10

CHINESE FAMILY FIRMS IN SOUTHEAST ASIA
Special Problems for Competition Law?

R. Ian McEwin

Asian business is different in Southeast Asia. Chinese family companies dominate both big business and small, using organizational forms and practices, such as family conglomerates, that differ from those in the United States and Europe. Little research has been undertaken into the possible anti-competitive effect of such structures. This chapter examines some of these differences and discusses the implications for competition law.

Introduction

Chinese family companies are a major influence in Southeast Asian economies. While family-owned companies dominate small business, as they do in other countries, what is unusual about Southeast Asia is that family companies *also dominate big business*. Big enterprises in Asia are not the large-scale firms run along Western lines, but rather a conglomeration of small and medium-scale enterprises in a variety of markets that are often not even remotely related (see, for example, Gomez and Jomo 1999). In a (now dated) survey of corporate ownership by the World Bank following the Asian Financial Crisis in 1997, Claessens et al. (2000) examined the ownership of almost 3,000 Asian companies and found that a high proportion were family controlled; these firms, in turn, controlled a large part of many Asian economies. For example, the top ten families in Thailand controlled about 46 per cent of assets, whilst their counterparts in Indonesia control an even larger proportion — about 58 per cent (see Table 10.1).

What is perhaps surprising is the high concentration of top family assets irrespective of the level of a country's development or its legal or political system. One likely explanation is the importance of elite patronage networks that not only connect businesses but also link businesses and governments, which are then used to obtain monopoly and other competition-restricting concessions. Business goals and firm characteristics are also important. Family-owned businesses, big or small, may put the interests of the family ahead of profitability, which can have implications for competitive conduct — a family business may be more concerned with preserving the business (to employ family members and to ensure proper succession) and so sustain losses for extended periods of time which may drive even more efficient competitors out of business. Or networks can be used to prevent new entry. Traditionally, most overseas Chinese also formed ethnic Chinese mutual self-help societies, similar to friendly

TABLE 10.1
Family Ownership of Big Business
(% of Total Value of Listed Assets as % of GDP)

Country	Top 1 Family	Top 5 Families	Top 10 Families	Top 15 Families	Top 15 Families
Indonesia	16.6	40.7	57.7	61.7	21.5
Malaysia	7.4	17.3	24.8	28.3	76.2
Philippines	17.1	42.8	52.5	55.1	46.7
Singapore	6.4	19.5	26.6	29.9	48.3
Thailand	9.4	32.2	46.2	53.3	39.3

societies in the West, to regulate particular markets in Southeast Asia — in the name of stability, a fair price, and to provide an employment safety net for members — but these can also facilitate collusion.

Some Chinese big business gained their dominant positions by collaborating closely (or developing patron–client relationships) with the government. Other small and medium-sized Chinese businesses thrived in hostile economic and institutional environments by establishing efficient trading networks based on clan trust, which gave them an advantage over the indigenous population in Southeast Asian countries with undeveloped commercial laws. Chinese business networks also differed in that they were (and still are) based on "personalized business networks, whereas their western counterparts tend to enter into cooperative relationships based upon firm-specific business strategies" (Yeung 2000, p. 409).

The term "crony capitalism" has been applied to the activities of business groups such as the *keiretsu* in Japan, the *chaebol* in South Korea, the overseas Chinese networks, and other family-owned business groups and conglomerates in Southeast Asia. For such business entities, the practice of firms in the group owning each other's shares and lending money to each other on the basis of the relationship rather than on economic merit allows for cronyism. As Hamilton (1999, p. 47) puts it:

> It is at this point that the analysts begin to equate cronyism with *guanxi*, that ubiquitous term meaning, in Chinese, relationship or connection. Equating cronyism and *guanxi* implies that networks based on interpersonal associations look a lot like market distorting cartels.

What do these differences mean for competition law in Southeast Asia? Are there sources of market power in Chinese business networks and organizational forms that are not normally taken into account in simply adapting competition laws based on economic conditions in Europe or the United States? Do business practices that might be seen as anti-competitive but reflect efficiencies given local conditions and practices not be taken into account elsewhere? This chapter considers whether competition law, developed in Western countries, is appropriate for the way Chinese family businesses operate in Southeast Asia.

Why are Chinese Business Organizations and Networks Different?

Witt and Redding (2013, p. 265) argue that "… Asian business systems (except Japan) cannot be understood through categories identified in the West". If business practices are different, the obvious question is: why? Are they due to economic factors such as differing resource endowments, institutional factors like political or legal systems, or because of "culture"? Economists usually ignore culture, because they are mostly concerned with short to medium term issues, whereas culture can be safely assumed to be constant. If, as Witt and Redding (2013) put it, business practices cannot be comprehended through Western models, then cultural differences may be important to understand business practices in Southeast Asia.

Chinese capitalism has its own distinctive cultural features. Family-owned and controlled firms reflect Confucian values and so:

> The fact that a similar pattern of economic behavior emerges whenever governments allow Chinese communities to organize their own affairs suggests that it is in some sense a natural outgrowth of Sinitic culture (Fukuyama 1995, p. 71).

Cultural practices have their roots in historical resource constraints and institutional deficiencies in China. While Confucian influences may be diminishing as competition reduces the importance of differences in culture (because only efficient business organizations and practices survive), they take time to change. But even the 1997 Asian Financial Crisis did not lead to immediate changes in organization and business practices. As Robinson (2009, p. 41) notes:

> Before the crisis, one analyst concluded that 'attempts to transform the informal loosely structured (but highly controlled) Chinese enterprise into a more bureaucratic, Western-style corporation will fail' … Hesitancy to relinquish family control among overseas Chinese-owned firms … meant Chinese-owned businesses fiercely resist parting with ownership and management.

However, care needs to be taken in applying explanations in organization and practices based on vague notions of culture, as:

> … Cultural values, especially when formulated rather vaguely, lend themselves to the development of contradictory theories. This is evident

> in the case of Confucian values, which theorists have used to explain both the success of and the lack of entrepreneurship among ethnic Chinese (Carney and Dieleman, 2008, p. 67).

Market economies are based on institutional and legal rules that apply to all, without regard to status. The ideal Confucian state, by contrast, operates through an internal moral code. Confucian moral norms are not universal but depend on five hierarchical relationships: ruler–ruled; father–son; husband–wife; elder brother–younger brother, and friend–friend. Each relationship has mutual obligations. For example, the father protects the son while the son owes filial piety. A harmonious society results from each party fulfilling their obligations.

Of critical importance to Chinese business relations is that there is no moral norm for relationships with strangers. In peasant societies with limited travel, everyone knew everyone. But for Chinese moving to Southeast Asia, everyone was a stranger so there were no personal connections and so no moral obligations. Instead, it could be assumed that others would use strategies to deceive. This meant Chinese businesspeople would naturally favour family businesses and only trust other family members or those from the same clan group. Everyone else was expected to be a rival and untrustworthy, even in collaborative ventures.

On the other hand, institutional factors can be more important than culture, since:

> … different kinds of business and market organization develop and dominate different market economies as a result of major variations in social institutions and constitute distinctive business systems (Whitley 1992, p. 7).

This approach places greater emphasis on the ability of the overseas Chinese to adapt to, and take advantage of, weak local institutions. An inability to enforce long-term contracts both back in China and in Southeast Asia meant Chinese business operators only dealt with people they could trust. Starting with the family, networks of trust based on clan groups and kinship ties were developed in order to trade successfully (Shapiro et al., 2003). These "trust networks" provided economic advantages such as risk reduction, lower transaction costs, better coordination of inputs within the clan group, and better information between members about short-term opportunities as they arise (which was especially useful in situations where undeveloped markets failed to transmit price information efficiently). These trust networks also facilitated the provision of finance where markets were incomplete and obtaining credit was both costly and time-consuming.

Economic Theories of the Firm

East Asian business structures differ in certain respects from those in the West. Asians are more family- and group-oriented, and respect status and informality much more in business relationships than in the West, where individuality and formal contacts with enforcement mechanisms are more important. While care should be taken not to exaggerate these differences, they are useful in helping to provide an analytical framework. Ruskola (2014), for example, argues that the Western (or liberal model) assumes that the institutional structure of the market starts, bottom-up, from the individual and top down from the political sphere. While the governing logic of the political sphere is a “structure of authority”, in the market the governing logic of resource allocation occurs through consensual exchange regulated by contract law. As a result:

> Perhaps the most significant difference between liberal and Confucian worldviews … is that while the former seeks to divide social life into separate spheres, the aspirational norm of Confucianism is *unity*. All aspects of social life are to be regulated by the fiduciary logic of Confucian kinship relations. That is, all of social life ought to constitute one harmonious whole governed by a system of patriarchal norm … (Ruskola 2014, p. 643).

In Confucian societies, it is the kinship group that is the “natural person”, not the individual. A similar situation exists with socialism, where the collective is more important than the individual, the institutional structure governing the political, economic, and intimate sphere is the state, and the governing logic is authority. But the impact of Confucian thinking is diminishing, as the following anecdote demonstrates:

> In Singapore until the 1980s government-linked companies formed one of the two officially designated “legs” of development, the other being foreign investment. Government leaders said that Singapore’s own Chinese firms could not lead development because they were held down by the “outdated and superfluous” inheritance of traditional Chinese ways (Tipton 2009, p. 427).

Not surprisingly, different world views may lead to differences in the importance of networks and organizational forms such as business groups/conglomerates. These differences are not usually recognized in the microeconomics of organizations or competition law.

But competition law applies to legal forms, not world views. In Europe, for example, competition law frequently refers to businesses as undertakings or economic ventures. But the term "undertaking" is not defined, and instead:

> It is now trite law that a functional approach is taken to the concept of an undertaking … it has also been long accepted that the term undertaking is not necessarily synonymous with natural or legal personality but denotes "an economic unit for the purpose of the subject-matter of the agreement in question even if in law that economic unit consists of several persons, natural or legal" (Jones 2012, p. 302).

Many countries in Asia have modelled their competition laws on that of the European Union but usually specify to whom the Act applies. Singapore defines an undertaking as "any person, being an individual, a body corporate, an unincorporated body of persons or any other entity, capable of carrying on commercial or economic activities relating to goods or services". This definition is focused on two concepts: entities and economic activity (Townley 2007). In Malaysia, Section 2 of the Competition Act 2010 defines an enterprise as including a parent–subsidiary relationship where "subsidiaries do not enjoy real autonomy in determining their actions on the market". While corporations are clearly economic undertakings, it is important to ask whether subsidiaries and related companies should be considered to be distinct undertakings for competition law purposes. This is particularly important in Southeast Asia, given the importance of networks and business groups/conglomerates.

Economic theories of the firm dominate the analysis of competition law. Traditionally, neoclassical theories of the firm see a business as a set of feasible production options, where a manager maximizes profits by buying and selling inputs and outputs. This approach is useful for many applications, such as forecasting how a firm is likely to behave to changes in the external economic environment. For example, it can model changes in likely price and output as the number of firms (i.e. concentration) in the market changes. Or it can suggest the conditions under which cartels are more likely. But obviously, this approach cannot account for how firms are internally organized, explain why subsidiaries may be preferred to independent operating units, explain why firms merge rather than cooperate, or why there is a preference by some entrepreneurs for business groups or conglomerates.

Transaction Cost Economics (TCE) (see Coase 1937) attempts to deal with organizational form and decisions about whether to bring economic activities within the firm. So firms are seen as the result of decisions about the costs of engaging in transactions versus organizing the same transaction within a firm. Hierarchical authority and control defines the firm. Internal orders replace the market mechanism — obviously the bigger the firm, the greater the market mechanism that is replaced. But as firms grow bigger, the costs of giving a single person (or management team) sole control is likely to lead to more errors and internal firm rigidities.

Williamson (1985) has noted that transaction costs are crucial when relationship-specific investments are involved. Once parties jointly invest they are "locked-in" to each other. In a perfect world, with complete information, they could write a long-term contract in advance that fully details every possible future situation. However, taking account of all possible contingencies is impossible in practice, due to high negotiating and enforcement costs. These terms must be negotiated as the need arises, so the agreement in essence becomes a governance arrangement. Bringing the investment from the market into the firm or into a network can provide that governance arrangement.

Institutional economists see corporations as a way of organizing production in the face of information asymmetries and high transaction costs through trust and authority. So the emphasis of institutional economists on trust and authority parallels the liberal conception of the state (authority) and family (through trust). The Confucian emphasis on family hierarchical arrangements coupled with trust suggests then that institutional economics, with its emphasis on "vertically structured hierarchies", is a methodologically more appropriate approach to examining traditional family conglomerates.

During the 1950s and 1960s in the United States, there was a major debate about the approach competition law should take to conglomerates. Two extreme positions developed. On the one hand, some argued conglomerates were inherently anti-competitive. Others suggested that each case should be examined on its own merits. For example, Stigler (1955, p. 184) noted that:

> … the exact mechanics by which the total power possessed by the firm gets to be larger than the sum of the parts (in individual markets) escape me, and I am not sure that there are any companies that meet the specifications of the conglomerate firm.

Stigler ignores the ability to lower costs via group subsidies, the ability to access cheaper finance from group banks, or the ability to obtain concessional services from within the group. Market models take outside factors that influence costs and demand as given, whereas they should be considered endogenous in Asian models of competition. Access to considerable resources can give advantages via dictating the terms of competition, both outside the market (lobbying and bribing governments and officials), as well as inside the market. This occurs through cross-subsidization, which lowers costs, which, while not rational for a profit-maximizing firm, is rational where protection of even failing businesses is paramount.

The reality is that markets in Southeast Asia are different. The question then is whether competition law or its enforcement needs to be different. Conglomerates may lead to reduced opportunities for small businesses and new entry. If so, then the question is whether any market or other power created by conglomerates/business groups and networks are best addressed through competition law or other public policies.

Market Power and Conglomerates/Business Groups

In examining potentially anti-competitive practices by corporations, analysts typically assume that companies comprise one class of common stock or shares where each share carries one vote. Control depends on numbers of shares, and shareholders with more shares have greater say in the running of the company than those with fewer. Companies are usually assumed to maximize profits or, equivalently, shareholder value. Usually, companies are assumed to have widely dispersed ownership, thereby creating agency problems between shareholders as principals and management as their agents. But a concern with immediate ownership masks issues of control, which are particularly important in Asia.

Overseas Chinese family businesses usually:

> … expand by acquiring an ever-increasing number of companies rather than by expanding existing companies. The overall business group may be large, but its individual components may be relatively small. This tends to mean that ethnic Chinese feature strongly in lists of the wealthiest families or entrepreneurs but are under-represented in lists of the biggest companies (East Asia Analytical Unit 1995, p. 153).

La Porta et al. (1999) examined the ownership structure of the twenty largest publicly traded firms in each of the twenty-seven richest countries in the world, where the likelihood of widely-dispersed ownership is high. They found, particularly in countries with poor minority shareholder protection, that even large firms tend to have controlling shareholders, with control held sometimes by the state, but mostly by a family (either the founder or their descendants). Of particular importance is the fact that these controlling shareholders usually have a degree of control greater than their rights to the cash flow or assets of the firm. This is often achieved through pyramid structures or the use of dual class shares.

Claessens et al. (2000) also found that corporate control is mostly exercised through cross-shareholdings, pyramids, and dual-class shares. Dual class equity, where different votes are attached to different classes of shares, helps a shareholder control corporations with less investment than in a single class equity firm. Pyramid control is common in continental European countries and in Asia. Pyramids are usually created through a holding company that has a controlling interest in another holding company that has, in turn, a controlling interest in an operating company. Because both dual-class shares and corporate pyramids are mechanisms to separate cash flow rights and voting rights in a company, they allow a party to control corporate assets while contributing only a small proportion of equity capital. A further way of increasing control is by rights issues. Funds are sought from existing shareholders but if not taken up, then those that do so increase their relative ownership share. As a strategy, this can be used to dilute the shareholding of non-network shareholders.

The economic basis for exercising control through dual-class shares and pyramids is essentially the same as for "trust networks" — they can achieve efficiencies and/or increase market power. They may bring efficiencies where institutions such as equity markets are undeveloped. For example, the business group can serve as an internal financial market where cash from profitable firms within the group supports those that are struggling. Just as importantly, where legal institutions are undeveloped (and thus contracts are difficult to legally enforce), then a business group (or conglomerate or corporate pyramid) can act as an internal substitute for outside contracting, thereby bypassing outside markets and networks. A further advantage is that internal labour resources can be more efficiently employed by moving people between firms and by using trained people in similar roles across the group. A recent empirical study of business groups concluded that "their emergence and early establishment often occur under very difficult institutional conditions and that they played a pivotal role in the early stages of many countries' and regions' economic development" (Carney et al. 2011, p. 454).

Importantly, for competition law purposes, large business groups may also facilitate the exercise of market power. Pyramidal groups, for example, allow for centralized control of interrelated markets. This enables one group member to secretly tie the products of network members or to provide below cost inputs to another member company, allowing the downstream firm to drive competitors out of business. For example, suppose A owns 51 per cent of shares in Company X, a monopolist. A also owns 100 per cent of shares in Company Y. Company X sells an input to Company Y. A could direct Company X to sell the input to Company Y at a 30 per cent discount compared to other buyers. This increases A's overall profits (A receives only 50 per cent of profits from Company X, but 100 per cent of profits from Company Y). Company Y gets a competitive advantage in the downstream market and may be able to drive out other competitors or force the others to join a cartel. If the business group operates across countries, a competition regulator will have difficulty proving predatory pricing, particularly where the chain of companies includes private companies that operate with few records or public scrutiny.

While the resulting market power may be similar, a distinction should be made between conglomerates and business groups. Conglomerates typically are a corporate group, with a parent company and subsidiaries. On the other hand, business groups are an intermediate type of organization lying between market contracting and common-ownership conglomerates. A business group is a collection of legally distinct firms that do business with each other on favourable terms. While they may resemble conglomerates, the companies in a business group are legally independent, i.e. there is no formal control. However, despite this independence they coordinate their long-term strategies. In spite of the formal lack of control, there is still, however, a high degree of informal control within business groups through a family (such as ethnic Chinese groups in Indonesia, Malaysia, the Philippines, and Thailand, or the *Bumiputera/Pribumi* groups in Indonesia and Malaysia); the state (for example, government-linked groups in Singapore or Vietnam); or a financial institution.

What is distinctive about many large business groups in Southeast Asia is that, often, they have been state-created. Following the end of colonial rule, the state in some nations monopolized capital and used it to assist specially selected small groups of local entrepreneurs to buy the assets of the departing colonists, or it nationalized certain firms and transferred control to indigenous entrepreneurs linked to the government. Usually, this state-led strategy was accompanied by the grant of domestic monopolies and protection from foreign competition (both by import protection and restrictions on foreign ownership).

Because business groups control much of the wealth in Southeast Asia, they may represent a particular challenge for competition law, due to close relations with the government. This is more of a problem in the civil law countries where there are usually fewer private remedies available when state regulators do not act on complaints about anti-competitive conduct. Anti-competitive practices within the group can restrict competition through collusion across markets between members of the same group, or the abuse of market power achieved through a coordination of policies and resources.

As far back as 1995, the Australian Government's East Asia Analytical Unit (1995, p. 161) noted that:

> A growing phenomenon among many prominent ethnic Chinese-controlled companies, particularly in South-East Asia, is the degree to which they move together in their quest to jointly dominate markets. This occurs at an international level, emphasising that senior ethnic Chinese business people often treat the region as a single, borderless market.

Market Power and Networks

As Wolf (1968, p. 23) argues, the basis of networks is trust:

> A man not thoroughly embedded in a network of kinship cannot be completely trusted because he cannot be dealt with in the normal way. If he behaves improperly, one cannot discuss his behavior with his brother or seek redress from his parents. If one wants to approach him about a delicate matter, one cannot use his uncle as a go-between to prepare the way. Wealth cannot make up for this deficiency any more than it can make up for the loss of arms and legs. Money has no past, no future and no obligations. Relatives do.

Networks based on trust only work if the benefits of long-term trust exceed the benefits of cheating once (since the network will punish the cheat by ostracizing him or her from the network). Reputation is everything when there are no legal remedies. Traders and others will only deal with those they trust. But it is not the reputation of individuals that counts — rather, it is family reputation, which can be inherited. This may create entry barriers into established networks. New access to a network will depend on sponsorship that vouches for the new entrant's trustworthiness. In most cases, new entrants from an existing family in the network already have the requisite reputational capital.

While trust networks can exist purely by passing on information about those who default on contracts, a network may also have formal mechanisms for punishing those who cheat. If so, the mechanism is potentially an agreement to boycott (refusal to deal with cheats) between competitors; this will breach competition laws in most jurisdictions, and is often *per se* illegal (as occurs in the United States). Amongst the overseas Chinese in Southeast Asia, such arrangements may be conducted through clan associations (such as the Teochew or Hakka). Shunning a cheat without a formal agreement may also be seen as tacit collusion. In the absence of institutions that can properly enforce contracts, collusion to boycott members of a clan group who fail to perform promises can be socially beneficial: without them there would be less contracting and lower output. Hence, such conduct should not breach competition laws, as this kind of boycott is likely to be pro-competitive (assuming there is no other possible courses of action). In fact, such conduct could be justified not by market failure but by:

> … a "court failure" justification that would evaluate institutional alternatives in light of a public court's inability to provide the contractual security a merchant group requires. Antitrust law should thus incorporate transaction costs into the efficiency analysis, move beyond the traditional and narrower antitrust inquiry into prices and output, and employ a comparative institutional analysis to determine the relative efficiencies of alternative mechanisms to govern transactions (Richman, 2009, p. 358).

Chinese family companies usually obtain a competitive advantage where relational contracting skills are important, including in the developing markets of Southeast Asia where the legal infrastructure is not always properly developed. However, they nevertheless also retained the relational system in jurisdictions with well-developed laws and institutions, such as Hong Kong and Singapore (Shapiro et al. 2003).

Furthermore:

> The flexibility of the Chinese family firm accounts for its prevalence in industries where windows of opportunity open and close quickly, and where start-up costs are relatively low … the ability to mobilize capital on short notice through one's personal network is also a source of timing advantages. This capability is crucial in businesses like real estate (Shapiro et al. 2003, pp. 111–12).

Yeung (1998) also argues that such networks, have a tendency to preserve themselves as a closed system once they have been successfully established. This, in turn, can perpetuate an existing monopoly.

The difficult issue of business groups has rarely been examined through the lens of actual competition law in Southeast Asia. One exception is a decision of the Indonesian competition regulator. Law No. 5 of 1999 Concerning the Ban on Monopolistic Practices and Unfair Business Competition does not specifically state that the law applies to foreign firms. However, the Commission for the Supervision of Business Competition ("KPPU") has used the single economic entity doctrine to extend the law to foreign firms. The first case involved a holding company (Temasek, owned by the Singapore government) which held shares, both directly and indirectly, in two Indonesian mobile phone companies. Law No. 5 of 1999 prohibits cross-shareholdings that create monopolistic practices or unfair business competition. The question was whether Temasek, as a foreign entity which did not itself operate in Indonesia, was subject to the cross-shareholding prohibition. The KPPU held, in 2007 (Case 07/KPPU-L/2007), that Temasek constituted a single economic entity with two Indonesian companies, because Temasek was: involved in the management of both companies; was authorized to appoint directors or commissioners; and had access to confidential information (Hadiputranto et al. 2013). Because Temasek held only 35 per cent of the capital of Telkomsel (the market leader) and 41.9 per cent of Indosat (the second largest player), this decision caused some consternation, at least in Singapore. Temasek also maintained that the Indonesian government actually held majority stakes in Telkomsel and a golden share in Indosat.

Subsequently, the position has become much clearer in Indonesia with the introduction of Government Regulation No. 57 of 2010, which provides that an entity is regarded as having control over another entity if there is ownership or control of shares or voting rights above 50 per cent; or if ownership is below 50 per cent, the test revolves around whether a company has the ability to influence or determine management policy or actual management.

Undoubtedly, this seems to be a sensible recognition of the potentially anti-competitive conduct of business groups and conglomerates in Southeast Asia.

Some Concluding Comments

Examining legal organizational forms and practices tells us little about the extent to which competition law *should* apply to different kinds of firms and networks. To give the application of competition law substantive content, we need both a *theory* to explain how competition actually works (given the kinds of conglomerate firm and business networks common in Southeast Asia), together with empirical work to assess the effect of any resulting anti-competitive conduct. This is particularly important in ensuring the viability of small businesses that may face being driven out of the market by a conglomerate with considerable resources. To date there has been negligible research work on actual anti-competitive practices in Southeast Asia, and it is an area worth examining further. Hopefully this chapter has provided some suggestions to help spark such work.

REFERENCES

Carney, Michael and Marleen Dieleman. "Heroes and Villains: Ethnic Chinese Family Business in Southeast Asia". In *Theoretical Developments and Future Research in Family Business*, edited by Philip Phan and John E. Butler. Charlotte: IAP-Information Age Publishing, 2008.

Carney, Michael, Eric R. Gedajlovic, Pursey P.M.A.R. Heugens, Marc van Essen, and J. (Hans) van Oosterhout. "Business Group Affiliation, Performance, Context, and Strategy: A Meta-Analysis". *Academy of Management Journal* 54, no. 2 (2011): 437–60.

Claessens, Stijn, Simeon Djankov, and Larry H.P. Lang. "The Separation of Ownership and Control in East Asian Corporations". *Journal of Financial Economics* 58, no. 1–2 (2000): 81–112.

Coase, R.H. "The Nature of the Firm". *Economica* 4, no. 16 (1937): 386–405.

East Asia Analytical Unit, Department of Foreign Affairs and Trade, Commonwealth of Australia. *Overseas Chinese Business Networks in Asia*. Parkes: Department of Foreign Affairs and Trade, Commonwealth of Australia, 1995.

Fukuyama, Francis. *Trust: The Social Virtues and the Creation of Prosperity*. New York: The Free Press, 1995.

Gomez, Edmund Terence and K.S. Jomo. *Malaysia's Political Economy: Politics, Patronage and Profits*. New York: Cambridge University Press, 1999.

Hadiputranto, Hadinoto & Partners. *Guide to Competition Law in Indonesia*. 2013 ed. Available at <http://www.hhp.co.id/files/Uploads/Documents/Type%202/HHP/bk_hhp_competitionlawindonesia_2013.pdf>.

Hamilton, Gary. "Asian Business Networks in Transition: Or, What Alan Greenspan Does Not Know about the Asian Business Crisis". In *The Politics of the Asian Economic Crisis*, edited by T.J. Pempel. Ithaca, New York: Cornell University Press, 1999.

Jones, Alison. "The Boundaries of an Undertaking in EU Competition Law". *European Competition Law Journal* 8, no. 2 (2012): 301–31.

La Porta, Rafael, Florencio Lopez-de-Silanes, and Andrei Shleifer. "Corporate Ownership Around the World". *Journal of Finance* 54, no. 2 (1999): 471–517.

Richman, Barak D. "The Antitrust of Reputation Mechanisms: Institutional Economics and Concerted Refusals to Deal". *Virginia Law Review* 95 (2009): 325–87.

Robinson, Justin. *US-Asia Economic Relations: A Political Economy of Crisis and the Rise of New Business Actors*. New York: Routledge, 2009.

Ruskola, Teemu. "What is a Corporation? Liberal, Confucian, and Socialist Theories of Enterprise Organization (and State, Family, and Personhood)". *Seattle University Law Review* 37, no. 2 (2014): 639–66.

Shapiro, Daniel M., Eric Gedajlovic, and Carolyn Erdener. "The Chinese Family Firm as a Multinational Enterprise". *International Journal of Organizational Analysis* 11, no. 2 (2003): 105–22.

Stigler, George. "Mergers and Preventive Antitrust Policy". *University of Pennsylvania Law Review* 104, no. 2 (1955): 176–84.

Tipton, Frank B. "Southeast Asian Capitalism: History, Institutions, States, and Firms". *Asia Pacific Journal of Management* 26, no. 3 (2009): 401–34.

Townley, Chris. "The Concept of an 'Undertaking': The Boundaries of the Corporation — A Discussion of Agency, Employees and Subsidiaries". In *EC Competition Law: A Critical Assessment*, edited by Giuliano Amato and Claus-Dieter Ehlermann. Oxford: Hart Publishing, 2007.

Whitley, Richard. *Business Systems in East Asia: Firms, Markets and Societies*. London: Sage Publications, 1992.

Williamson, Oliver E. *The Economic Institutions of Capitalism*. New York: The Free Press, 1985.

Witt, Michael A. and Gordon Redding. "Asian Business Systems: Institutional Comparison, Clusters, and Implications for Varieties of Capitalism and Business Systems Theory". *Socio-Economic Review* 11, no. 2 (2013); INSEAD Working Paper No. 2013/05/EPS/EFE. Available at <http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2104088>.

Wolf, Margery. *The House of Lim: A Study of a Chinese Farm Family*. New York: Appleton-Century-Crofts, 1968.

Yeung, Henry Wai-Chung. "Transnational Economic Synergy and Business Networks: The Case of Two-Way Investment Between Malaysia and Singapore". *Regional Studies* 23, no. 8 (1998): 687–706.

———. "The Dynamics of Asian Business Systems in a Globalizing Era". *Review of International Political Economy* 7, no. 3 (2000): 399–433.