



**Institute of Social Science, University of Tokyo:
Contemporary China Research Base Seminar Series (No.11)**

現代中国研究拠点セミナーシリーズ(第 11 回)

Speaker: Prof. Lihui TIAN (Nankai University)

Topic: "Political Connections, Controlling Shareholders and Post-IPO Performance of China's Listed Companies"

Date: 16:00-18:00, 24th April, 2014

Venue: Discussion Room No.1, Institute of Social Science, University of Tokyo (Hongo campus)

Language: English

Abstract

We examine how political connections influence long term performance of the Chinese firms listed in the stock market. Developing Fan et al. (2007), our paper and investigates the effects of political connections on corporate performance under different types of controlling shareholders. We find that political connections actually bring about better performance of family-controlled firms in the long term, although the effects of political connections on corporate performance are insignificant in government-controlled firms. Furthermore, political connections in family-controlled firms are associated with better access to bank loans, tax rebates and government subsidies. We argue that political connections are not only the substitute for investor protections, but also even be a channel for government patronage under poor institutional environment.

About Prof. Lihui TIAN

“George” Lihui Tian is a Professor of Finance and the Acting Dean of Institute of Finance & Development at the Nankai University, and a lawyer licensed in China. Lihui Tian did his bachelor studies in both finance and law at the Peking University. After receiving his PhD in finance and economics from

the London Business School, he became a Davidson visiting fellow at the University of Michigan Business School and a visiting fellow of British Academy. He was voted as the most popular professor by MBA students at the Peking University in 2009 and one of the top 10 best professors by postgraduates at the Nankai University in 2011. He is a scholar of excellence supported by the New Century Plan of the Ministry of Education in China and the Leading Expert for the Ministry of Education's Key Project of Financial Risk Studies and the Interest Rate Marketization in China.

His areas of research include corporate governance, corporate finance and transition economics. His research papers on government ownership, initial public offerings and bank lending have received the best-paper awards from the Global Finance Association, Asia Finance Association, China Finance Association and China Institutional Economics Association, respectively. The citation of his ownership paper has been ranked as the highest in the Journal of Comparative Economics during the past five years. His lectures to executives were among the most popular. Besides his regular teaching in Cheung Kong Graduate School of Business, Nankai University and Peking University, he also did lectures for Ministry of Commerce, Tianjin Municipal Government, Changsha Municipal Government, Daqing Municipal Government, Korea Employers Federation (National Congress), the Adveq Fund, CISCO, Citicorp and Moore Stephens etc. He is a regular speaker at World Knowledge Forum and Asia Economic Community Forum. He has been invited to sit in the board of two companies. He has appeared on CCTV, BBC, Korea Broadcasting System TV, Sunday Times (UK) and Singtao Daily (USA) etc. He has been selected to the Marquis Who's Who around the World.

Campus map:

http://www.u-tokyo.ac.jp/en/about/documents/Hongo_CampusMap_E.pdf

(Akamon General Research Building is indicated as No.38 nearby Akamon Gate)

More information: <http://web.iss.u-tokyo.ac.jp/kyoten/activities/>