Cambridge University Press & Assessment 978-1-108-84522-9 — Negotiating Legality Ji Li Index <u>More Information</u>

INDEX

- activism. See litigation activism
- administrative law regime, in China, 200-201
- Administrative Litigation Law, China (1989), 199–200
- Administrative Procedure Act (APA), US (1946), 200
- adversarial legalism, 16 for Chinese state-owned enterprises, 40–41
- litigiousness myth and, 40 agency, of litigants, 18, 20–23, 27–28, 50–51,
- 61–62, 64, 75, 102, 141, 187, 199, 224–225
- agents, 96, 131, 135, 194
- Alien Torts Statute, US, 127-128
- alternative dispute resolution, 181, 197–198, 223–224
- American Factory, 166
- APA. See Administrative Procedure Act (APA), US (1946)
- appeals, 141, 180, 209–210, 212–213
- appellate courts, 3–4, 205–206, 209–210
- arbitration, by Chinese companies, 130
- attorneys. See in-house legal managers, of Chinese companies
- authority, 39-40, 54-55, 108, 209-210
- bias issues, in unfair treatment of Chinese companies, 196
- robustness tests for, 222–223 budgets, legal, for US lawyers in Chinese companies, 98
- ByteDance, 15, 210–213. See also TikTok
- Canada, multinational companies in, 4–5 capitalism. See state capitalism, in China
- Central Commission for Discipline Inspection (CCDI), 199
- central government, 12–13, 33–34, 53, 199–200
- CFIUS. See Committee on Foreign Investments in the United States (CFIUS)
- China. See also Chinese companies, in US; State-Owned Assets Supervision and Administration Commission (SASAC); specific topics
- administrative law regime in, 200-201 Administrative Litigation Law, 199-200 Central Commission for Discipline Inspection, 199 after Cultural Revolution, 10, 36 foreign direct investment in US, 1 formal law in, 37 "Go Global" strategy, 162 "Going Out" strategy in, 12 multinational companies in, 4-5 National Supervision Commission, 199 professionalization of judiciary in, 36 as socialist market economy, 35-36 state capitalism in, 4-5, 39 trade war with US, 160 China Telecom, 213-216 US Federal Communications Commission license for, 214-215 Chinese Communist Party (CCP), 12, 34, 194 Chinese companies, in US. See also institutional duality; multinational companies (MNCs); state-owned enterprises (SOEs), in China; unfair treatment, of Chinese companies, by US government; US lawyers, in Chinese companies; US legal system, Chinese companies and; specific combanies with Chinese headquarters, 155-156 in-house legal capacity, 142-143 listing status, 143 power allocation in decision-making, 140 - 145state-owned enterprises, 141-142 duration of US investment, 70 foreign direct investment in US, 1 global investment by, 10-11 governmental micro-managing of, 32 legal budgets for, 98 listing status, 67-68 market differences in US, 67 methodological approach to, 41-44 interviews in, 43 qualitative evidence in, 42-44 quantitative evidence in, 41-42

Cambridge University Press & Assessment 978-1-108-84522-9 — Negotiating Legality Ji Li Index <u>More Information</u>

INDEX

mode of US investment, 70-71 negative perception of, 99 overview of, 228-237 privately owned enterprises, 37 guanxi capital and, 38-39 legal risks for, 38-39 size of US operations, 68-69, 73-74 Western multinational companies' influence on, 30 clash. See culture coercive isomorphism, 23 cognitive effects, 20, 22, 25, 56, 127 Committee on Foreign Investments in the United States (CFIUS), 203-207 common law traditions, in US, 4 litigation by Chinese companies in, 131 compliance by multinational companies, 76 by state-owned enterprises, 72 conflict. See culture; litigation, in US, by Chinese companies constitution, 209-210 corporate culture norms, institutional duality influenced by, 28-29 corporate internationalization, 66, 74 counsel. See in-house legal managers, of Chinese companies; US lawyers, in Chinese companies credence goods, 93 cross-border dispute resolutions, 126-139 allocation of power in decision-making, 131 - 135dispute and litigation experience, 129-131 litigation preferences in, 135-139 Cultural Revolution, in China, 10, 36 culture Chinese background of US lawyers, 92-93 corporate norms as, 28-29 differences for Chinese companies in US federal courts, 183 as defendants, 188 in home-state institutions, 25 in-house legal managers influenced by, 65-66 institutional, 86-91 in approaches to fees and costs, 86-88, 91-92, 97, 99-100, 112 historical changes in, 88-89 opinion of lawyers and, 87 litigation by Chinese companies influenced by cultural shock as result of, 135 litigation experiences, 149 in power allocation in decision-making, 142 with US lawyers, 145

decision-making. See litigation, in US, by Chinese companies defendants, Chinese companies as, in US federal courts, 187-190 cultural challenges for, 188 with major US investments, 189 for state-owned enterprises, 187 Defense Production Act, US (1950), 204-205 discovery, 16, 224 dispute resolution. See also cross-border dispute resolutions US lawyers in Chinese companies and, 89 distrust, between China and US, 3, 66, 95-96, 133, 146 dual institutions. See institutional duality due process, 205-206, 209-210, 212-213, 215 efficiency, 26, 39, 143-144 fairness issues, toward Chinese companies, by US government, 195 against TikTok, 195-196 FCC. See Federal Communications Commission (FCC), in US FDI. See foreign direct investment (FDI), by Chinese companies Federal Communications Commission (FCC), in US, 214-215 federal courts. See US federal courts, Chinese companies in fees. See legal expenses, for US lawyers, in Chinese companies; litigation costs foreign direct investment (FDI), by Chinese companies characteristics of, 12-13 Committee on Foreign Investments in the United States and, 203-207 embezzlement and investment scandals with, 11-12 Fuyao Glass, 166 "Going Out" strategy for, 12 inflows for, 13 Lenovo Group, 163 national security review of, 104 outflows for, 13 State Administration on Foreign Exchange procedures, 12 by state-owned enterprises, 12-13 in US, 1, 11–15 on historical-cost basis, 14 trajectory of, 13-14 under Trump, 13-14

unfair treatment of Chinese companies

and, 220-221

Cambridge University Press & Assessment 978-1-108-84522-9 — Negotiating Legality Ji Li Index More Information

INDEX

forum shopping, within US legal system, 17 - 18friction, 105, 117, 168, 171, 183, 186. See also culture functions, functional and, 21, 76, 83, 99, 102-103, 172, 188-189 Fuyao Glass, 165-167 American Factory, 166 foreign direct investment by, 166 labor law violations by, 166-167 in US federal courts, 167-168 employment and labor claims against, 171, 186 in-house counsel for, 171-173 litigator profiles for, 179 major US law firms for, 173-180 number of lawsuits, 168 types of lawsuits, 169-171 geopolitics, geopolitical and, 1, 3, 13, 153-154, 167, 196, 207-208, 219, 224-225, 229 globalization, legal services markets influenced by, 84-85 "Go Global" strategy, for China, 162 "Going Out" strategy, for Chinese FDIs, 12 guanxi capital, 38-39 hierarchy, 19-20, 45, 48, 53, 55, 200 home-state institutions, of Chinese companies in-house legal managers and, 52-56, 72 institutional duality for, 24-27, 31 cultural factors in, 25 imprinting and, 24 multinational companies and, 24, 26-28 state-owned enterprises and, 26, 28 state-owned enterprises and, 31-41 adversarial legalism and, 40-41 governmental control of, 33-35 institutional duality for, 26, 28 legal risks for, 38 privatization of, 32-33 reform of, 34-35 US lawyers in Chinese companies and, 90 US litigation by Chinese companies, 132 host-state institutions, of Chinese companies in-house legal managers in, 51-52 institutional duality for, 23 coercive isomorphism, 23 institutions of embeddedness and, 23 multinational companies and, 27-28 Huawei expansion into US market, 163-164 global workforce, 165 lawsuits and, 2-3 litigation in US against, 153-154 national security issues with, 164-165

unfair treatment by US government, 206-210 Committee on Foreign Investments in the United States and, 207 under National Defense Authorization Act, 209 in US federal courts, 167-168 in-house counsel for, 171-173 litigator profiles for, 178 major US law firms for, 173-180 number of lawsuits, 168 patent claims against, 169-171 types of lawsuits, 169-171 IEEPA. See International Emergency Economic Powers Act (IEEPA), US (2020)imprinting, 24 independence, 39-40 inflows, for foreign direct investment, 13 information asymmetry, 51, 93, 107, 134, 144, 148, 182, 199 for in-house legal managers of Chinese companies, 59 in legal services market, 83 for US lawyers in Chinese companies, 83 in-house legal managers, of Chinese companies. See also US lawyers, in Chinese companies compliance and by multinational companies, 76 by state-owned enterprises, 72 conceptual approach to, 45-47 costs of, 51-52 development of, 51-52 dual institutions and, 51-56, 75 home-state institutions, 52-56, 72 host-state institutions, 51-52 market-driven movements, 55-56 state-driven movements, 52-55 expansion of, 48 international human resource management and, 47-50 literature on, 49-50 in multinational companies, 49-50 legal capacity of, 51-56 legal expenses for, 112-113 literature on, 47-50 corporate in-house counsel, 47-48 international human resource management and, 49-50 low status of, 55-56, 63-64 for multinational companies, 53-54, 66-67, 69-70, 75-76 agency and transaction costs, 61-62 compliance by, 76

Cambridge University Press & Assessment 978-1-108-84522-9 — Negotiating Legality Ji Li Index <u>More Information</u>

INDEX

international human resource management in, 49-50 under State-Owned Assets Supervision and Administration Commission, 55, 61-62.72 state ownership guidelines, 65-66 in state-owned enterprises, 52-55 compliance by, 72 outbound investment in, 70 staffing issues in, 61-62 in US, 57-64 company-specific knowledge in, 60 establishment as full-time position, 57 - 60information asymmetry in, 59 local lawyers as, 60-64 non-US lawyers, 63-64 in US federal courts, 184-185 for Fuyao Glass, 171-173 for Huawei, 171-173 Lenovo Group, 171-173 variations in internal legal capacity for, 64 - 75analysis of, 71-75, 77-81 corporate internationalization, 66, 74 cultural differences, 65-66 duration of US investment, 70 listing status, 67-68 mode of US investment, 70-71 sectoral regulation, 69 size of US operations, 68-69, 73-74 state ownership, 65-66 US market differences, 67 institutional duality conceptual approach to, 44, 233-234 dichotomy of, 20 home-state institutions of Chinese companies, 24-27, 31 cultural factors for, 25 imprinting, 24 in-house legal managers for, 52-56, 72 multinational companies and, 24, 26-28 state-owned enterprises and, 26, 28 host-state institutions of Chinese companies, 23 coercive isomorphism, 23 in-house legal managers for, 51–52 institutions of embeddedness and, 23 multinational companies and, 27-28 influences on, 27-31 company operation preferences, 29-30 corporate culture norms, 28-29 institutional differences, 27-28 institutional embeddedness, 28-29 in-house legal managers and, 51-56, 75 home-state institutions, 52-56, 72 in host-state institutions, 51-52

market-driven movements, 55-56 state-driven movements, 52-55 institutions of embeddedness and, 20-22 in host-state institutions, 23 as influence on, 28-29 rational choice institutionalism and, 20-21 sociological institutionalism and, 20-21 legal pluralism and, 23 multinational companies and, 21-23 home-state institutions for, 24, 26-28 host-state institutions for, 27-28 imprinting for, 24 rational choice institutionalism and, 19 - 20institutions of embeddedness and, 20-21 legitimacy and, 21 social appropriateness and, 21 sociological institutionalism and, 19-20 institutions of embeddedness and, 20-21 theoretical framework for, 19-31 US litigation by Chinese companies, 132-133 institutionalism. See rational choice institutionalism; sociological institutionalism, institutional duality and institutions of embeddedness, institutional duality and, 20-22 in host-state institutions, 23 as influence on, 28-29 rational choice institutionalism and, 20-21 sociological institutionalism and, 20-21 internalization, 26, 29-30, 47, 51, 59, 65-66, 69-70, 116, 222 International Emergency Economic Powers Act (IEEPA), US (2020), 212 international human resource management, in-house legal managers and, 47-50 literature on, 49-50 in multinational companies, 49-50 judges, 4, 35-36, 200, 205-206, 211-212, 218, 237 judicial review, 209-210, 212-213, 215 judiciary, professionalization of, 36 justice. See specific topics

labor laws, in US, Fuyao violations of, 166–167 law firms. See Fuyao Glass; Huawei; in-house legal managers, of Chinese companies; Lenovo Group; US lawyers, in Chinese companies lawyers. See in-house legal managers, of Chinese companies; US lawyers, in

Chinese companies

241

Cambridge University Press & Assessment 978-1-108-84522-9 — Negotiating Legality Ji Li Index More Information

INDEX

legal expenses, for US lawyers, in Chinese companies, 111-117 analysis of, 115-117, 122-123 by business organization, 113 cost ratios for, 116-117 culture differences in approaches to, 86-88, 91-92, 97, 99-100, 112 by duration of investment, 115 for in-house counsel, 112-113 by listing status, 114 litigation costs, 113 by mode of entry into US legal market, 114-115 ratio of legal fees to administrative expenses, 98 for reorganization of businesses, 116 for sectoral regulation, 114 by size of US investment, 114 for state-owned enterprises, 112 legal managers. See in-house legal managers, of Chinese companies legal pluralism, institutional duality and, 23 legal services markets, US lawyers in, 83-85, 90 credence goods, 93 globalization impact on, 84-85 information asymmetry for, 83 as repeat service providers, 84 legalism. See adversarial legalism Lenovo Group expansion of, 163 foreign direct investment in US, 163 in US federal courts, 162-163 in-house counsel for, 171-173 litigator profiles for, 176 major US law firms for, 173-180 number of lawsuits, 168 types of lawsuits, 169-171 liability of foreignness, for MNCs, 17, 139 listing status, of Chinese companies of in-house legal managers, 67-68 unfair treatment as litigation factor, 221 in US federal court cases, 185 for US lawyers in Chinese companies, 107, 110 legal expenses for, 114 litigation, in US, by Chinese companies under Alien Torts Statute, 127-128 analysis of, 153-155, 157 litigation experiences, 151-153 for power allocation in decision-making, 146-147 through arbitration, 130 with Chinese headquarters, 155-156 in-house legal capacity, 142-143 listing status, 143 power allocation in decision-making, 140-145

state-owned enterprises, 141-142 under common law traditions, 131 conceptual approach to, 124-125 cross-border dispute resolutions and, 126 - 139allocation of power in decision-making, 131-135 dispute and litigation experience, 129-131 litigation preferences in, 135–139 cultural differences as influence on cultural shock as result of, 135 litigation experiences, 149 in power allocation in decision-making, 142 for US lawyers, 145 in dual institution context, 132-133 home-state institutions and, 132 Huawei, 153–154 liability of foreignness and, 139 litigation experiences, 147-153, 157 - 158analysis of, 151-153 cultural differences in, 149 duration of US investment and, 150 in-house legal capacity and, 149-150 listing status and, 150 litigation preferences and, 150-151 sectoral regulation in, 149 size of US investment and, 150 in state-owned enterprises, 148 litigation preferences, 151, 153 in cross-border dispute resolutions, 135-139 institutional knowledge of US legal system, 139 litigation experiences and, 150-151 reputational damage and, 138-139 settlement preferences, 137 for multinational companies, 124-125, 134 in-house legal counsel for, 143-144 power allocation in decision-making, 140-153 analysis of, 146-147 with Chinese headquarters, 140-145 in cross-border dispute resolutions, 131-135 cultural differences in, 142 duration of US investment and, 143 sectoral regulation as factor in, 143 size of US investment and, 143-145 in state-owned enterprises, 141-142 research literature on, 126–128 comparative cultural research, 127 social meaning of, 124 for state-owned enterprises, 152

Cambridge University Press & Assessment 978-1-108-84522-9 — Negotiating Legality Ji Li Index <u>More Information</u>

INDEX

with Chinese headquarters, 141-142 litigation experiences in, 148 power allocation in decision-making in, 141-142 with US lawyers, 145 TikTok, 129, 153-154 with US lawyers, 145-146, 156 cultural differences for, 145 as in-house legal counsel, 146 in state-owned enterprises, 145 litigation activism, 16 litigation costs cost ratios, 116-117 cultural approaches to, 86-88, 91-92, 97, 99-100, 112 legal expenses for US lawyers, 113 litigation experiences. See litigation, in US, by Chinese companies litigation preferences. See litigation, in US, by Chinese companies litigiousness, myths about US reputation for, 40, 128-129 lobby, 8, 96, 164, 195-196, 207, 226-228 media, 2, 33, 44, 195-196, 202 mediate, 27 multinational companies (MNCs). See also specific companies in Canada, 4–5, 17 in Germany, 17 in-house legal managers for, 53-54, 66-67, 69-70, 75-76 agency and transaction costs, 61-62 institutional duality for, 21-23 home-state institutions for, 24, 26-28 host-state institutions and, 27-28 imprinting for, 24 in Japan, 17 liability of foreignness for, 17, 139 as transnational actors, 232 unfair treatment by US government, 194, 197-198 US lawyers in, 82, 108-110 within US legal system, 16-19 adversarial legalism, 16 forum shopping by, 17-18 liability of foreignness and, 17 litigation activism, 16 US litigation against, 124-125, 134 in-house legal counsel for, 143-144 NAICS code. See North American Industry Classification System code (NAICS

NAICS code. See North American Industry Classification System code (NAICS code) National Defense Authorization Act (NDAA), US (2019), 209

national security

with Huawei, 164-165 review of foreign direct investment by Chinese companies, 104 TikTok as risk to, 210-211 National Supervision Commission (NSĈ), 199 NDAA. See National Defense Authorization Act (NDAA), US (2019) neoliberal ideology, 198-199 normative effects, 20, 25, 56, 60, 89, 127, 148, 222 North American Industry Classification System code (NAICS code), 184 NSC. See National Supervision Commission (NSC) optimal, 23, 84 outbound investment, by China, 11-12. See also foreign direct investment (FDI), by Chinese companies outflows, for foreign direct investment, 13 power distribution, 36, 126 principal-agent problem, 27. See also agents privately owned enterprises (POEs), 37 guanxi capital and, 38-39 legal risks for, 38-39 US lawyers in, 103 Ralls Corporation, 203-206 Committee on Foreign Investments in the United States and, 203-206 Ralls v. The Committee on Foreign Investment in the United States (CFIUS), 3-4 rational choice institutionalism institutional duality and, 19-20 institutions of embeddedness and, 20-21 legitimacy and, 21 social appropriateness and, 21 reciprocity, 40 regulations. See specific regulations repeat service providers, in legal services markets, 84 reputation of law firms reputational damage, 138-139 US lawyers in Chinese companies and, 94 as reputational intermediaries, 94 rivalry. See US-China relations Rodgers, Cathy McMorris, 194 SAFE procedures. See State Administration of Foreign Exchange (SAFE) procedures

Sany, 202–206

SASAC. See State-Owned Assets Supervision and Administration Commission (SASAC)

243

Cambridge University Press & Assessment 978-1-108-84522-9 — Negotiating Legality Ji Li Index More Information

INDEX

sectoral regulation, US lawyers in Chinese companies and, 105-106, 109-110 in US federal court cases, 183-184 North American Industry Classification System code, 184 settlement preferences, 137 Snowden, Êdward, 165 social norms, 20-22, 25, 39, 124, 138-139, 198, 201, 217-218, 220, 225, 232 socialist market economy, 35-36 sociological institutionalism, institutional duality and, 19-20 institutions of embeddedness and, 20-21 SOEs. See state-owned enterprises (SOEs), in China State Administration of Foreign Exchange (SAFE) procedures, 12 state capitalism, in China, 4-5, 39 State-Owned Assets Supervision and Administration Commission (SASAC) in-house legal managers under, 55, 61-62,72 state ownership guidelines for, 65-66 state-owned enterprises under, 33-34 state-owned enterprises (SOEs), in China foreign direct investment by, 12-13 home-state institutions and, 31-41 adversarial legalism and, 40-41 governmental control of, 33-35 institutional duality for, 26, 28 legal risks for, 38 privatization of, 32-33 reform of, 34-35 in-house legal managers in, 52-55 compliance by, 72 outbound investment and, 70 staffing issues in, 61-62 privately owned enterprises and, 37 State-Owned Assets Supervision and Administration Commission and, 33-34 unfair treatment by US government, 219-220, 224-225 in US federal courts, 182-183 as defendants, 187 US lawyers in, 108-109 legal expenses for, 112 selection preferences for, 101–104 US litigation against, 152 with Chinese headquarters, 141–142 litigation experiences in, 148 power allocation in decision-making in, 141-142 with US lawyers, 145 suboptimal, 38, 52, 154, 185, 190

TikTok ByteDance and, 15, 210-213 under International Emergency Economic Powers Act, 212 lawsuits against, 2-3, 15 as national security risk, 210-211 origins of, 15 unfair treatment by US government, 210-213 US ban on, 4 US litigation against, 129, 153-154 trade war, between US and China, 160 transaction cost, 19-20, 26-29, 50-51, 63-64, 66, 105, 182, 187, 233 transaction cost engineers, US lawyers as, 84 transnational actors, 17-18, 22, 25, 127, 229, 232, 234-235 trial. See Fuyao Glass; Huawei; Lenovo Group trust, 39, 62, 66, 69-70, 84-85, 95-96, 103-104, 108, 147, 165, 214 unfair treatment, of Chinese companies, by US government Administrative Litigation Law, 199–200 bias issues, 196 robustness tests for, 222-223 Central Commission for Discipline Inspection and, 199 China Telecom, 213-216 Federal Communications Commission license for, 214-215 conceptual approach to, 194-197 fairness issues, 195 for TikTok, 195-196 Huawei, 206-210 Committee on Foreign Investments in the United States and, 207 under National Defense Authorization Act, 209 investors' reactions to, 197-201 litigation against US government, 216-228 analysis of, 223-225 company listing status as factor in, 221 cultural differences as factor in, 220-221 preference factors for, 219-223 through regulatory agencies, 225-228 for state-owned enterprises, 219-220, 224-225 surveys on, 218, 227 for multinational companies, 194, 197–198 National Supervision Commission and, 199 neoliberal ideology and, 198-199 against Ralls Corporation, 203-206 Committee on Foreign Investments in the United States and, 203-206 Sany, 202-206 TikTok, 195-196, 210-213

Cambridge University Press & Assessment 978-1-108-84522-9 — Negotiating Legality Ji Li Index <u>More Information</u>

INDEX

United States (US). See also US lawyers, in Chinese companies; US legal system, Chinese companies and; specific topics Administrative Procedure Act, 200 Alien Torts Statute, 127-128 Committee on Foreign Investments in the United States, 203-207 common law traditions in, 4 Defense Production Act, 204-205 Federal Communications Commission, 214-215 foreign direct investment by Chinese companies in, 1, 11-15 historical-cost basis in, 14 trajectory of, 13-14 under Trump, 13-14 in-house legal managers of Chinese companies, non-US lawyers, 63-64 in-house legal managers of Chinese companies in, 57-64 company-specific knowledge of, 60 establishment as full-time position, 57-60 information asymmetry in, 59 local lawyers as, 60-64 International Emergency Economic Powers Act, 212 labor laws in, 166-167 litigiousness myth in, 40 myths about litigiousness in, 40, 128-129 National Defense Authorization Act, 209 TikTok ban in, 4 trade war with China, 160 US federal courts, Chinese companies in business expansion and reorganization as case factor, 183 conceptual approach to, 159-161 cultural challenges as factor for, 183 for Chinese companies as defendants, 188 as defendants, 187-190 cultural challenges for, 188 with major US investments, 189 for state-owned enterprises, 187 duration/size of US investment as case factor, 185-186 federal lawsuits and, 180-190, 192-193 distribution of, 181 variations in litigation experiences, 181-186 Fuyao Glass, 167-168 employment and labor claims against, 171.186 in-house counsel for, 171-173 litigator profiles for, 179 major US law firms for, 173-180 number of lawsuits, 168

types of lawsuits, 169-171 Huawei, 167-168 in-house counsel for, 171-173 litigator profiles for, 178 major US law firms for, 173-180 number of lawsuits, 168 patent claims against, 169-171 types of lawsuits, 169-171 importance of US market as case factor for, 185 in-house legal capacity for, 184-185 for Fuyao Glass, 171-173 for Huawei, 171-173 Lenovo Group, 171-173 Lenovo Group, 162-163 in-house counsel for, 171-173 litigator profiles for, 176 major US law firms for, 173-180 number of lawsuits, 168 types of lawsuits, 169-171 listing status as case factor for, 185 methodological research on, 161-162 as plaintiffs, 186-187, 190 sectoral regulation as case factor for, 183-184 North American Industry Classification System code, 184 for state-owned enterprises, 182-183 as defendants, 187 subsidiary companies, 160 US lawyers, in Chinese companies, 85-100, 118. See also legal expenses, for US lawyers, in Chinese companies balance of power between, 100 conceptual approach to, 82-83 consideration factors for selection of, 91, 96 Chinese background, 92-93 educational background, 93-94, 101 firm reputation, 94 government background, 95-96 legal practice experience, 101 third-party recommendations, 94-95 for dispute resolution, 89 firm reputation and, 94 reputational intermediaries, 94 home-state institutions and, 90 institutional culture differences for, 86-91 approaches to fees and costs, 86-88, 91–92, 97, 99–100, 112 historical changes in, 88-89 opinion of lawyers, 87 investment decisions and, 90 legal budget for, 98 legal expenses for, 111-117 analysis of, 115-117, 122-123 cost ratios, 116-117 in legal services market, 83-85, 90

Cambridge University Press & Assessment 978-1-108-84522-9 — Negotiating Legality Ji Li Index More Information

INDEX

US lawyers, in Chinese companies (cont.) credence goods, 93 globalization impact on, 84-85 information symmetry in, 83 repeat service providers, 84 in multinational companies, 82, 108-110 ratio of legal fees to administrative expenses, 98 selection preferences for, 101-111, 119-121 analysis of, 108-111 cultural differences as factor in, 105 in-house legal capacity, 107, 110-111 investment duration, 107 listing status as, 107, 110 in privately owned companies, 103 sectoral regulation as factor in, 105-106, 109-110 size of US investment in, 106, 110 in state-owned enterprises, 101-105 in state-owned enterprises, 108-109 legal expenses for, 112

selection preferences for, 101-104 third-party recommendations for, 94-95 hierarchical control and, 95 as transaction cost engineers, 84 US litigation with Chinese companies, 145-146, 156 cultural differences for, 145 as in-house legal counsel, 146 in state-owned enterprises, 145 US legal system, Chinese companies and. See also institutional duality; US federal courts, Chinese companies in conceptual approach to, 1-6 methodological approach to, 5-9 multinational companies within, 16-19 adversarial legalism, 16 forum shopping by, 17-18 liability of foreignness and, 17 litigation activism, 16 US-China relations, 1-3, 13, 42, 163-164, 194, 216-217, 229, 231, 236-237