

**The Social Responsibility of China's Listed Companies  
in the Reform of Split Shareholding Structure**

**Haohao Li, Ningbo Liu**

**(University of Shanghai for Science and Technology, Shanghai 200031)**

**Abstract:** Split Shareholding Structure is a special issue for China's listed companies. The reform of this system has been in the stage of operation since the end of 2004, which is a process of multi-part dynamic game. In this reform, China's listed companies should take the social responsibility into consideration, which represents itself in three aspects: the compensation for the shareholders of tradable shares; the maintenance of social stability and reduction of financial risks; and the promotion of the healthy development of China's economy. There are five important suggestions in this paper: 1. Insist on the idea of 'Multi-Win'; 2. Achieve the mutual benefits by the way of 'Big shareholders propose and small shareholders dispose'; 3. Improve the information exposure and the communications with the shareholders of tradable stocks; 4. Design more reasonable consideration with the appropriate flexibility and creativity. 5. Supervisory authorities should take lessons, have good timing and deliver clear information to the market by the timely communication with all-level State Asset Managerial Committees (SAMCs) and relative government authorities.

**Keywords:** Reform of Split Shareholding Structure; Social Responsibility View of China's Enterprises; Social Responsibility of Listed Companies

**I . The corporate and social meaning of reform of Split Shareholding Structure**

**I .1. Split Shareholding Structure-a special issue for China's listed companies**

Split Shareholding Structure is a special problem for China's listed companies. It refers to the status that the shares of China's listed companies in the two markets in Shanghai and Shenzhen fall into two categories, i.e. non-tradable shares (which accounts for roughly two thirds of domestically listed companies' total shares, including state-owned shares and legal person shares) and tradable shares (which refers to public shares accounting for the rest portion). This phenomenon coexists with China's securities market nearly from its very start. When China's stock market was born in the 1980's, this structure of stock ownership was once considered a 'genius design' produced under the idea of 'Going across the river by touching the stones'. According to this plan, non-tradable stocks own a large portion of the assets

of those stock companies. Even if state-owned enterprises (SOEs) were listed on the securities market, they would still be controlled by the state due to the absolute controlling power of the state-owned shares in those listed companies as well as their non-tradable status. With the listed enterprises turning into state-controlled enterprises, the nature of those SOEs was not substantially changed, whereas the influence of the state-owned economy was strengthened distinctly. Thus the ideological problem of the distinction of what is socialism and what is capitalism and whether the economy should remain public sector dominant or be transformed into private sector dominant which was still lingering on most Chinese people's minds was successfully avoided. Under this immature condition, China's stock market was given birth successfully, though premature.

However, this genius design has congenital structural flaws for breaching the laws of the capital market development, which is represented in the phenomena of the state's over-favor for SOEs due to the 'parental complex' and the improper practices of equal stock with no equal right and no equal price resulted from the state-owned shares' non-tradable status. Consequently, for one thing, shareholders of the non-tradable shares as well as their operators care more about merely maximizing the assets that could bring to them rights, resources and power than concerning the companies' managerial achievements and the price of their stock in the securities market. For the other, the title of a listed company becomes a shell resource preyed by non-listed companies, especially the non-state owned enterprises looking forward to entering into the market. In this circumstance, practices of buying and selling shell resources, gathering money by bad intentions and manipulating stock prices have become rational choices on China's stock market. Those behaviors together with the conduction of enormous improper operations and big shareholders' immoral deeds have kept the stock index low and the whole market value shrank by nearly RMB a hundred billion. China's sluggish stock market has turned into the grief bed for hundreds of thousands of tradable stock investors. Optimizing resources allocation, the basic function of the capital market has been almost destroyed.

#### **I .2. The meaning of the reform of Split Shareholding Structure on corporate and social level**

Although the stock ownership split system has offered its contribution to tackle with difficulties in SOEs and help constructing China's capital market, it becomes an increasingly huge encumbrance upon development of the Chinese capital market owing to its structural flaws. Since the beginning of 2001, a systematic and specialized research has been carried out for Split Shareholding Structure. To resolve this issue is to endue the non-tradable shares with the status and right to be tradable on the open market, which account for roughly two thirds of the total shares of China's domestically listed companies and are not allowed to be made a match trade-off openly and continuously in the stock exchanges. This process is named as circulation of non-tradable shares, or full floating. Since 2004, practical steps have been taken in the share structure reform. On April 29<sup>th</sup>, 2005, authorized by the State Council, the China Securities Regulatory Commission (CSRC) announced the Notice on Related

Problems in the Trial Reform of Listed Companies' Split Shareholding Structure, initializing the pilot reforms. The first round of trial companies to float their non-tradable shares was launched on May 9<sup>th</sup>, 2005 to kick off the split share structure reform, which involved only four firms: Qinghua Tongfang Co., Ltd., (which failed to pass its reform proposal due to tradable shareholders' discontent about its compensation plans), Shanghai Zijiang Enterprise Group Co., Ltd., Hebei Jinniu Energy Resources Co., Ltd., and Sany Heavy Industry Co., Ltd. In the autumn of the same year, CSRC made public the name list of the second round of 42 domestically listed firms, and entered a practical reform phase. It is estimated that within two or three years the split share structure reform will be in full swing and by 2010 this system will be entirely eliminated.

The reform on split share structure has great economic significance to China's firms. First of all, when all of the shares on the stock market become tradable, the property right system and corporate governance structure of those listed firms shall be greatly improved to match with international criteria and the shareholding structure and corporate governance structure of modern corporations, which will greatly enhance companies' decision-making and administration level. Secondly, after full floating, the realization of equal power and price for equal share will have the managerial achievements sufficiently reflected by the price of a company's stock, so that the general meeting of stockholders or board of directors could adopt the low-cost market-based method for the appraisal of their managers, and in the mean time introduce stock options to form a more perfect manager incentive mechanism. Thirdly, the reform will greatly improve the liquidity in domestic stock market so that firms will be able to avail themselves of a better capital market to realize their merger and recombining goals, which provides them with greater scope and more capital operation measures for the companies' development and adjustment of structure.

At the same time, the reform on Split Shareholding Structure has enormous social significance for the entire society. Firstly, in the long run, the reform of Split Shareholding Structure can stimulate China's stagnant stock market, tackle with financial risks and enhance the society's capital using efficiency, which will be beneficial to the long-term stable and healthy development for China's capital market. Second, circulation of all stocks offers non-tradable shareholders a market-based way of withdrawing their shares from the market, which will certainly bring them higher profits than over-the-counter transfer agreement method and therefore could ensure the maintenance and increment of state-owned assets value. What's more, it has been proved that shortly after the listed companies' announcements of the circulation of their non-tradable stocks reform proposals, the prices of their stocks will be boosted up and many tradable shareholders who have been trapped by low stock prices will be finally released. This will ease to a large extent the conflicts between small shareholders and big shareholders, settle the interest dispute between the two sides that happened before the reform and realize a more stable society. Last but not the least, this reform will turn China's stock market into a real market-based one. With the

carrying out of related policies and regulations improper operations and immoral deeds on the stock market will be extensively reduced, and the construction of social credit system and trust system will be promoted, which will conduct important contributions and demonstrating effect for the realization of China's market-oriented economic system.

Undoubtedly, the reform of Split Shareholding Structure is a process of multi-part dynamic game. It is by no means an easy task to accomplish while the satisfaction of the tradable shareholders, the short and long-term development of the listed companies as well as the stability of the entire society have to be taken into consideration. In this process, the companies that enjoy advantages must have an adequate understanding of the corporate and social significance of the reformation on Split Shareholding Structure. While considering the economic responsibility, they should propose share-floating plans from a social responsibility view as well, so that the basic and long-term benefits of those companies shall be maintained and the result of 'Multi-win' shall be reached.

## **II .The evolution of views on Corporate Social Responsibility and the social responsibility view of China's enterprises**

### **II .1. The evolution of views on Corporate Social Responsibility**

Up till now, there is not an explicit and universal concept or definition of Corporate Social Responsibility (CSR). A generally accepted understanding on CSR contains the following meaning: As a business organization, an enterprise is no longer an independent entity taking no account of the public benefits. Managerial behaviors must take on social obligations just as the business' social obligations must contain economic ones.<sup>1</sup> This understanding is the result of continuous development of the society and history, and is in accordance with the developing phase that the enterprise is going through and the influence of the enterprise's activities on the society.

In the initial days of the industrial society, it is considered perfectly justified that an enterprise takes the maximization of its profit as its only goal. Adam Smiths wrote in his great book *An Inquiry into the Nature and Causes of the Wealth of Nations* that the sole task of an enterprise is to achieve the maximal managerial profits within the confinement of the law. Traditional economics also thinks that as long as the enterprise reaches this goal, it realizes its primary liability. Nowadays, this understanding is still very popular at home and abroad. Milton Friedman, the prominent American economist is a typical representative of them. He wrote in 1970 that 'there is one and only one social responsibility of business—to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game.'<sup>2</sup>

During the 20<sup>th</sup> century, the foresaid ideas were confronted with great challenges and have undergone substantial changes. In the 1920's, corporate law scholars in

---

<sup>1</sup> George A. Steiner, John F. Steiner: *Business, Government, and Society*, McGraw-Hill/Irwin, 2005

<sup>2</sup> Milton Friedman: *Capitalism and Freedom*, University of Chicago Press, 1962

Germany started to endow corporations with publicity, that is to say, the concept of a corporation was separated from social citizens on the basis of law so that it is irrelevant to individuals' advantages and disadvantages, corporations should be protected and maintained from the stand of national economic view, and they should be endowed with relative responsibilities<sup>3</sup>. In 1924, American scholar Shelton was the first to propose that corporate social responsibilities should be linked with the responsibilities that corporate operators shall satisfy all sorts of human needs within and outside the industry, and thought that CSR should involve moral factors. According to this new philosophic thought, the services that corporate managerial strategies provide to the community are good to promote social benefits. As a measuring method, social benefits are much higher than corporate profits<sup>4</sup>.

In 1932, E. M. Dodd, a scholar in Harvard pointed out that the operation of corporate assets is greatly affected by public benefits, and that beside the benefits of stockholders operators should establish the social responsibility view on their employees, consumers and the mass as well. In 1963, Stanford Research Institute took the lead in bringing forward the concept of an enterprise's stakeholder, which includes shareholders, bondholders, loaners, common employees, operators, suppliers, customers and the local government where the enterprise locates in. The aim of an enterprise should not be confined to maximizing shareholders' benefits. Instead, stakeholders should share the controlling and acquiring power of an enterprise's residuals with the investors. In 1995, Margarete M. Blair from American Hopkins Research Institute criticized in his book the creed of conciliarism for shareholders, and brought up a systematic theory on stakeholders<sup>5</sup>. This theory insists on that the benefits of stakeholders are closely related to that of the enterprise. The enterprise should not only take into consideration the shareholders' benefits, but care about the benefits of social members as other stakeholders as well. Enterprises should voluntarily fulfill its social responsibilities. This point of view advanced the research on social responsibilities of academe and enterprises and help enterprises learning to care about the benefits of stakeholders.

While we entered the new century, the theory of stakeholders has penetrated into our heart, and our understanding of CSR has undergone brand-new development. Some disputes on the connotation, keystones and methods of realization of CSR still remained within the academe, but nobody would have any doubts on whether enterprises should assume their responsibilities to the society. To most of the scholars, an enterprise should pursue its profits while fulfilling its social responsibilities. At the same time, the business activities, especially their development in the host countries of some transnational corporations (TNCs) such as Enron, World Com, Price Waterhouse Coopers, Kentucky Chickens, Wal-Mart, Nestle, and Hagen-Dazs have incurred credit crisis for violation of the rights and interests of consumers,

---

<sup>3</sup> Junhai, Liu: *Corporate Social Responsibility*, Law Publishing House, 1999

<sup>4</sup> Oliver Sheldon: *The philosophy of Management*, 1924, pp 74

<sup>5</sup> Margarete M. Blair: *Ownership and Control: Rethinking Corporate Governance for the Twenty-First Century*, The Brookings Institution, 1995

environment and their employees. Governments, organizations between governments, and non-governmental international organizations of environment protection, employees and human rights appeal that TNCs assume social responsibilities for their business activities. The American civil organization, Social Accountability International (SAI) establishes the Social Accountability 8000 (SA8000), an managing standard system for the protection of working environment and conditions and the guarantee for employee rights and interests. They take it as an appraisal principle and therefore conduct authentication activities so as to compel TNCs to make out their responsibility regulations (such as the supply chain action regulations of Nike, Ikea and Hagen-Dazs), and to satisfy the requirements of various benefit groups by authentications of the environment, health conditions of employees and social responsibilities. This movement on CSR is not only carried on throughout developed European and American countries, but is prospering in developing countries and is going to step into a new phase.

From the point of view of the developing trend of CSR and the capital market, the valuation of CSR has been quantified in the capital market. Index systems like Dow-Jones sustainable development index, Domini 400 Social Index have been introduced to the market, and more and more investors have been making judgments and estimation of a listed company's achievement on the basis of the its performance in this aspect. In May 2005, General Electric Co. (GE) delivered for the first time an annual report on social responsibilities. In this 77-page report, GE declared some managerial issues and touched upon some sensitive problems, including the over one million dollar penalty affair for GE's emission of waste gas and air problems in the past two years. In the addressing letter to investors, Jeffrey R. Immelt, President of GE wrote like the following: Those managers and corporations who want to maintain their leading position must go all out to win the trust of every related side by their sincere honesty. Just as GE, more and more enterprises (such as IBM and HP) are adopting the so-called 'triple-bottom-line: Economic, Social and Environmental' information exposure method, by which besides delivering managerial circumstances in their annual report, companies also have to declare their performance in environment protection and social responsibilities.

## **II .2. The connotation of Corporate Social Responsibility and the social responsibility view of China's enterprises**

From a historical view, the connotation of CSR has been enlarged gradually and turned multi-ply, which is associated with the developing level, phase of the society and the specific enterprise, and their affects on each other.

From the point of view of the general development of our society, in the early days of the industrial society, the general social productivity was on a low level, the scale of enterprises was comparatively small, and the main aim of enterprises was to survive and make money, when the essential request of the society on enterprises was limited to provide products and services to satisfy consumers' needs. With the improvement

of the productivity level and the expansion of enterprises, enterprises' activities are throwing growing influence on the society, when the social request on enterprises is widened to aspects as contributions to revenues and providing employment. In modern times, enterprises' application of social and natural resources has reached an unprecedented extent. Their business activities are exercising immense exteriorities (including negative ones) to the entire society. They could no longer be treated simply as business organizations, but have growing into social organizations that possess great strength. Therefore, the society has no choice but to charge them with more social responsibilities.

From the point of view of the development of a specific enterprise, in its initial stages, the first thing is to survive. Gaining profits is the vital key, only by which can an enterprise have the possibility to survive and fulfill its social responsibilities as paying taxes and providing employment. So, it is above its bend to be overburdened by extra social responsibilities. Whereas when the enterprise has enlarged its scale and strengthened its power, it is bound to extend and deepen a growing influence on the society, and practice wider relationships with various groups of interests. Only by winning the wholesouled support of interest-related groups and leading the development of the society to an enlightened direction, can the enterprise gain a fountain of resources and a plethora of developing space. Hence, for the sake of an enterprise's self-development, it should assume more and more social responsibilities.

It will be helpful for us to have a better understanding of enterprises, especially of CSR of China's listed companies, when looking from the point of view of the counter-action and coexistence between the enterprise and the society. Due to the differences in general situation and economic development level, China's enterprises and their western counterparts have obvious differences in developing level, phases, environment and cultural traditions. Consequently, we are sure to have different attentions and views on CSR problems.

The first thing we have to make clear is that 'enterprise' practicing administrative functions of the society' under planned economy system is by no means the embodiment of CSR view, but a misunderstanding of the functions of the government and state-owned companies. Those companies have undertaken the social security functions that should otherwise be assumed by the government. Under market economy, enterprises can become independent civil entities only by separating administrative functions from enterprises management and peeling off enterprises' function of handling the society. Thus firms are able to return to their self-being, and pursue after their own benefits. An enterprise's administration has three important tasks: realize the firm's specific destinations and missions, help employees acquire their desired achievements and take on its social responsibilities. Among those tasks, the pursuit of business profits is the essential part, and managers cannot decline to shoulder a responsibility of their firms' capability to gain profits.

In the next place, the maintenance of shareholders' rights is one of the essentials of CSR. Shareholders are definitely one of the most important beneficial groups among stakeholders. While referring to various definitions of CSR, the maintenance of shareholders' rights is one of the necessities. During the past, China's listed companies have frequently neglected shareholders' rights and big shareholders often hurt small shareholders' interests. Hence, it is necessary to put emphasis on maintaining the rights of shareholders, especially that of small shareholders. This is the premise and basis for enterprises to fulfill other social responsibilities.

Thirdly, the social responsibilities that a firm bears should be decided on its ability. Generally speaking, CSR involves social accountability (mainly economic accountability) on legal level and social accountability on moral level. With the improvement of social circumstances and corporate development, the two sorts of accountabilities will be transformed. Tracing the impressive history of evolution of CSR in western countries, we realize that the social responsibilities including paying taxes and resolving unemployment that an enterprise assumes in the circumstance of a comparatively low level of social development and feeble status are mainly confined to the social level, which is compelling. While concerning responsibilities to environment protection and benefits of stakeholders as employee and customers, so long as they abide by the law and avoid doing harm to stakeholders' benefits, those firms will be considered having fulfilled their social responsibilities. As for charities, commonweal and other social responsibilities on moral level, firms only do voluntarily. If firms are overburdened with social responsibilities that they are not able not handle with, it will be harmful to their healthy development and sometimes result in government's inertia and vainness for promotion of social development.

Fourthly, CSR diversifies across the globe. To China's listed companies, it will be a lasting and arduous course to explore it. CSR is a concept of comprehensive meanings. Americans pay more attention to labor issue, while in Europe people care more about environment protection. Different social requirements and cultural traditions result in different social responsibility mode worldwide, which make various contributions to the local society. There is no uniform standard for CSR mode. If we take the CSR mode in western countries as a whole, it may turn into just the opposite to what we wish, due to our country's imperfect legal system and credit system. Therefore, Chinese enterprises' CSR issue ought to be based on our country's specific situation, considered and resolved step by step in accordance with benefits of China's listed firms and social development.

### **III. A fundamental discuss on China's Split Shareholding Structure reform from CSR view**

#### **III.1.CSR of China's listed companies in the reform of Split Shareholding Structure**

Presently, the key of the share structure reform is the decision of trade-off, which is a multi-part dynamic game. As big shareholders of the enterprises, SAMCs at all levels

and their operators expect the trade off price to be as low as possible so that they could gain decent benefits for enterprises. As tradable shareholders, individual investors hope to get a price high enough to compensate for their previous investment after a long period of being hooked on the market. To supervisory authorities, the present aim is to avoid abnormal fluctuations of stock prices and make sure that the structure reform acquires a successful end and the society remains safe and stable upon agreements of the two sides. Customers do not want firms to be affected by the reform and wish to get satisfying products and services as usual. Employees care most about the reform's impact on the enterprises' sustainable and stable development, which may exert influence on their personal income and professional development.

Since big shareholders and their operators stand in the advantaged and dominant position in gathering information and proposing plans, it is difficult for them to put forward proposals that satisfy the tradable shareholders when they merely concern about their own benefits. In the long run, this will go against their prestige and the social stability. Objectively speaking, China's state-controlled enterprises have occupied a mass of resources for long and enjoyed a good many of priorities. They ought to sacrifice more to CSR and make cooperation to promote the share system reform toward a better end.

First of all, China's listed companies should consider their social responsibilities from the point of view of compensation for tradable shareholders' interests. Individual investors are reasonable and understandable to ask for profits and returns for their investment. The softening stock market has cost many tradable shareholders huge expenses. Hence, it is a reasonable social responsibility for listed companies to make proper compensations to them.

Secondly, China's listed companies should consider their social responsibilities from the point of view of social stability. Left unchanged, the split share structure will certainly induce an accumulation of tradable shareholders' discontentment, which will be pervaded to customers and employees. This will not only go against a firm's prestige but will result in instability in the society. Therefore, enterprises' necessary and appropriate concession and compromise will be beneficial to our society's steadiness.

Thirdly, China's listed companies should consider their social responsibilities from the point of view of reducing financial risks and accelerating healthy economic development of the country. At present, China is confronted with such problems as Renminbi appreciation pressure, excessive bad loans for banks, slowdown of economic growth, and etc. If these problems can not be solved appropriately, financial risks may be induced and arouse a substantial decline of economic growth. The construction of a healthy and vitalized capital market is an important approach toward absorbing unused capital in the society, improving capital usage efficiency and decreasing financial risks. The final reform of split structure will set up a capital

market on a real meaning, which will lend itself to the construction of a perfect financial system and the healthy development of our national economy.

### **III.2. Suggestions and expectations**

Owing to the principle of centralized regulation and decentralized decision-making that state supervisory authorities have made and the legal process of voting on classification as operating guideline, reform projects of Split Shareholding System that are finally put through should be Multi-win instead of Zero-sum. Otherwise, big shareholders will lose their enthusiasm of proposing projects, while small shareholders will reject the proposals on general meeting of classified shareholders. Any kind of rapacious proposal specialized for unilateral benefit will be doomed to a failure. Therefore, to acquire the success of split system reform, the first thing we have to insist on is the idea of 'Multi-win', which can be realized only through the method of 'full floating by creating fortune', the basic rule and logic of reform to persist on and deepen this split share structure reform by way of marketization and legalization.

Secondly, we must stick to the principle of 'both sides agree', i.e. the disposal system of 'Big shareholders propose and small shareholders dispose', which is the guarantee to achieve the mutual benefits of the two sides. We should draw a lesson from the trial failure of Qinghua Tongfang's reform proposal and resist the temptation of irrational unilateral benefit thinking. Without the advantages of outstanding achievement and enough institutional investors an enterprise that undertakes the difficult pilot reform beyond its reach will eventually turn out to be a loser and becomes a sacrifice to the irrational unilateral benefit thought.

Thirdly, enterprises should reinforce the implementation of information exposure work and the communications with tradable shareholders. In particular, they should manage to establish a good relationship with the media, realize a candid and transparent information method, and try for the support of the media to ensure the timely offering of operation information and pilot reform plans to tradable shareholders so as to obtain their adequate feedbacks on the plans and avoid the rejections of their reform proposals.

Fourthly, enterprises should maintain appropriate flexibility and adequate creativity to design a price trade-off plan that is rational. This can be realized by exerting agencies' functions, attaching great importance to the selection of agencies which should be qualified with high speciality, good innovation capacity, efficient information gathering channel and the ability of conforming media resources.

Fifthly, the supervisory bodies ought to draw experience and control the pace of promoting the reforms. At the same time, they should pay attention to the timely communications with SMACs at all levels and other governmental departments and deliver clear information to the market through a unified channel to avoid the sudden

rise and fall of stock prices as well as the overturned cart of the pilot reform of decreasing state-owned shares price of 2001.

The study on existence law in biology has proved that the more one creature is beneficial to the others, the better and longer it can lead its own life. The theorem of Schelling which was put forward by Thomas C. Schelling, the winner of 2005 Nobel Prize for Economics also testified the seemingly paradoxical conclusion of the constrain of self-determination will on the contrary strengthen ones' own go-aheadism. Hence, more and more China's listed companies are considering the split system reform from the point of view of CSR instead of their self-interest, which will surely be good to the successful completion of the reform of Split Shareholding Structure as well as those companies' long-term development. In his speech which was delivered on the Seventh China's Chemical Industry Seminar, Zhongkai, Lan, President of China National Offshore Oil Shell Company Ltd. pointed out that if your company is seeking after an opportunity to be listed on the international market or international investors have the intention to hold your company's shares, you will find out that your company's prestige exerts substantial influence on your stock price and becomes more and more determinative on your company's performance in the environmental and social level instead of business profits.

In conclusion, although the circulation reform of non-tradable shares on China's stock market will be a fundamental transformation like the breakthrough of a silkworm from its cocoon, to have a real connection with the international market, China's stock market and China's listed companies should devote more attention to their social responsibility. CSR issue of China's listed companies has a long way to go through heavy and formidable hardships.

#### **References:**

- Yinhua, Yang: An Essay on the Development Track of CSR, *Economical Review*, 2005, Volume 7
- Honghui, Chen, Shenghua, Jia: The Evolution and Development of CSR-the Understanding on the Basis of Integrated Social Contract, *China Industrial Economy*, 2003, Volume 12
- [Switzerland], Susan C. Schneider, [France], Jean-Louis Barsoux: *Inter-cultural Management*, Beijing, Economy Administration Publishing House, 2002
- Junhai, Liu: *Corporate Social Responsibility*, Law Publishing House, 1999
- George A. Steiner, John F. Steiner: *Business, Government and Society*, McGraw-Hill/Irwin, 11 edition (May 2, 2005)
- Margarete M. Blair: *Ownership and Control: Rethinking Corporate Governance for the Twenty-First Century*, The Brookings Institution, 1995
- Ruilong, Yang, Ye'an, Zhou: *The Theory and Application of Corporate Stakeholders*, Beijing, Economic Science Publishing House, 2000
- Dr. Saleem Sheikh: *Corporate Social Responsibility: Law and Practice*, Cavendish Publishing Limited, 1996

