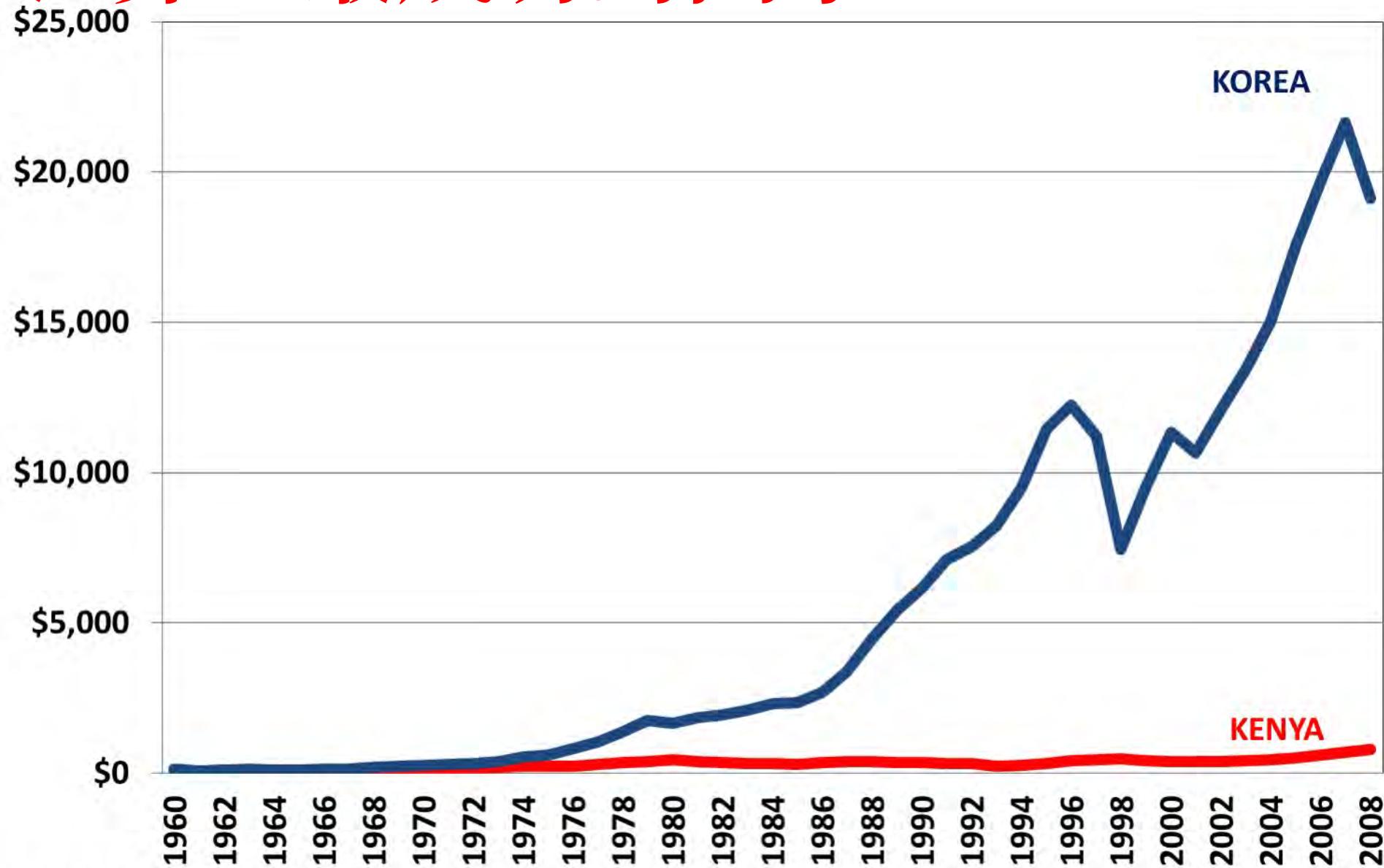


The World's Most Successful Country



See Yoon (2003) on Korean education policy

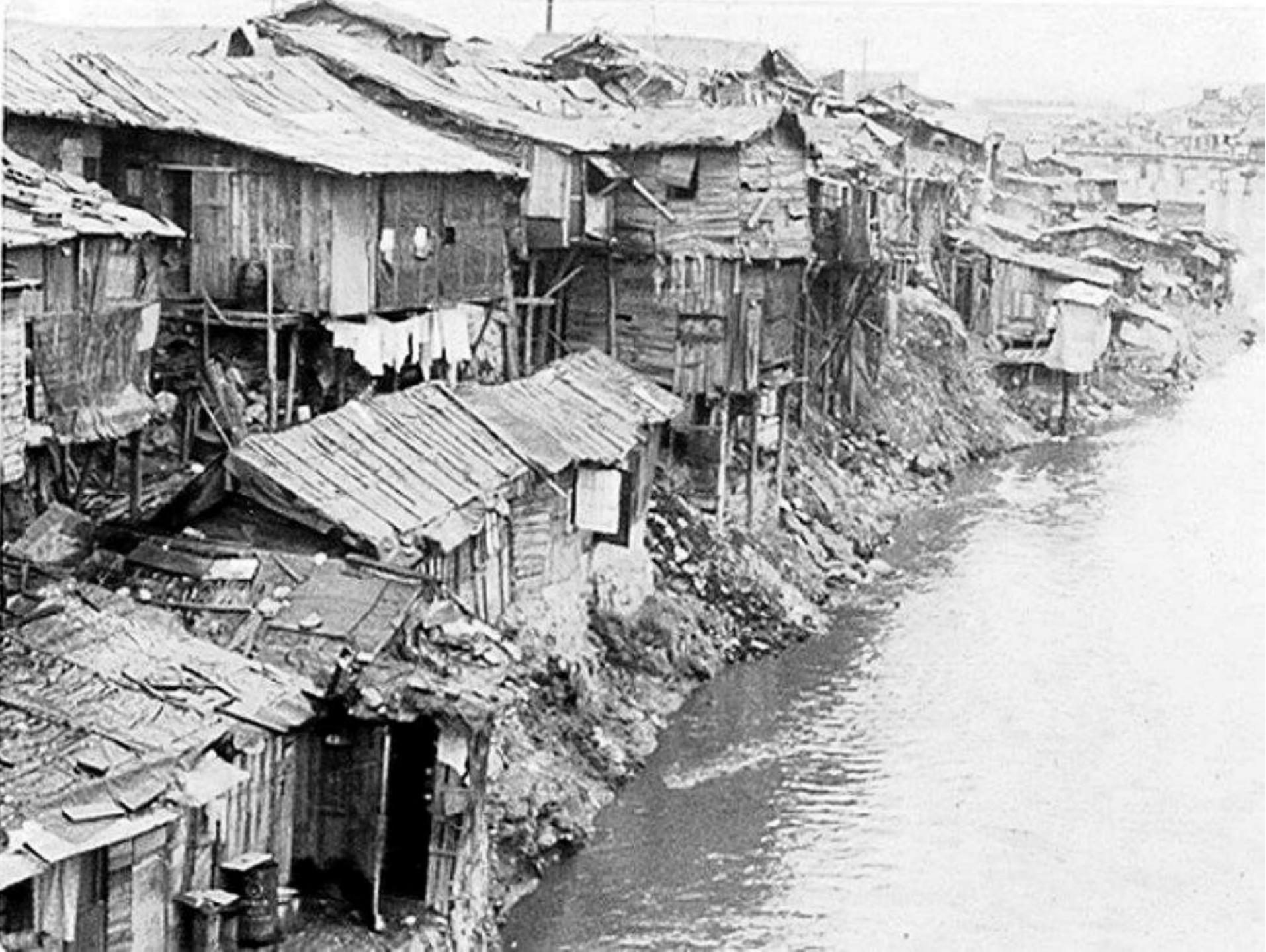
世界上最成功的国家



See Yoon (2003) on Korean education policy

Seoul in 1965





Seoul now



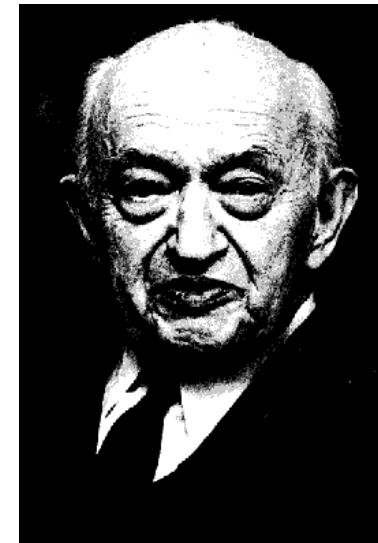


“Big Push” Theory of Economic Development

Rosenstein-Rodan, Paul. 1943. Problems of Industrialisation of Eastern and South-Eastern Europe. Economic Journal 53(210/1) 202-11.

Economic development is hard to start because low-income countries often lack

- ❑ The networks of large numbers of other firms every firm depends on to generate competitive prices among
 - ❑ Suppliers, suppliers' suppliers, ...
 - ❑ Customers, customers' customers, ...
 - ❑ Infrastructure industries (communication, transportation)
- ❑ Rosenstein-Rodan argued that
 - ❑ No single firm can prosper without all the others
 - ❑ Economic development = set up whole set of firms together
 - ❑ Financial markets are unable to do this because
 - ❑ Stock markets, bond markets & banks are all organized to provide capital to individual firms, one at a time
 - ❑ “There has never been a scheme of planned industrialisation comprising a simultaneous planning of several complementary industries”
 - ❑ Therefore government industrial planners must run a “Big Push” to set up all the needed firms & direct capital to them in a coordinated way



Paul Rosenstein-Rodan
Architect of the World Bank

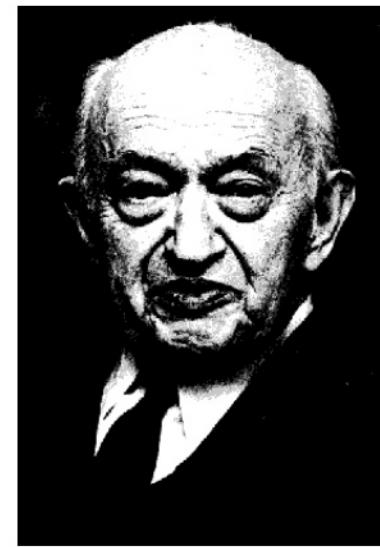
经济发展的“大推动”理论

保罗·罗森斯坦-罗丹，1943。《东欧和东南欧工业化问题》。《经济杂志》53(210/1)202-11。

经济发展起步难，因为低收入

国家往往缺乏

- ☒ 每个公司所依赖的大量其他公司的网络产生具有竞争力的价格
 - ☒ 供应商，供应商的供应商，……
 - ☒ 客户，客户的客户，……
 - ☒ 基础设施行业(通信、交通)
- ☒ 罗森斯坦-罗丹认为
 - ☒ 没有一家公司能脱离其他所有公司而繁荣
 - ☒ 经济发展=共同建立一整套公司
 - ☒ 金融市场无法做到这一点是因为
 - ☒ 股票市场、债券市场和银行都是有组织的为单个公司提供资金，一次一个
 - ☒ “从来没有一个计划好的计划
工业化包括同时规划的
几个互补产业”
 - ☒ 因此政府产业规划者必须进行“大推”
建立所有需要的公司，并直接向他们提供资金
协调的方式



保罗·罗森斯坦-罗丹，
世界银行建筑师

Syngman Rhee (1948 – 1960)

Implemented (or tried to?) standard “big push”

- ❑ Largest recipient of US foreign aid
- ❑ Extensive corruption
- ❑ Economic stagnation, poverty
- ❑ Financial crisis in 1960
 - ❑ Caused by out-of-control govt. spending

Rhee was Woodrow Wilson student

- ❑ Elitist Progressive
- ❑ Success in education
- ❑ Developed economy literacy rate



李承晚(Syngman Rhee, 1948 -1960)

实施(或试图?)标准的“大推”

美国对外援助的最大受援国

☒广泛的腐败

经济停滞、贫困

1960年的金融危机

由失控的政府开支引起

李承晚是伍德罗·威尔逊的学生

☒精英进步

在教育上的成功

发达的经济识字率



General Park Chung Hee (1963 – 1979)

Seized power in military “coup d'état”

Goal of military self-sufficiency

- Escaping the Aid Curse (mistrusted US re. Vietnam)
- Draftee soldiers' poor marching & public health

Accidental free market economics

- Narrowly focused state intervention
 - Intervention re. military needs
 - Export promotion (foreign exchange for weapons)
 - Economic crisis due to “export” loan guarantees
 - Heavy & Chemicals Industry (HCI) drive
 - Economic crisis due to HCI debt guarantees
- Very little corruption
 - Little interest in business or economics
 - Warrior's contempt for merchants
 - Involvement in business thought “dirty”
 - Soldier ethics → less corruption?
- Annoyed with disobedient business leaders
 - Businesses ignored goal of military self-sufficiency
 - Developed “useless” electronics, car-making, etc.



Park Chung Hee

General Park Chung Hee (1963 –1979)

在军事“政变”中夺取政权

军事自给自足的目标

逃离援助诅咒(不被信任的美国对越南)

被征召士兵糟糕的行军和公共卫生状况

偶然的自由市场经济

狭隘集中的国家干预

- 干预re.军事需要
- 出口推广(外汇换武器)
- 经济危机源于“出口”贷款担保
- 重型化工(HCI)驱动
- 经济危机源于HCl债务担保

腐败现象非常少

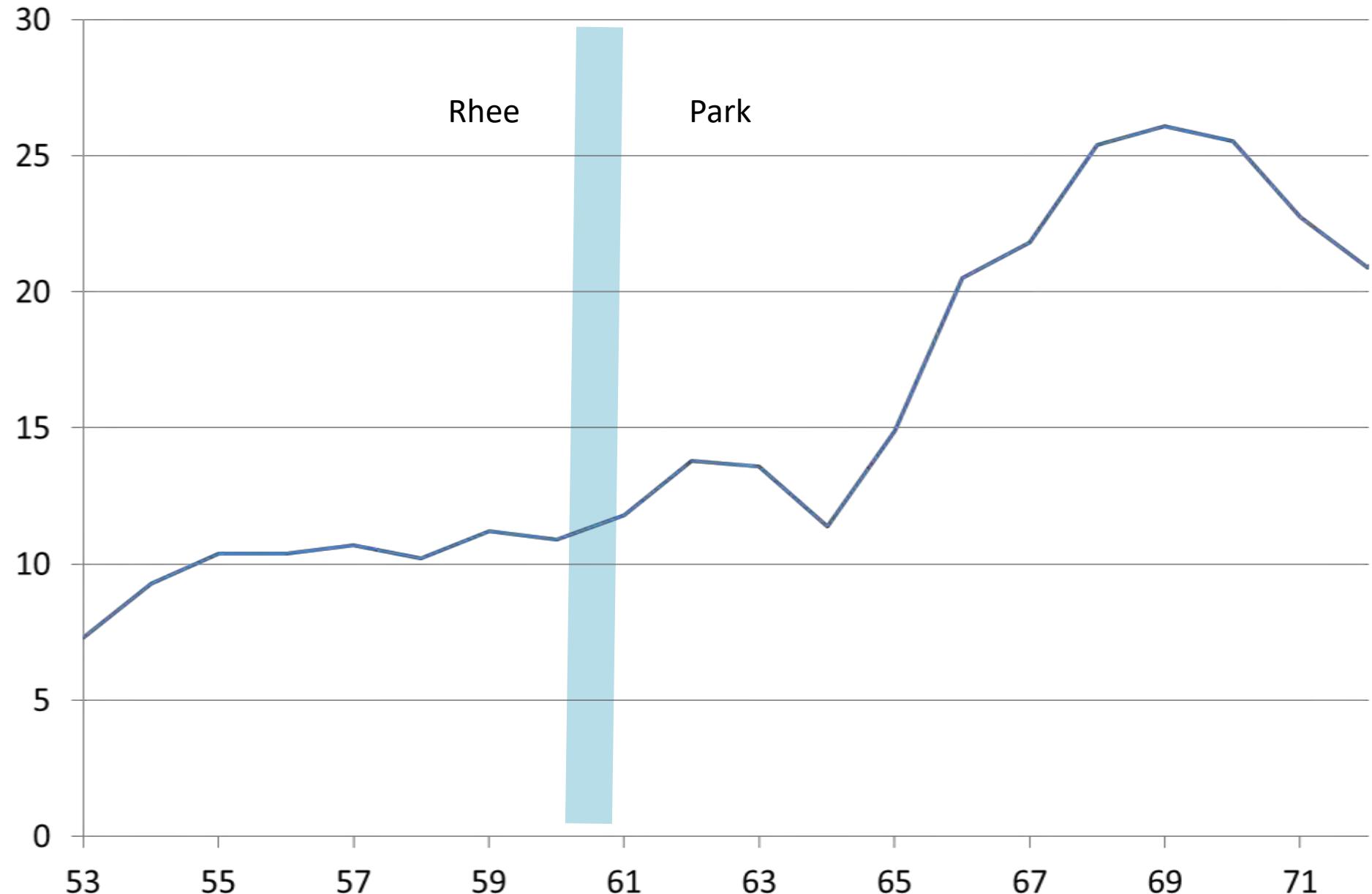
- 对商业或经济不感兴趣
- 战士对商人的蔑视
- 参与商业思维“肮脏”
- 士兵道德无腐化?

对不听话的商业领袖感到恼火

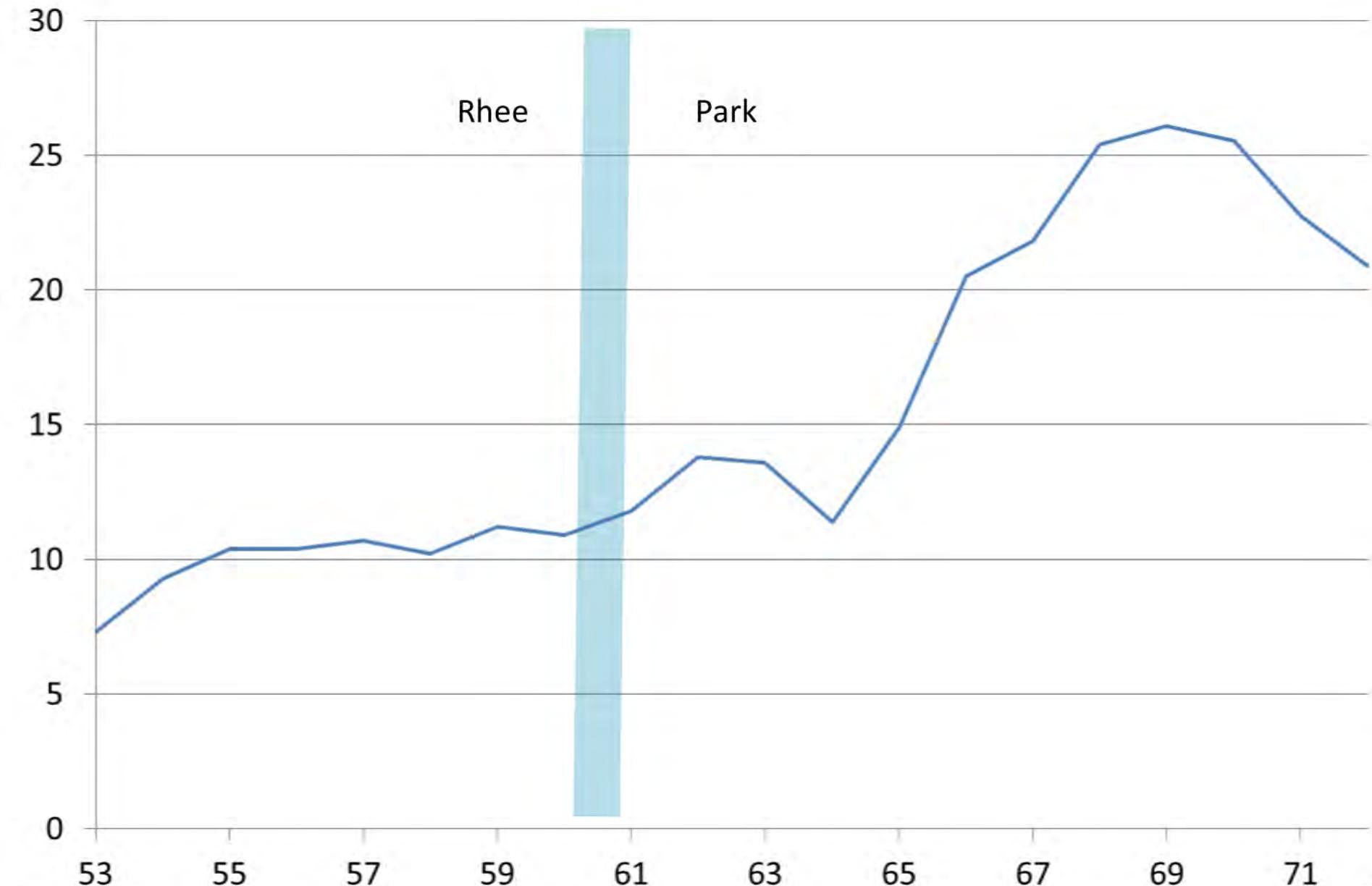
- 企业忽略了军事自给自足的目标
- 开发了“无用”的电子产品、汽车制造等.



Investment Rose Substantially

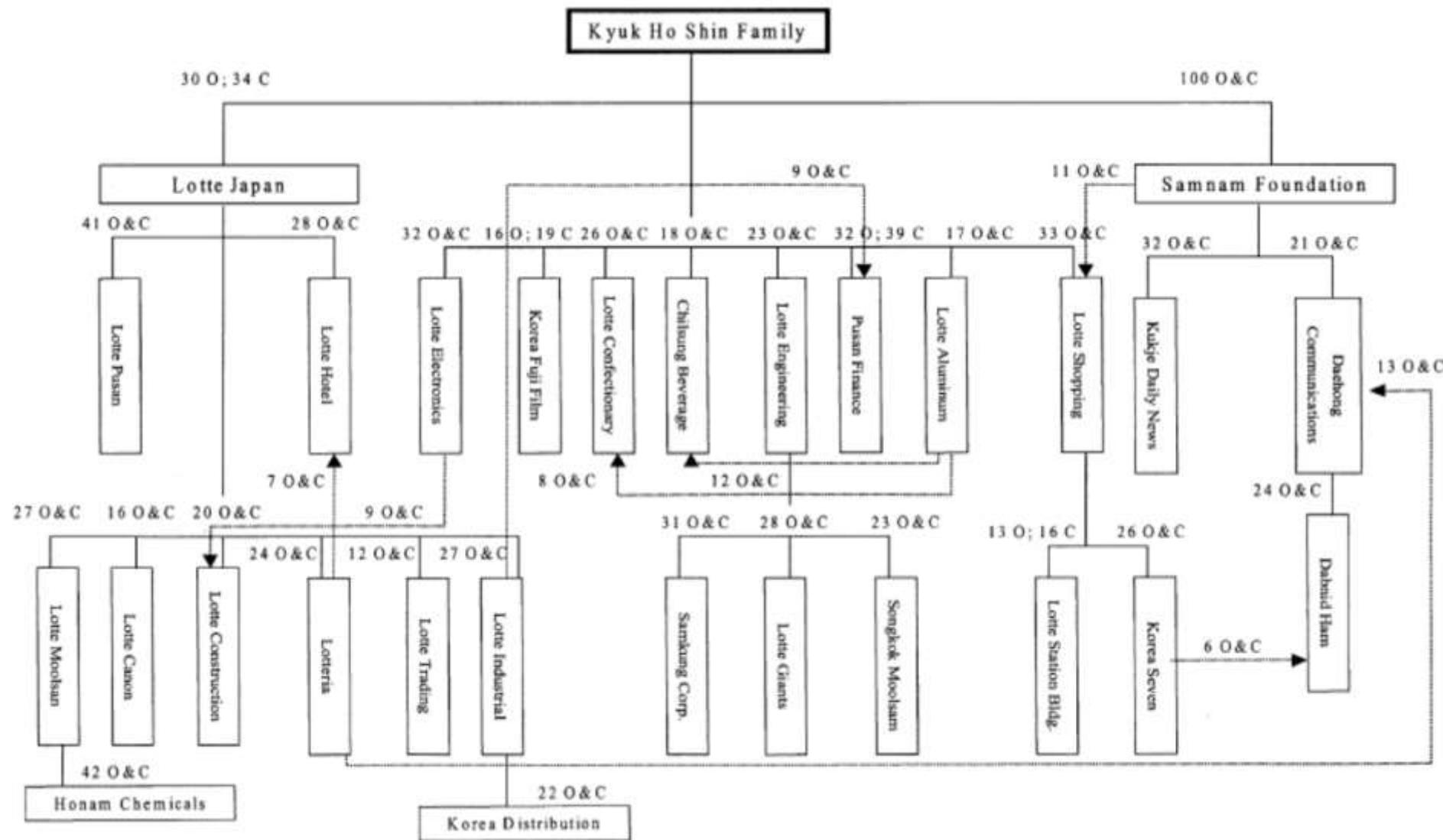


投资大幅上升



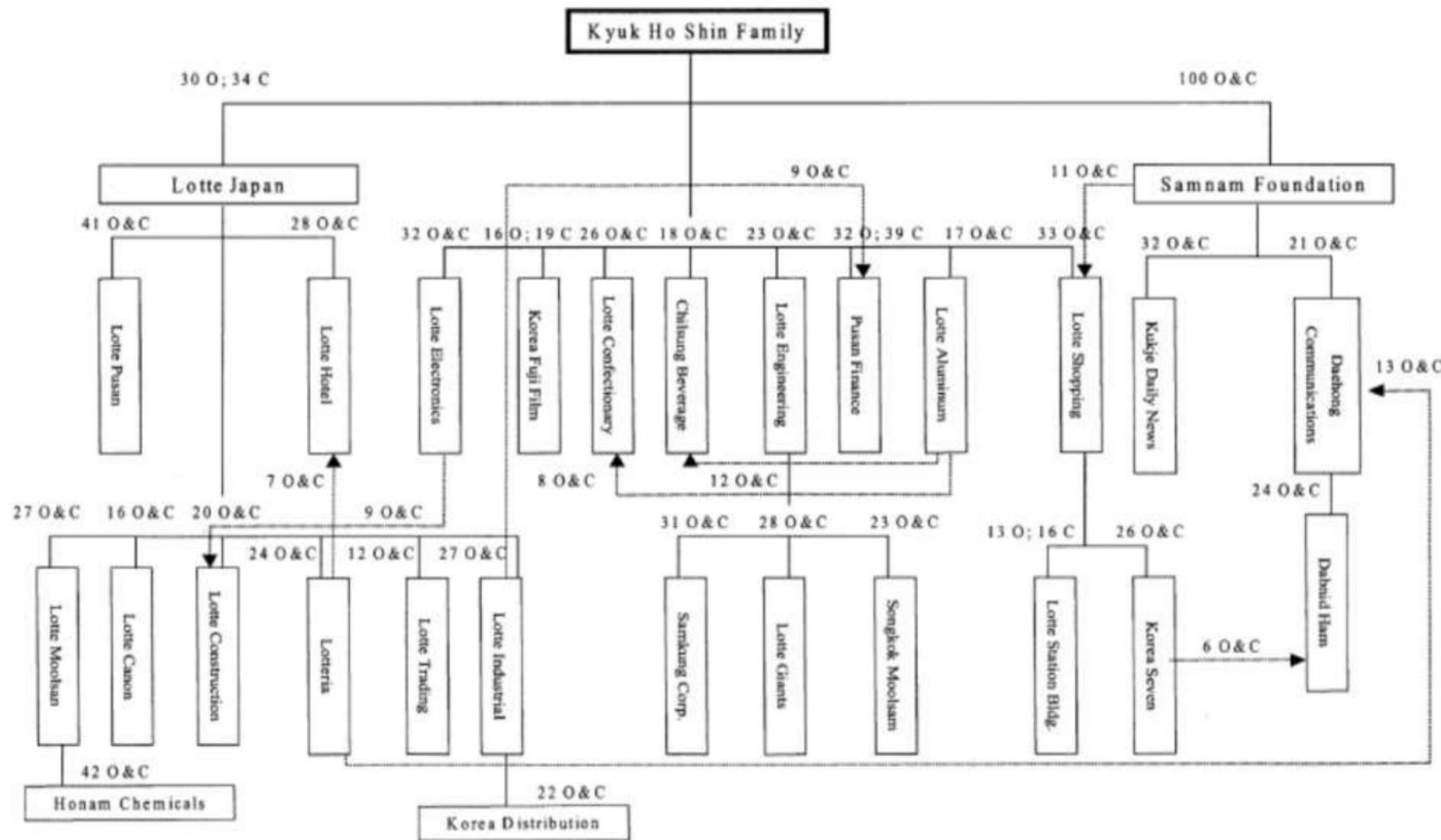
Pyramidal Business Groups (Chaebol) Appear

Example: Lotte Chaebol



金字塔型企业集团(财阀)出现

例子:乐天财阀



Large Chaebol “Full Set Diversification”

“Full Set” diversification = 1 firm in every major industry

- ❑ Example: Hyundai chaebol member firms

“built the factory that makes its computers, built the trucks that carry them to the dock, built the containers and ships that carry the computers to market, and even insures the cargo.”

- ❑ By the 1990s, Hyundai firms produced, among other things

“pianos, dry docks, microchips, oil platforms, kitchen tables, petrochemicals factories, golf balls, industrial turbines, toys, and nuclear power plants”

Kearney (p. 200-201).

Large Chaebol “Full Set Diversification” “全套” 多元化=每个主要行业都有一家公司

“建造制造电脑的工厂，建造把电脑运到码头的卡车，建造把电脑运到市场的集装箱和轮船，甚至还为货物投保。”

到20世纪90年代，现代公司生产了其他产品

“钢琴、干船坞、微芯片、石油平台、厨房桌子，
石化工厂，高尔夫球，工业涡轮机，玩具，
以及核电站。”

科尔尼(p. 200-201).

Why Full Set Diversification

Hicheon Kim. 2010. South Korean Business Groups. In Asli Colpan, Takash Hikino & James Lincoln eds. Oxford Handbook of Business Groups

“My father and I started a cosmetic cream factory in the late 1940s. At the time, no company could supply us with plastic cups of adequate quality for cream jars, so we had to start a plastics business. Plastic caps alone were not sufficient to run the plastic molding plant, so we added combs, toothbrushes, and soap boxes. This plastic business also led us to manufacture electric fan blades and telephone cases, which in turn led us to manufacture electrical and electronic products and telecommunications equipment. The plastics business also took us into oil refining, which needed a tanker shipping company. The oil refining company alone was paying an insurance premium amounting to more than half the total revenue of the largest insurance company in Korea. Thus, an insurance company was started. This natural step-by-step evolution through related businesses resulted in the Lucky-Goldstar (LG) group as we see it today.”

Koo Cha-Kyung, LG Chair

为什么全套多元化

Hicheon Kim, 2010。韩国企业集团。在 Asli Colpan, Takash Hikino & James Lincoln 编辑。《牛津商业团体手册》

“我和父亲在20世纪40年代末开了一家化妆品乳霜厂。当时，没有一家公司可以为我们提供足够质量的塑料杯来装面霜罐，所以我们不得不开始做塑料生意。光靠塑料瓶盖是不够经营塑料模具厂的，所以我们又增加了梳子、牙刷和肥皂盒。这项塑料业务还带动我们生产电风扇叶片和电话套，进而带动我们生产电气电子产品和电信设备。塑料业务也让我们进入了炼油行业，这需要一家油轮运输公司。仅炼油公司就支付了相当于韩国最大保险公司总收入一半以上的保险费。就这样，一家保险公司诞生了。通过相关业务的自然发展，形成了今天我们看到的Lucky-Goldstar (LG)集团。”

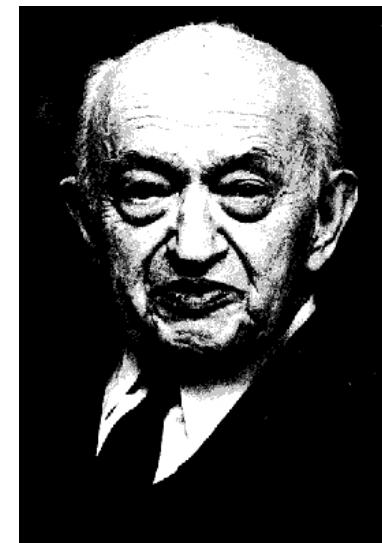
LG首席具滋京

Why Pyramidal Business Groups

Large highly diversified family controlled pyramidal business groups arise in most countries eras of rapid development

Reason: Because pyramidal business groups serve a useful purpose at that stage

- ❑ Are precisely a private-sector stock market-financed “scheme of planned industrialisation comprising a simultaneous planning of several complementary industries”
- ❑ Capture cross-industry spillovers, network externalities, and even (partially) spillovers from public goods (business groups each founded their own universities in Turkey)
- ❑ Coordinate planning across multiple industries
 - ❑ Times the growth of firms in different industries so each meets the needs of the others
 - ❑ Group firms with high earnings subsidize formation of new group firms needed by other group firms and capital investment of existing group firms with low earnings whose outputs are needed by other group firms
- ❑ Centralizes control so no-holdup or opportunistic renegeing
 - ❑ One group firm does not cheat on another because the same family controls both
 - ❑ Firms can do business with each other even if the legal system functions poorly
- ❑ Pyramids grow by issuing equity to public shareholders
 - ❑ Public shareholders own just under 50% of every firm in the stylized pyramid displayed in earlier slides
 - ❑ Most of the capital in a pyramidal business group is provided by small shareholders
 - ❑ Pyramidal group member firms equity issues mobilize national savings on large scale



Paul Rosenstein-Rodan
Architect of the World Bank

为什么是金字塔型企业集团

出现了高度多元化的大型家族控制的金字塔型商业集团

在大多数国家的快速发展时期

原因:因为金字塔式的商业集团在这方面起到了有益的作用

阶段

恰恰是一个私营部门股票市场融资的“计划”

工业化包括几个互补的同时规划

产业”

捕获跨行业溢出效应、网络外部性，甚至(部分)溢出效应

来自公共产品(各商业集团在土耳其建立了自己的大学)

协调跨多个行业的规划

将不同行业的公司增长乘以，这样每个公司都能满足其他公司的需求

高收益的集团公司资助其他公司需要的新集团公司的形成

集团公司和现有低收益集团公司的资本投资

产出是其他集团公司所需要的

集中控制，避免拖延或投机反悔

一个集团公司不会欺骗另一个集团公司，因为两个集团都由同一个家族控制

即使法律体系运转不佳，企业也可以彼此做生意

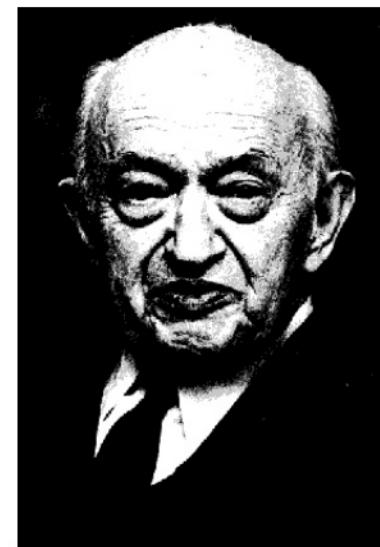
金字塔通过向公众股东发行股票而成长

在图表中显示的金字塔中，公众股东拥有每家公司不到50%的股份

在之前的幻灯片中

在金字塔型商业集团中，大部分资金是由小股东提供的

金字塔型集团成员公司的股权发行大规模调动国民储蓄



世界银行建筑师Paul Rosenstain-Rodan

General Chun Doo Hwan (1980 – 1987)

- Subsidies to Heavy & Chemicals Industries firms bankrupt government in 1979
- Park decided to end all subsidies to business amid a major financial & was immediately assassinated by KCIA chief
- General Chun Doo Hwan seizes power
 - Government is broke, further subsidies are simply impossible
 - Accepts free market economics as a last resort
 - Chaebol expand even faster via more share issues
 - Key policy (keep wages low so chaebol firms can export cheap goods) angers workers
 - Suppression of dissent angers students
- Questions arise
 - Does Chun controls chaebols?
 - Or do the chaebols control Chun?
- Labor & student uprisings force Chun to resign
- South Korea becomes a democracy in 1987



Chun Doo Hwan

General Chun Doo Hwan (1980 – 1987)

对重化工企业的补贴

破产政府 1979

朴槿惠决定终止对企业的所有补贴

主要金融&立即被

KCIA首席

全斗焕将军夺权

政府破产，进一步补贴简直

不可能的

接受自由市场经济作为最后的手段

通过发行更多股票，财阀扩张得更快

关键政策(保持低工资，以便财阀企业能够出口)

廉价商品)激怒了工人

压制异议会激怒学生

☒ 问题

全斗焕控制着财阀吗？

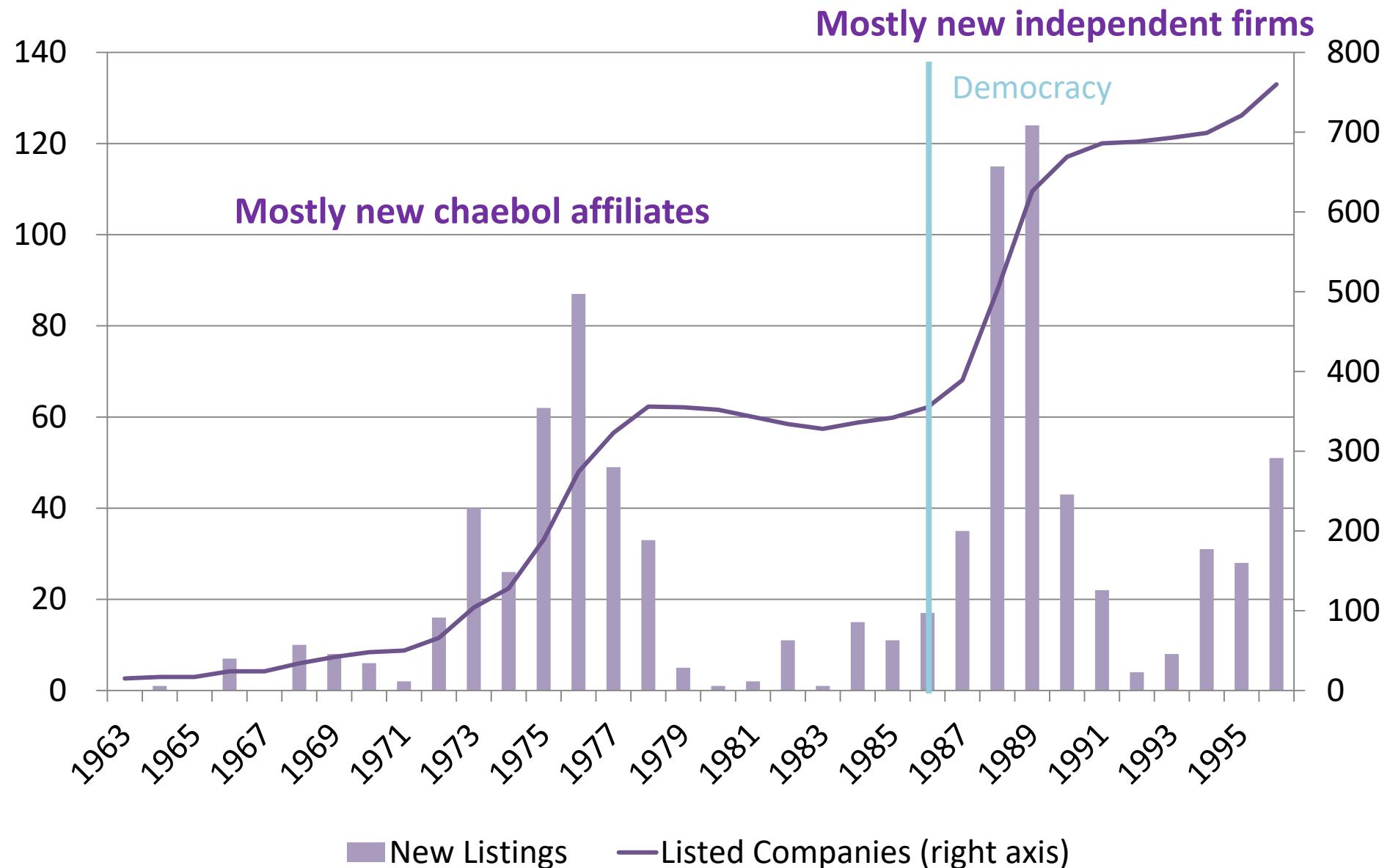
或者是财阀控制了全斗焕？

劳工和学生起义迫使全斗焕辞职

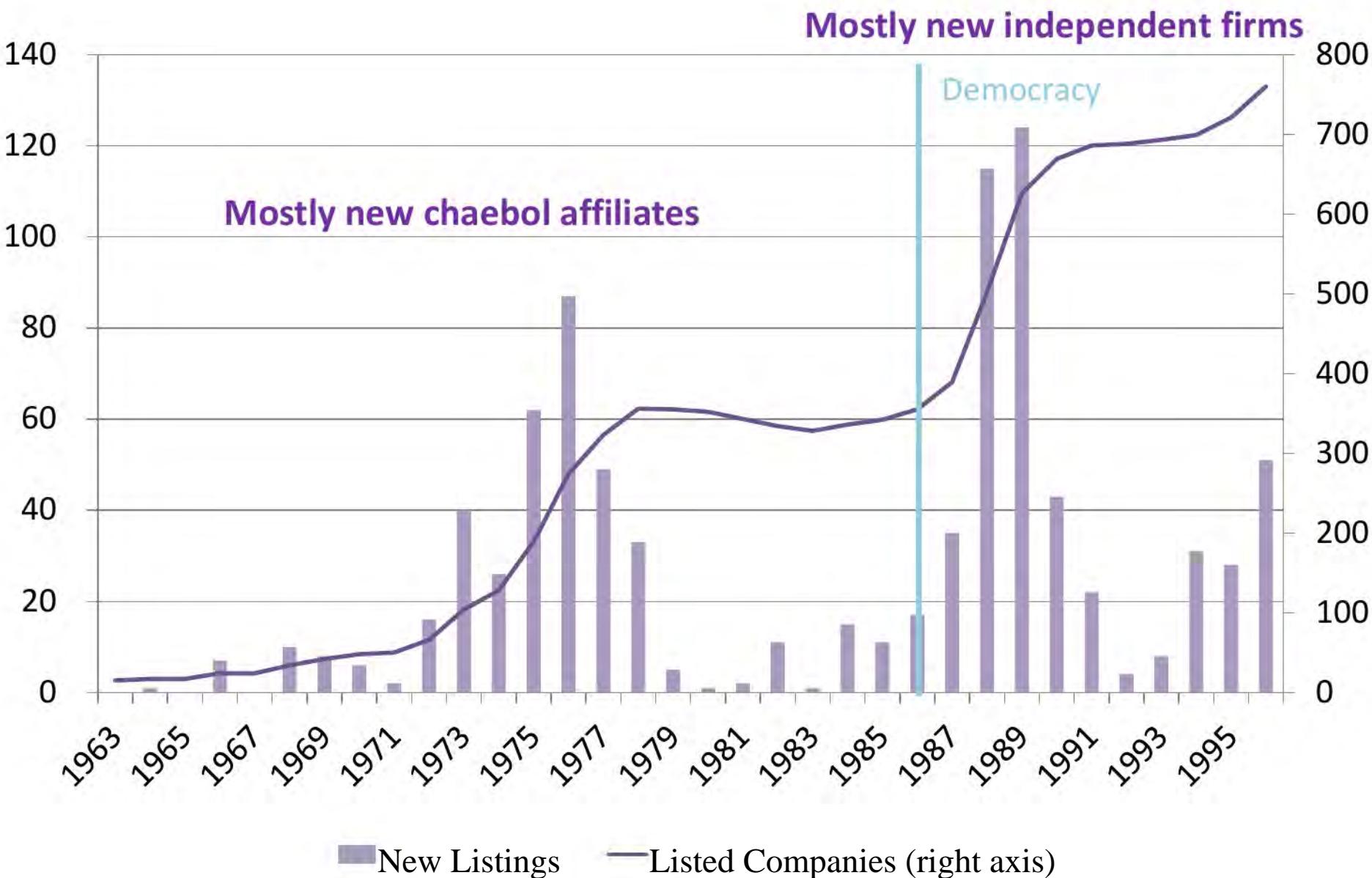
1987年，韩国成为民主国家



Initial Public Offerings



I首次公开募股



End of Military Rule in South Korea

Wages Rise to 1st World Levels 1987 – 1996

- ❑ Rapid rise in wages to developed economy levels by mid 1990s
- ❑ Economic boom driven by newly rich “average” Koreans
- ❑ Chaebol firms didn’t need cheap labor. Having rich domestic consumers turns out to be better
- ❑ Massive inflow of capital seeking high returns as domestic consumption rises
- ❑ Rapid increase in leverage of Korean firms

Asian Financial Crisis of 1997 & after

- ❑ Bank failure in Thailand
- ❑ Abrupt questioning of expected returns in E. Asia
 - ❑ High returns were for early investors
 - ❑ Maturing rich economy provides normal returns only
- ❑ Collapse of stock markets throughout E. Asia
- ❑ Rapid recovery & continued economic growth

韩国军事统治的终结

工资上升到1st世界水平 1987 - 1996

在1990年代中期，工资迅速上升到发达经济体的水平

由新富的“普通”韩国人推动的经济繁荣

财阀企业不需要廉价劳动力。拥有富裕的国内消费者

反而更好

寻求高回报的资本大量流入作为国内消费

上升

韩国企业杠杆率快速上升

1997年及之后的亚洲金融危机

泰国银行倒闭

对东亚预期回报的突然质疑

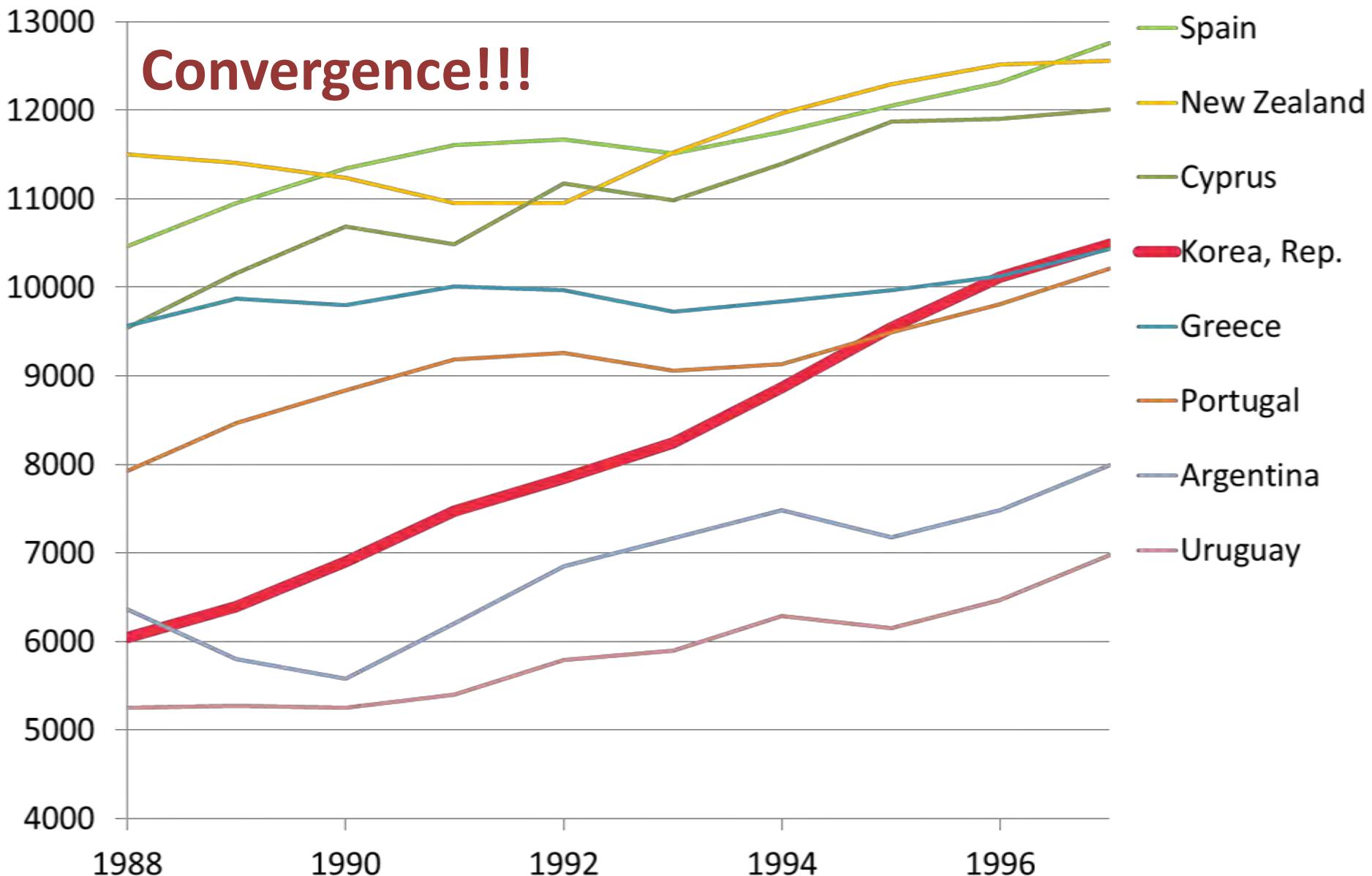
高回报是给早期投资者的

成熟的富裕经济体只能提供正常的回报

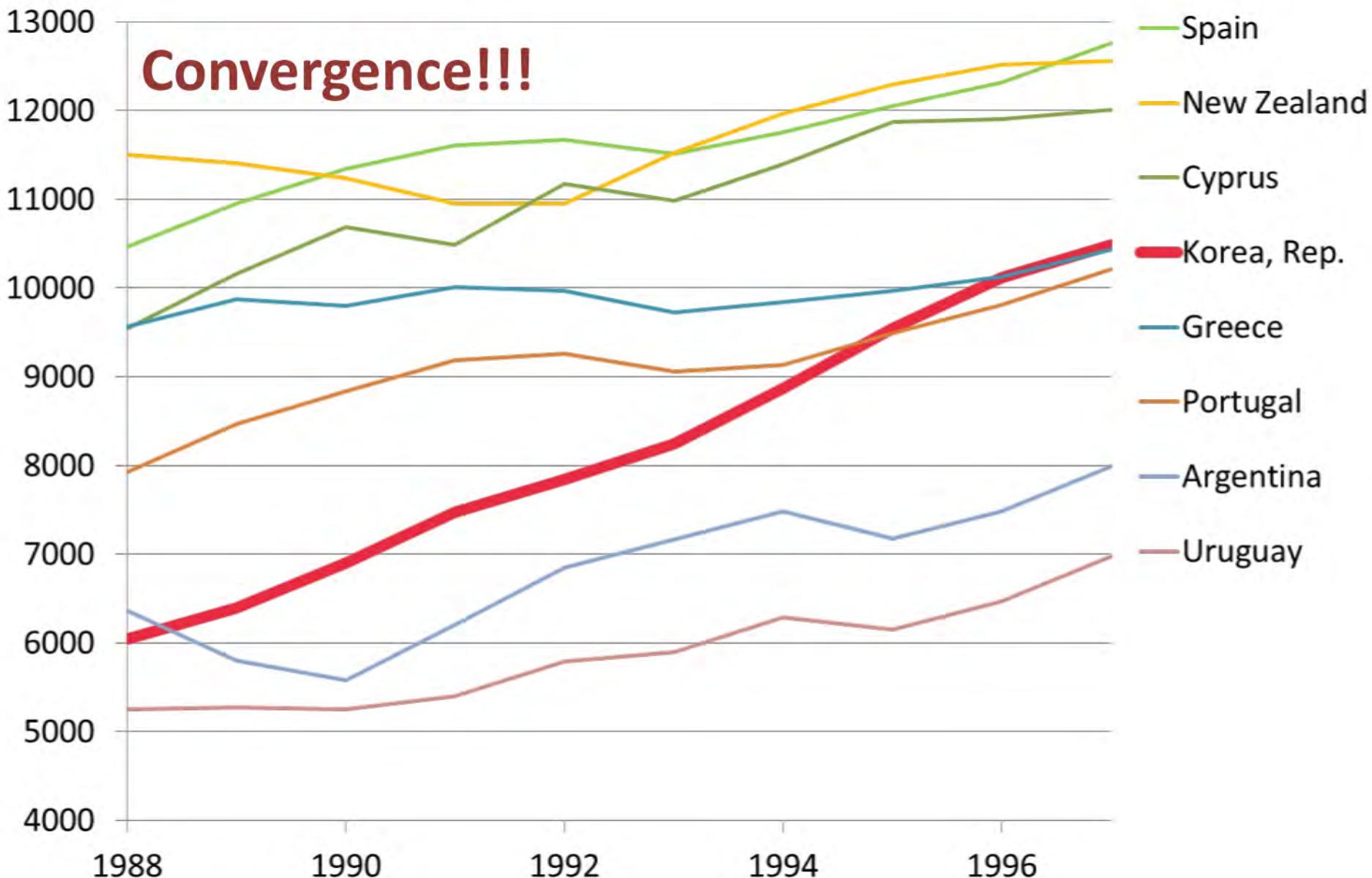
整个东亚股市崩盘

经济快速复苏和持续增长

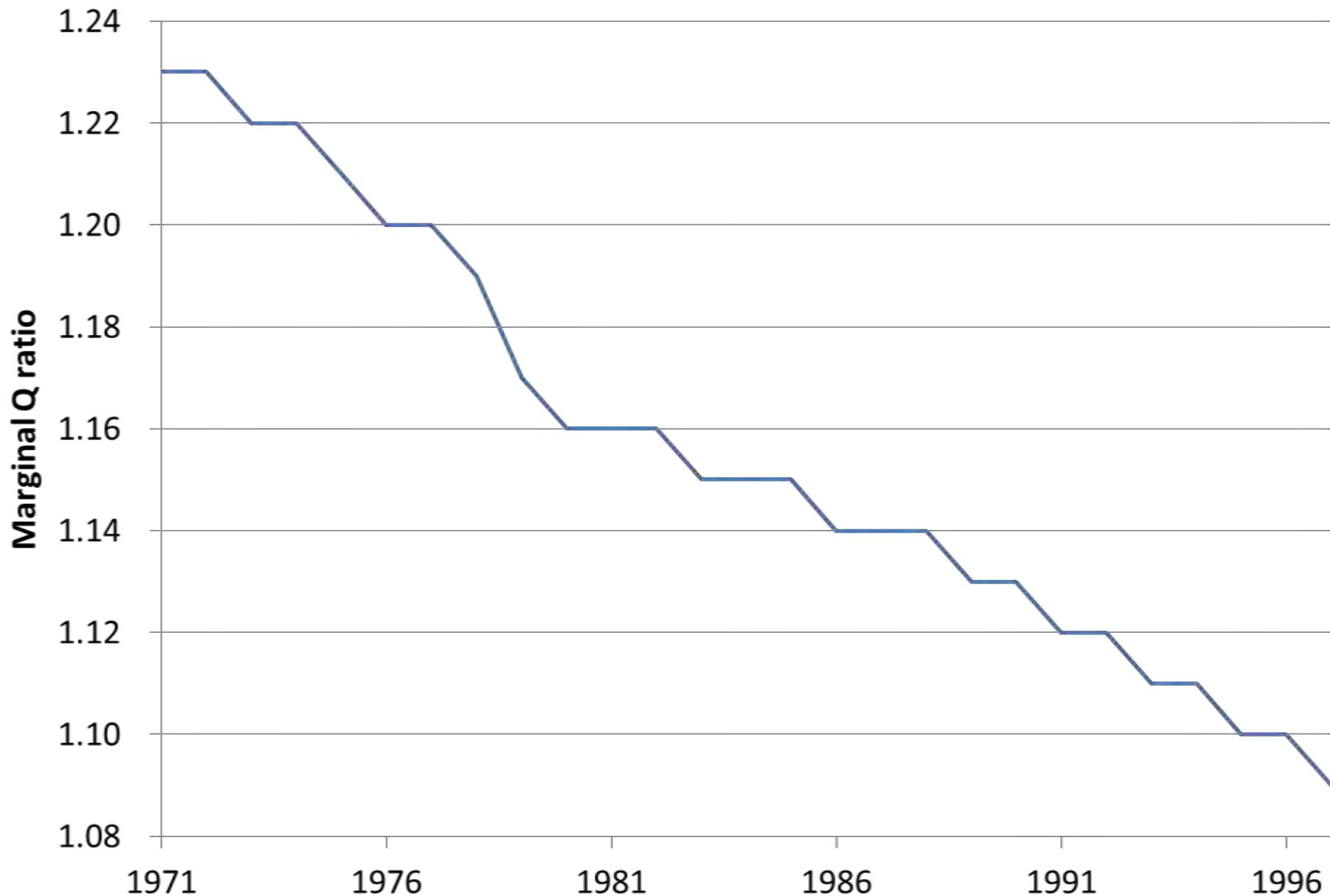
S. Korea Joins the First World



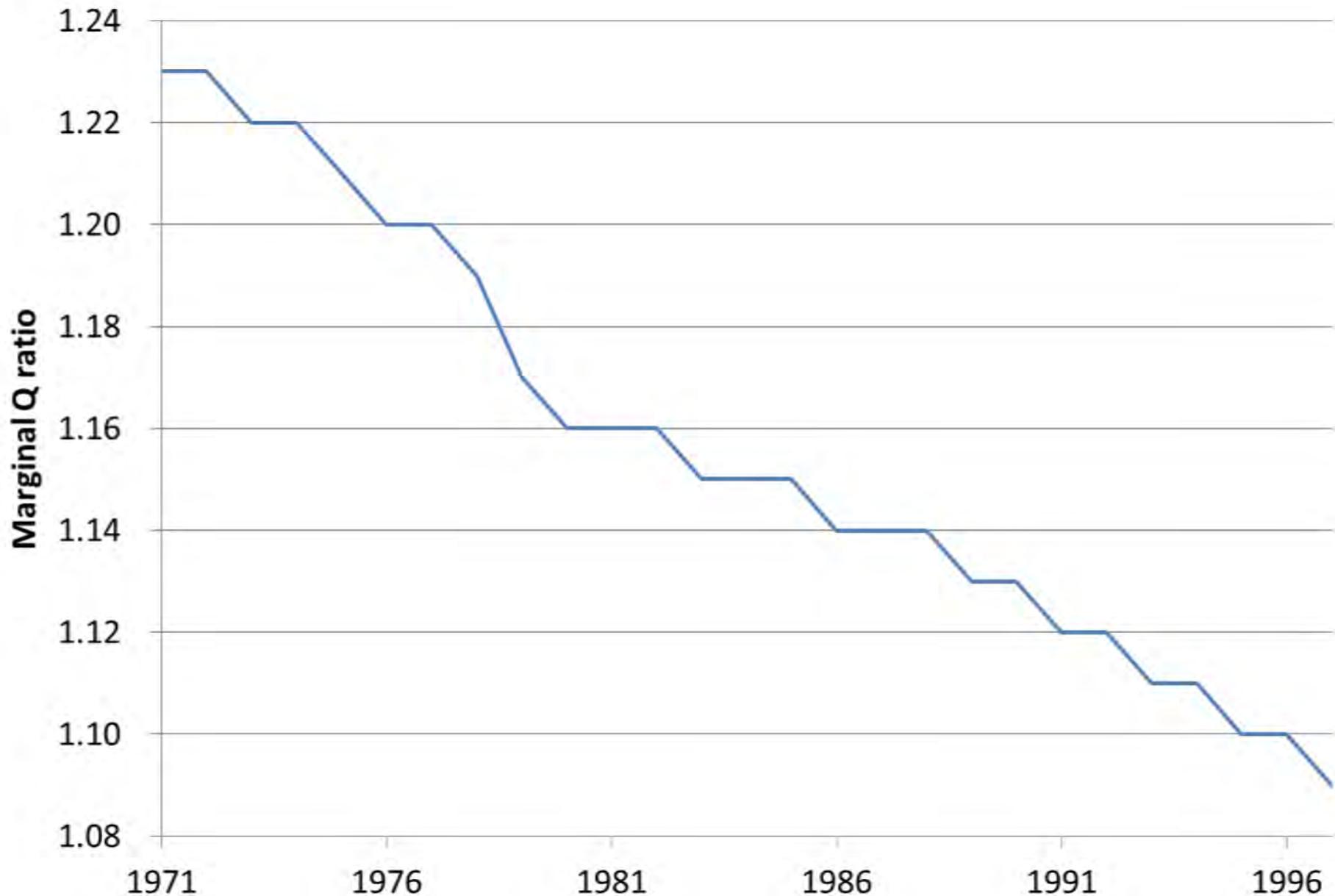
韩国加入第一世界



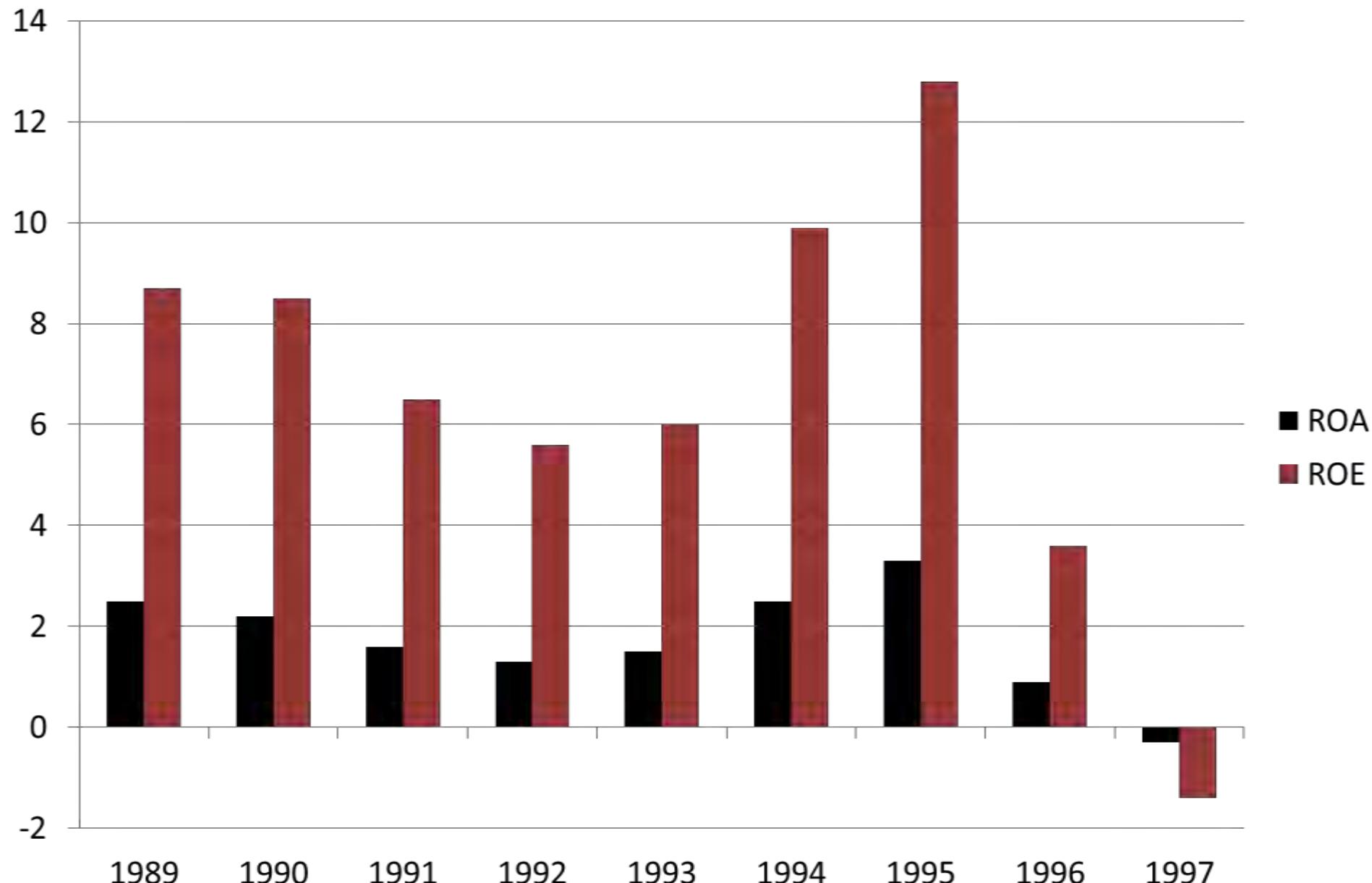
Falling Marginal Productivity of More Capital Assets



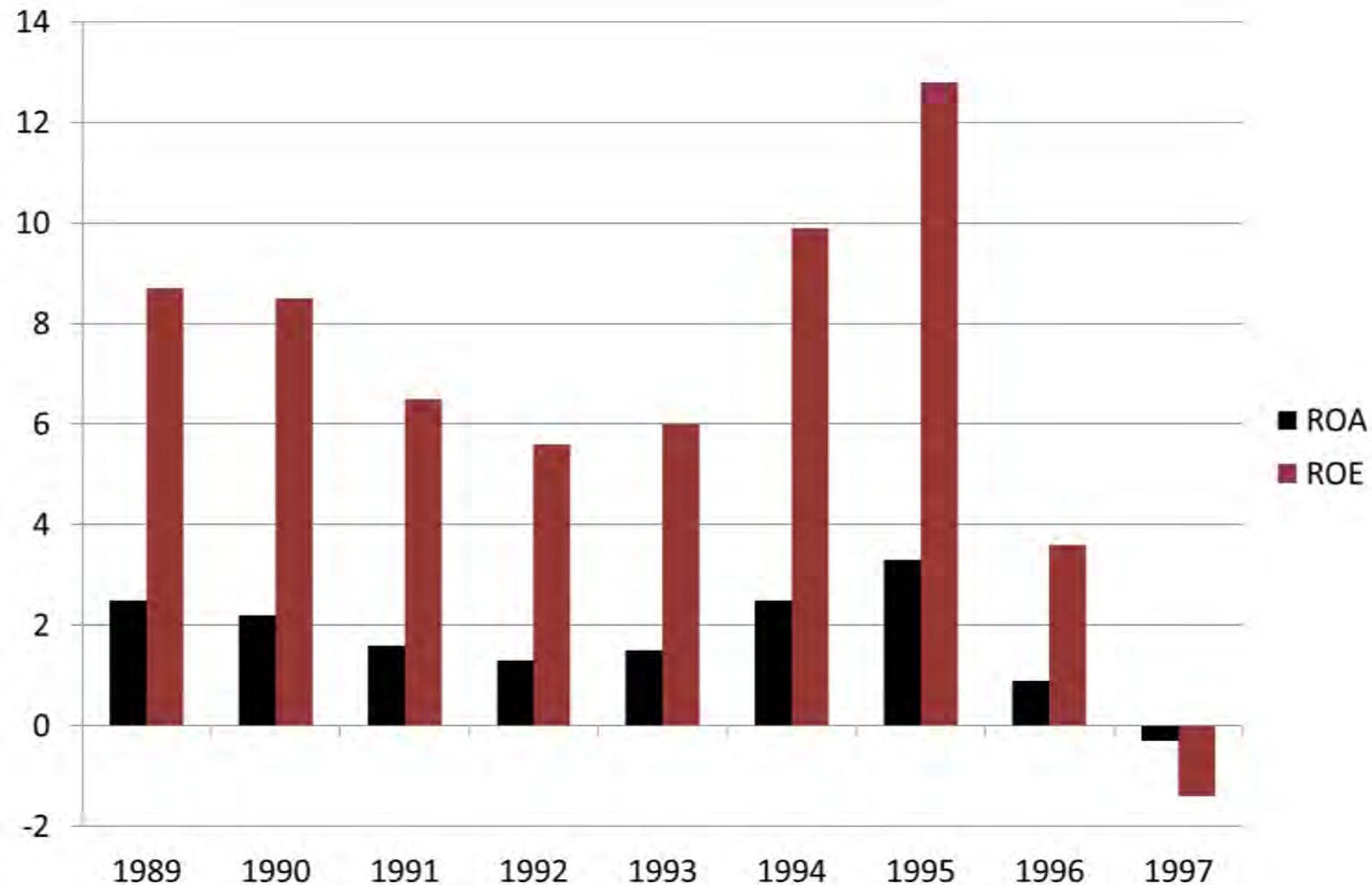
Falling Marginal Productivity of More Capital Assets



Rising Leverage Hides Falling ROAs



Rising Leverage Hides Falling ROAs

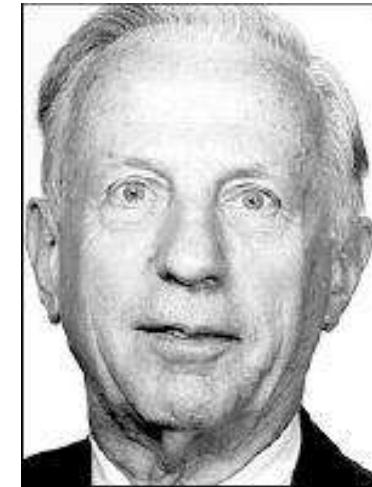


1997 Crisis as Salute to Asian Success

Kindleberger, Charles. 1978. *Manias, Panics & Crashes*. MIT Press

S. Korea (& other Asian Tiger economies of 1990s) fit Kindleberger's pattern

1. Genuine NPV > 0 profit opportunities in the emergence of a new "developed economy"
2. Genuine high returns induce investment boom
3. Mania: investors used to high return, but most NPV > 0 projects have been funded & NPVs are falling to 0
4. Investment keeps flowing in , bubble expands
5. Minsky moment, panic, & crash
6. Investors readjust to normal rates of return typical in a high-income country



Charles Kindleberger

1997 Crisis occurred because investors throughout the world had become overexcited by S. Korea's success

- S. Korea needed lots of capital to become a rich country
- S. Korea recovered very quickly after the crisis
- Was it good for S. Koreans (after the crisis was over) that foreign investors had lost money from giving S. Korea "too much" of their money?

1997危机向亚洲的成功致敬

查尔斯·金德尔伯格，1978。《狂躁、恐慌与崩溃》。麻省理工学院出版社

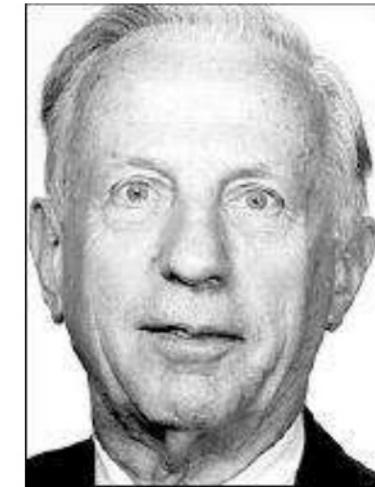
韩国(和其他20世纪90年代的亚洲四小龙经济体)适合
Kingleberger的模式

1. 正版NPV > 0的盈利机会中出现了新的
“发达经济体”
2. 真正的高回报会引发投资热潮
3. 狂热:投资者习惯于高回报, 但大多数NPV > 0的项目
已经获得融资, npv正在下降到 0
4. 投资不断流入, 泡沫不断扩大
5. 明斯基时刻, 恐慌和崩溃
6. 投资者重新调整到正常的回报率, 典型的高回报率
收入国家

1997 危机的发生是因为全世界的投资者
对韩国的成功过于兴奋了吗

- 韩国需要大量资本才能成为一个富裕的国家
- 韩国在危机后恢复得非常快
- 对韩国人(危机结束后)来说, 这是好事吗

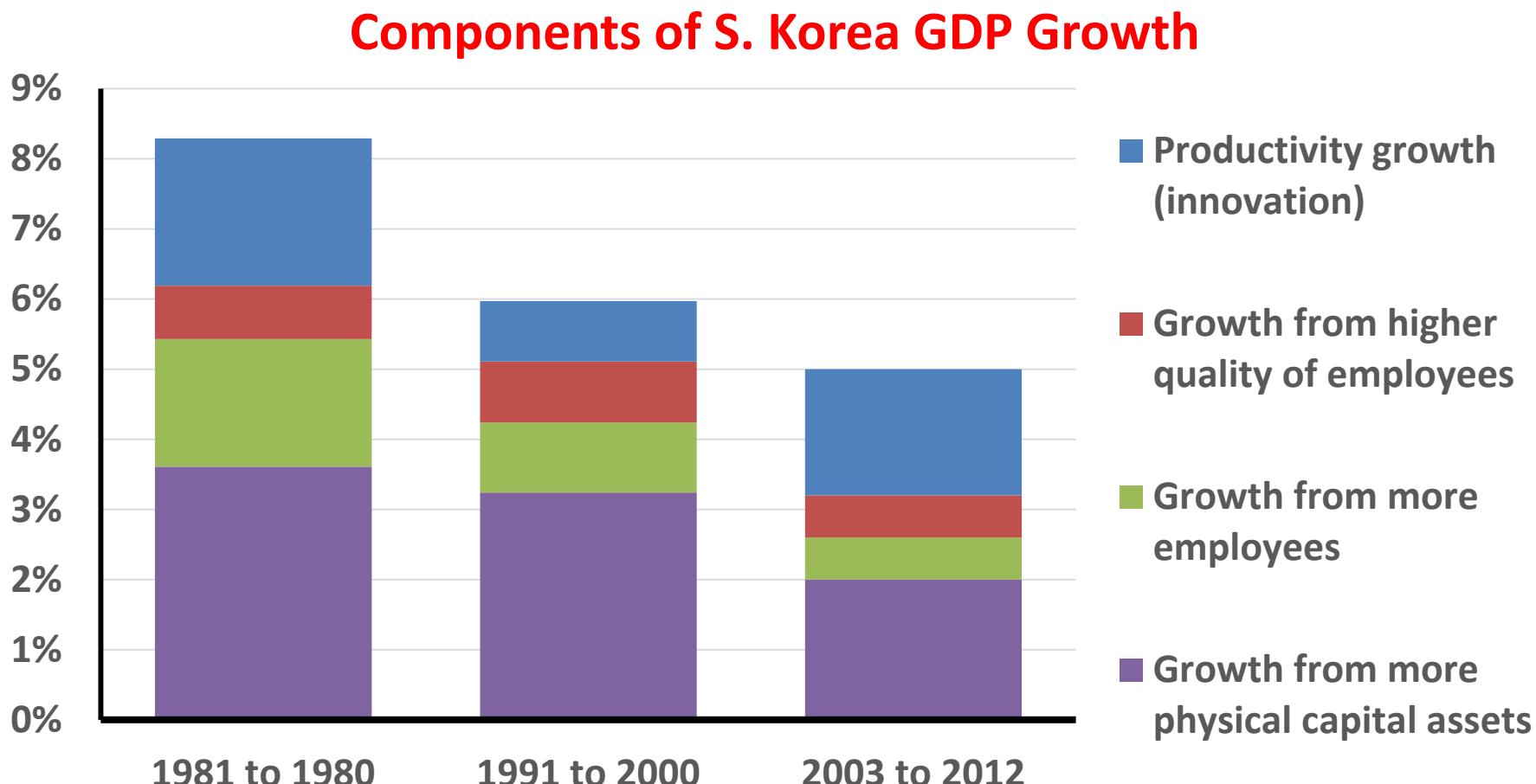
投资者因为给韩国 “太多” 的外汇储备而蒙受了损失
钱吗?



查尔斯·金德尔伯格

After 1997: Growth from Innovation

- ❑ Overall growth becomes more dependent on productivity growth (innovation) and less dependent on having more capital assets, more workers, etc.
- ❑ Total growth slows to levels similar to other high-income countries (growth from innovation is harder)

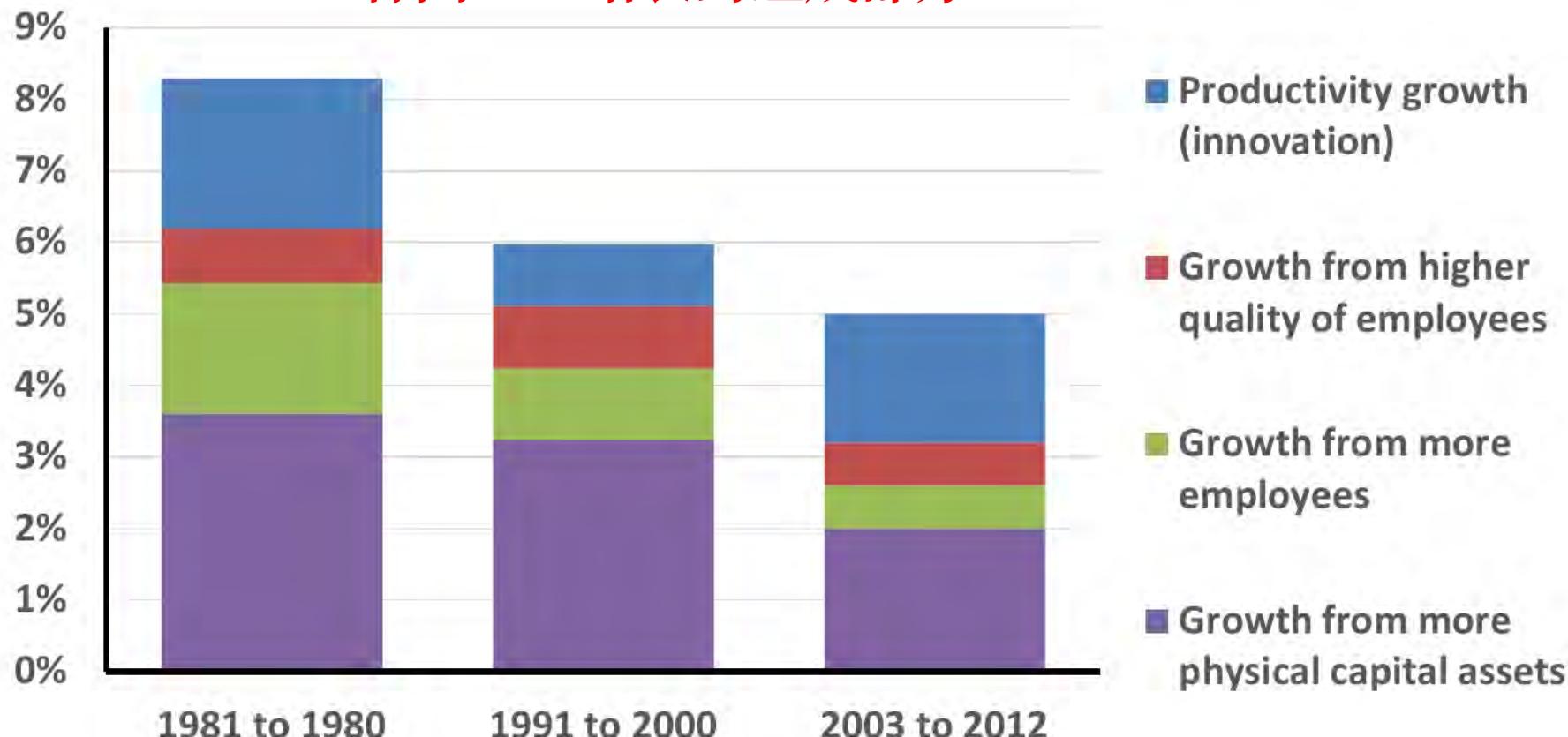


After 1997: Growth from Innovation

总体增长越来越依赖于生产率增长(创新), 越来越少依赖于拥有更多的资本资产、更多的工人等。

总体增长放缓至与其他高收入国家相似的水平(创新增长更难)

韩国GDP增长的组成部分



South Korea's “Too Big to Jail Problem”

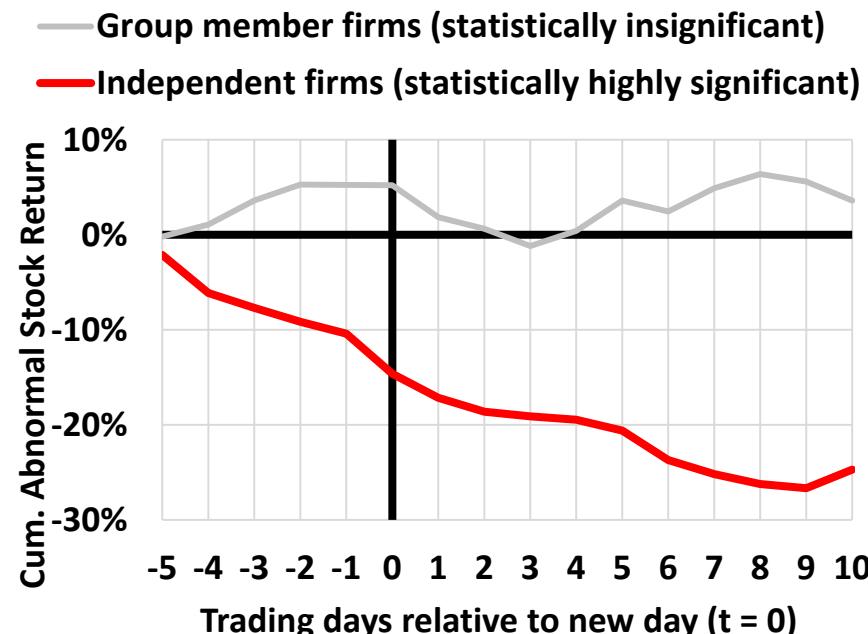
Choi, Hansoo, Hyung-Goo Kang, Woojin Kim*, Changmin Lee & Jongsik Park. 2016. Too Big to Jail? Company Status and Judicial Bias in an Emerging Market. *Corporate Governance: An International Review* 24(2)85–104

- Data: 84 indictments & 78 convictions between 2004 and 2008 of corporate managers of listed S. Korean co. for embezzlement or breach of duty
- Probit regressions show prob (incarceration) much smaller if firm belongs to a large family-run business group

$$Pr(jail) = \frac{-0.68^{***}}{(0.01)} \delta_{BG\ firm} - \frac{-0.40^{***}}{(0.01)} \delta_{accused=CEO\ and\\controlling\ shareholder} + age, growth, Q \dots$$

Problem: How to get rid of S. Korea's oligarchs?

Share prices around indictment news ($t = 0$)



Status of convicted managers released on probation

| | | Group member firm | Independent firm |
|------------------|-----------------|-------------------|------------------|
| Retains position | | 86% | 22% |
| | | 7% | 52% |
| Loses position | After indicted | | |
| | Before indicted | 7% | 26% |

South Korea's "Too Big to Jail Problem"

Choi, Hansoo, Kang Hyung-Goo, Kim Woojin *, Changmin Lee & Jongsik Park. 2016. Too Big to Jail? 新兴市场中的公司地位与司法偏见. 公司治理: 国际评论24(2):85-104

数据: 2004年至2008年间, 84名韩国上市公司经理因挪用公款或渎职被起诉, 78人被定罪

概率回归显示, 如果公司属于大型家族企业集团, 则概率(监禁)要小得多

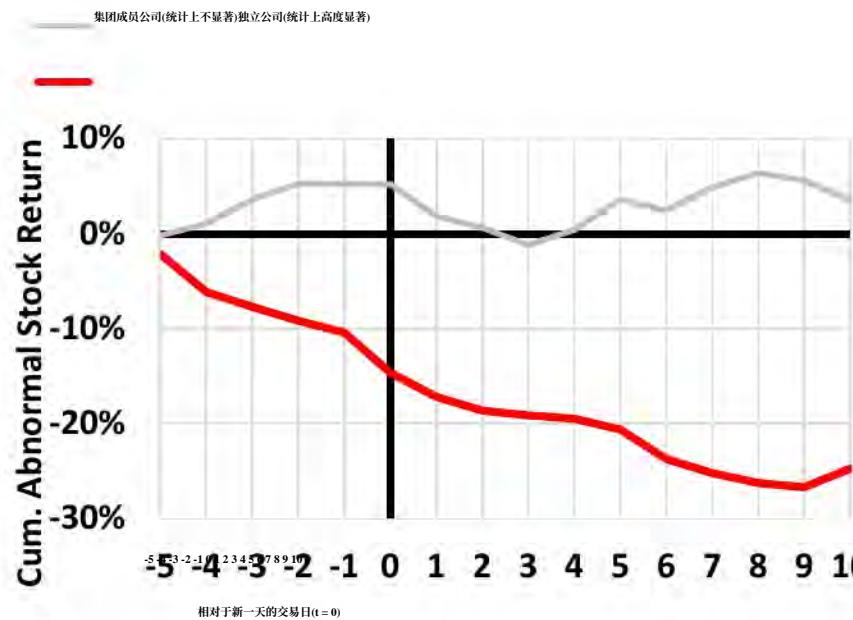
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表。45)δBGFIRM-δACCUSED=CEOAND+AGE,GROWTH,Q…445CONTOLLINGSHAREHOLDER

问题: 如何摆脱韩国的寡头?

围绕起诉新闻的股价($t = 0$)



被定罪经理人缓期释放情况



| | Group member firm | Independent firm |
|------------------|-------------------|------------------|
| Retains position | 86% | 22% |
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Financial History as an Experiment

Randomized double blind controlled experiment

1. Divide Korea in half in 1945, apply central planning to half & free markets to other half
 - Double blind controls: No-one in or out of Korea knows which system is better
 - Randomization: Random distribution of Koreans between north and south
2. Wait 75+ years & see which works best

Replication of the experiment

- Divide Germany in half, divide Europe in half; check 50 years later...
- Other experiments test corporatism, mercantilism, fascism, and other “third ways” ...

Tentative conclusion

- “Free markets” = worst economic system except for all the others
- But is there something better?

Financial History as an Experiment

Randomized double blind controlled experiment

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Convergence to a Best System?

Fukuyama, Francis. 1987. *The end of history and the last man*. Simon & Schuster

After the economic collapse of the USSR, Francis Fukuyama argued that the “End” (i.e. the “ultimate purpose”) of history is now clear & is:

- Enlightenment ideals = a great nation is a nation with rich happy people
- Free markets = only economic system in which most people can become rich & happy
- Welfare state = enough socialism to protect economic losers from creative destruction
- Democracy = lets the people keep free of leaders with pre-enlightenment ideas

After 2008 Financial Crisis, many thought free-market economics failed

- Proposals for new forms of Corporatism, new central planning strategies, etc.
- Fukuyama criticized as naïve

But many thought the same after each financial crisis (for past 400 years)

- After each financial crisis, free-market economics restarts and delivers prosperity
- Stock market bubble manias may generate prosperity by flooding capital into new technology sectors
- Can we somehow get the good things of manias without the bad things of panics and crashes?



Francis Fukuyama
American Political Scientist

收敛到最佳系统?

弗朗西斯福山1987。《历史的终结与最后的人》。西蒙与舒斯特

在苏联经济崩溃后，弗朗西斯福山认为
历史的“终结”(即“最终目的”)现在很清楚了；

——启蒙理想=一个伟大的国家是一个人民富裕幸福的国家

自由市场=唯一能让大多数人致富的经济体系

&快乐

福利国家=足够的社会主义来保护经济失败者不受创造性的影响

破坏

民主=让人民摆脱启蒙前的领导人
的想法

2008年金融危机之后，许多人认为自由市场经济失败了
提出新形式的社团主义，新的中央计划战略，
等。

福山批评为naïve

但在过去的每次金融危机之后，许多人都这么认为 400
年)

每次金融危机之后，自由市场经济都会重启并发挥作用

繁荣

股市泡沫狂热可能会通过大量资本涌入而产生繁荣
新技术领域

我们能否以某种方式得到狂热的好东西而没有坏的东西
恐慌和崩溃？



弗朗西斯·福山
美国政治学家

Is There a Better System?

Economic prosperity required $NPV > 0$ investments

- ❑ Innovation stabilizes free market economies & promotes growth
 - ❑ Innovation has $NPV > 0$ for firm & makes economy rich
 - ❑ Corruption has $NPV > 0$ for firm & makes economy poor

Institutions to encourage innovation & discourage corruption

- ❑ Innovative is a process of creative destruction
 - ❑ Innovative firms prosper, non-innovative firms destroyed (partially or totally)
 - ❑ Creative destruction stabilizes free market economies, but makes firms, jobs, and investments unstable. Owners & workers at “destroyed firms” oppose innovation
- ❑ How can economies best cope with this essential instability?
 - ❑ How much socialism? Social insurance, unemployment insurance, ... ?
 - ❑ How to make economies resilient to shocks (e.g. pandemic)

Financial system is essential to creative destruction

- ❑ Creative entrepreneurs need capital. How to move capital to them best?
- ❑ Schumpeter’s “circular flow” finances creative destruction, but is prone to manias, panics & crashes. Are these another essential instability?
- ❑ How to reduce negative effects of mania, panics & crashes?



Francis Fukuyama
American Political Scientist

Unanswered Questions!

有更好的系统吗?

经济繁荣需要 $NPV > 0$ 的投资

- 创新稳定自由市场经济并促进增长
 - 创新对企业的 $NPV > 0$, 使经济富裕
 - 腐败对企业的 $NPV > 0$, 使经济变差

鼓励创新和阻止腐败的制度

- 创新是一个创造性破坏的过程
 - 创新企业繁荣, 非创新企业毁灭(部分或全部)
 - 创造性破坏稳定了自由市场经济, 但也创造了企业和就业, 投资也不稳定。“倒闭企业”的业主和工人反对创新
- 经济体如何才能最好地应对这种根本的不稳定性?
 - 有多少社会主义?社会保险, 失业保险, ……?
 - 如何使经济抵御冲击(如大流行病)

金融体系对创造性破坏至关重要

- 创造性企业家需要资金。如何把资本最好地转移到他们身上?
- 熊彼特的“循环流动”理论为创造性破坏提供了资金, 但很容易出错
狂热、恐慌和崩溃。这些是另一个重要的不稳定因素吗?
- 如何减少狂躁、恐慌和崩溃的负面影响?



美国政治学家弗朗西斯·福山

悬而未决的问题!

Is There a Better System?

Fukuyama, Francis. 1987. *The end of history and the last man*. Simon & Schuster

- All rich countries became rich some using stock markets & some mix of free markets + social insurance
- Is there a better system?
 - Market Socialism with Chinese Characteristics?
 - Or some “not yet invented” system?
- Or is “free markets + some socialism” the “end of history” system?



Francis Fukuyama
American Political Scientist

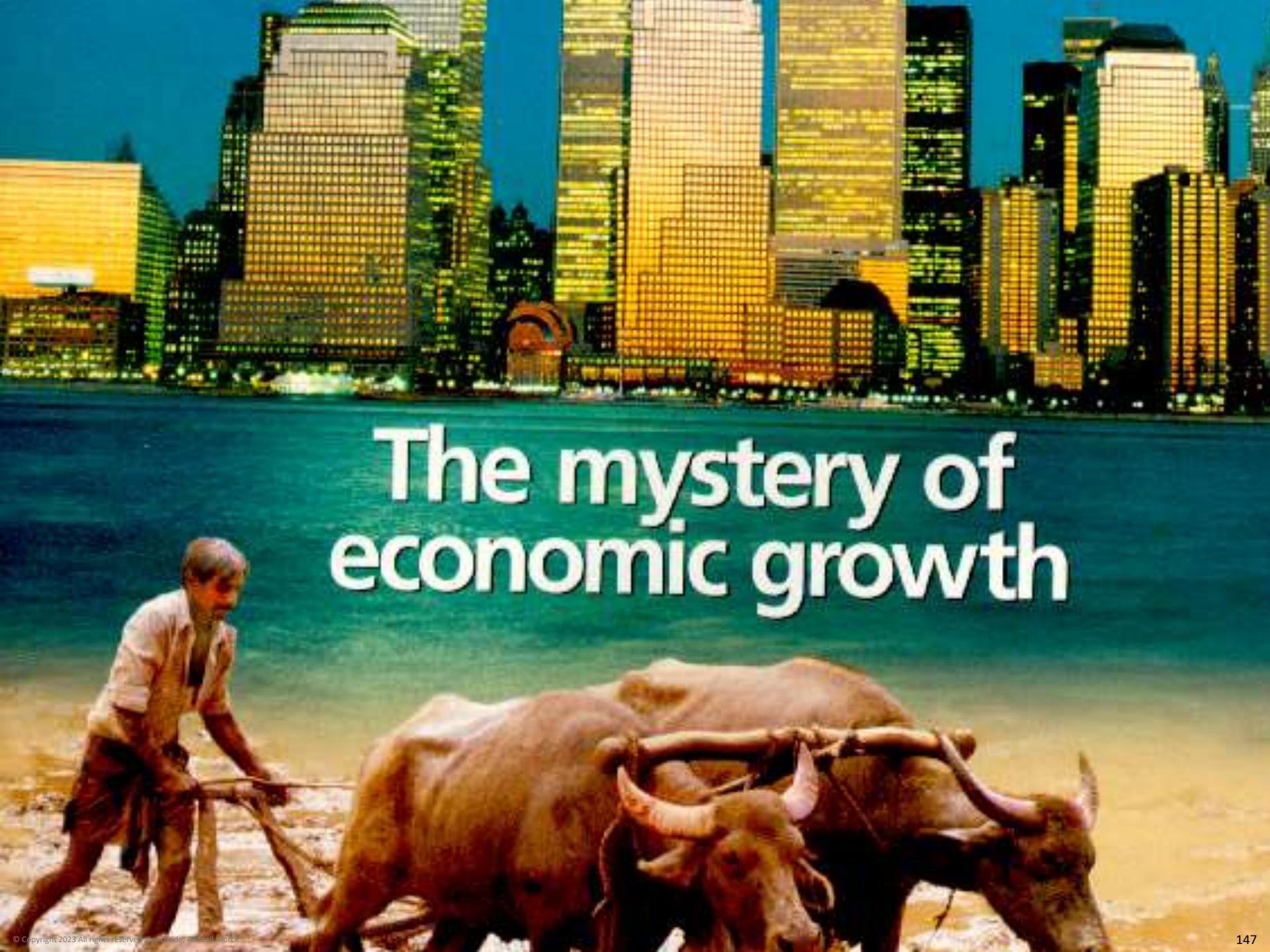


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The image is a composite of two contrasting scenes. The top half shows a vibrant, illuminated city skyline at night, with numerous skyscrapers and lights reflecting off the water. The bottom half shows a man in traditional clothing plowing a field with two large, brown oxen. This visual metaphor represents the global economic divide between developed and developing nations.

The mystery of economic growth

