

This dissertation undertakes to examine the complicated legal issues of corporate group presented in Taiwan today. This study is devoted to two aspects of corporate group law, namely, creditor protection and minority shareholders' protection. The main themes in this dissertation are the following: First, in addition to the parent company's "monitoring advantages," it considers risk attitude and enforcement problems in determining optimal parent-liability regimes. Second, the objectives of an optimal law governing the corporate group issues must be reconciled with the need of permitting managerial efficiency (i.e. flexible control of the business matters of the whole group) and the protection of the interests of outsiders. Third, it reviews the degree to which it is possible to use modern foreign corporate law concepts in a society such as Taiwan where business is so much a matter of family and personal ties and where the accounting data is so unreliable as to give little guidance to strangers. And finally, it undertakes to explore what kind of benevolent incentives or regulations should be added so as to balance the strict group liability regimes proposed in August, 1991 by the Ministry of Economic Affairs of Republic of China on Taiwan.

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