Online Appendix for "Partners with Benefits: When Multinational Corporations Succeed in Authoritarian Courts"

Frederick R. Chen* Jian Xu†

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Abstract

This online appendix consists of three sections. Section A provides additional information about the new dataset. Section B then offers a battery of robustness checks, where we show that our main findings are robust to sample selection, alternative variable operationalization, and different model specifications. Finally, Section C explores if our theory varies across industries.

*Assistant Professor at the S. Rajaratnam School of International Studies at Nanyang Technological University, Singapore. Email: isFrederickChen@ntu.edu.sg.

†Assistant Professor in the Department of Political Science at the National University of Singapore. Email: jianxu@nus.edu.sg.

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A Additional Information about the Dataset

A.1 MNC lawsuit distributions

In this section, we present additional information about the new dataset. In the main text, we reported foreign firms' lawsuit distribution by year and origin country. Here, we show the MNC lawsuit distributions by court province, court type, ruling procedure, issue, and the plaintiff's industry in Tables A1 to A5, respectively. It should be noted that the number of foreign-related lawsuits handled by Beijing courts is disproportionally high relative to the city's economic size. This is because Beijing hosts the Intellectual Property Court, which is responsible for 303 IP-related lawsuits in our dataset. The Supreme People's Court, also located in Beijing, is responsible for 190 lawsuits.

Table A1: MNC lawsuit distribution by province

Province	Count
Anhui	14
Beijing	1,158
Chongqing	11
Fujian	60
Gansu	7
Guangdong	530
Guangxi	8
Guizhou	1
Hainan	8
Hebei	34
Heilongjiang	14
Henan	54
Hubei	143
Hunan	10
Inner Mongolia	19
Jiangsu	128
Jiangxi	17
Jilin	31
Liaoning	73
Shaanxi	54
Shandong	285
Shanghai	457
Shanxi	31
Sichuan	43
Tianjin	119
Xinjiang	2
Yunnan	6
Zhejiang	406

Table A2: MNC lawsuit distribution by court type

Court type	Count
Basic	733
Intermediate	1,067
High	811
Supreme	190
Maritime	540
Intellectual property rights	370
Railway	3

Table A3: MNC lawsuit distribution by ruling procedure

Ruling procedure	Count
First instance	2,277
Second instance	1,020
Retrial, retrial review, and trial supervision	206
Others	218

Table A4: MNC lawsuit distribution by issue

Issue	Count
Intellectual property rights	1,452
Contract	1,214
Administration	781
Infringement	763
Others	546
Civil disputes	284
Labor	183
Special procedures	127
Compensation	117
Property	24
Socialist economic order	5
Bribery	1
Malfeasance	1

Table A5: MNC lawsuit distribution by the plaintiff's industry

Industry	Count
Manufacturing	1451
Finance	397
Transportation	271
Retail	245
Trade	148
Others	145
Scientific R&D	87
Culture	72
Leasing & Renting	66
Information Technology	62
Medicine & Health	56
Conglomerate	46
Construction	41
Agriculture	35
Hotel & Restaurants	35
Energy & Power	33
Real Estate	30
Environment	11
Education	13
Mining & Extraction	9
International Organization	1

A.2 MNC lawsuit outcomes

In the Descriptive Statistics subsection in the main text, we disaggregated MNCs' lawsuit outcomes by firms' foreign status, case type, and MNCs' corporate structure. Here, we examine the lawsuit performance of foreign enterprises with fixed assets. Table A6 shows that MNCs with fixed asset investments in China experience more favorable litigation outcomes than MNCs that pursue transnational litigation without physical presence in the host country.

Table A6: MNC lawsuit outcomes by fixed assets

	With fixed assets	Without fixed assets
Judgment	0.551	0.496
Lower court fee	0.254	0.219
Compensation > 0	0.341	0.261
Compensation $> \frac{1}{4}$ claim	0.231	0.154
Compensation $> \frac{1}{2}$ claim	0.200	0.128
Compensation $\geq$ full claim	0.129	0.090
Number of cases	1418	623

We also examine two particular types of case in Table A7. The first one is administrative cases where the defendants are government agencies or government-affiliated institutions. This type of litigation can be regarded as the domestic equivalent of investor-state disputes adjudicated in international forums. The results show a pattern similar to that in Table 2 in the main text, that is, MNCs are more likely to obtain shallow forms of remedies than more substantial legal redress. The results also indicate that MNCs still actively use domestic courts to sue local government agencies, even though the local judiciary lacks independence and the winning percentages are relatively low. The litigation frequency (781 cases) is much greater than that of the usual ISDS proceedings, indicating a significant yet overlooked venue of dispute resolution for foreign firms against authoritarian governments.

Table A7: Plaintiff win rates (specific cases)

	Administrative	IPR (suing domestic)	IPR (sued by domestic)
Judgment	0.285	0.515	0.182
Lower court fee	0.134	0.245	0.077
Compensation > 0	0.042	0.272	0.073
Compensation $> \frac{1}{4}$ claim	0.033	0.107	0.029
Compensation $> \frac{1}{2}$ claim	0.028	0.064	0.029
Compensation $\geq$ full claim	0.026	0.024	0.017
Number of cases	781	1108	293

The second case type involves intellectual property rights (IPR) infringement issues. In response to greater demands for protecting IPR and incentivizing innovation, China established specialized IP courts in Beijing, Shanghai, and Guangzhou in 2014, and more IP tribunals have been set up successively in other cities.[1] These IP courts are staffed with professional legal personnel who deal with highly technical and complex IP disputes. The second column of Table A7 shows a similar pattern of adjudication outcomes even in the highly technical area of IP lawsuits—MNCs generally struggle to win more substantial compensation. Therefore, although IP courts are expected to enjoy greater independence due to judges' technical expertise and other institutional guarantees of judicial professionalism, MNCs only enjoy superficial forms of rights protection.

[1]See a summary of the development of IP courts at `https://www.lexology.com/library/detail.aspx?g=365fea3e-d682-4b63-822d-d7c9f0959b5d`.

A.3 Foreign firms in China from major FDI origins

Table A8 provides information about the total numbers of foreign-invested firms from each of China's major foreign direct investment inflow origin countries in 2019, according to the data from the Ministry of Commerce of China.[2] Based on these numbers, we also calculate the proportions of MNCs involved in lawsuits by MNC home country. We should note that these percentages are rough estimates because the data on MNC counts and MNC lawsuits do not share the same time coverage (2019 vs. 2002–17).

Table A8: Foreign firms in China from major origins

Origin	Total number of firms	Percent involved in lawsuits (%)
U.S.	71,914	0.74
South Korea	67,375	1.37
Japan	52,834	2.50
Singapore	26,111	0.92
Germany	10,834	2.19
U.K.	10,040	1.33
France	6,035	3.31

Source: Ministry of Commerce, P. R. China (2019)

[2]See the report at `http://images.mofcom.gov.cn/wzs/202011/20201111182920243.pdf`.

B Robustness Checks for the Main Analysis

This section reports the statistical results of a battery of additional analysis to check if the main findings of this study are robust to alternative sample selections, variable operationalization, and model specifications. As we will show in this section, our main findings that MNCs' corporate structures are a strong predictor of lawsuit outcomes hold in all of these robustness checks.

B.1 Focusing on the post-2013 period

In 2013, the Supreme People's Court (SPC) of China started to require all levels of courts to publicize judgment documents online within seven days of judicial decisions. Since the data before the 2013 judicial transparency form initiative may suffer from sample selection biases, we solely focus on the post-2013 period to reanalyze our results. The results we show in Table B1 are very similar to those in Table 5 in the main text.

B.2 Focusing on the coastal provinces

China's coastal provinces in the East are the first regions to open up to foreign investors after 1978.[3] They have relatively more liberalized and open FDI policy and less restrictive requirements on "forced joint ventures," compared with inland provinces. At the same time, they are more economically developed and thus generating more rent-seeking opportunities for MNCs. We analyze lawsuits adjudicated in this subsample of regions. The total number of lawsuits adjudicated in these provinces is 3066, the great majority of our cases. The results remain robust and support our theory on the two mechanisms. Meanwhile, we do not find consistently significant effects of *SOE JV* in lawsuits in other provinces ($N = 664$).

[3]This list conventionally includes Hebei, Beijing, Tianjing, Shandong, Jiangsu, Shanghai, Zhejiang, Fujian, Guangdong, and Hainan.

B.3 Focusing on MNCs as plaintiffs

In the main analysis, we included all of the cases in our dataset. In that circumstance, an MNC may be either a plaintiff or defendant, and we controlled for whether the defendant is a domestic entity. Here in the online appendix, we exclusively focus on the cases where MNCs are the plaintiffs as a robustness check. The statistical results are available in Table B3. Our findings hold in this robustness check.

B.4 Including additional control variables

We did not exhaust the list of firm-level control variables in the main analysis. We wanted to keep our regression models more parsimonious. Moreover, some of those variables suffer from a considerable proportion of missing values. In the online appendix, we include three additional firm-level control variables.

First, SOE JVs, as a long-term strategic partnership, tend to operate in China longer than other firms. Therefore, it is possible that longer experiences of business operations and greater familiarity with the local environment give some managers greater legal capacity in navigating the judicial system. Therefore, we control for the plaintiff firm's

experience of operating in China, measured by the number of years of China operation, to exclude experience-related advantages.

Second, SOE JVs tend to be large firms and important contributors of tax and employment in the local economy, which provides greater informal influence over government officials. Therefore, we control for the size of the plaintiff firm as measured by total assets.

Third, nearly a third of MNCs in this dataset are publicly listed firms. MNCs listed in major financial markets are usually constrained by higher corporate integrity standards, such as stronger disclosure requirements. In contrast, MNCs who are not publicly listed are not subject to such external sources of regulatory accountability and scrutiny. Therefore, it is possible that listed MNCs are more proficient in conducting transnational litigation and using legal channels instead of illegal means to advance their interests. In that case, it is their legal capacity and professional skills that generate the adjudicative advantage. Therefore, we also control for whether the MNC is a publicly listed firm.

Due to potential problems with missing data, we add each of these variables in the models separately. Other model specifications remain the same as those in the regression analysis in the main text. Table B4 reports the statistical results. Overall, *SOE JV* remains statistically significant for most of the outcome variables, even after conditioning on additional firm-level control variables.

B.5 Using ordinary least squares regressions

We used logistic regressions for the main analysis. Since the results of logistic regressions are hard to interpret substantively, we use ordinary least squares (OLS) regressions to ease the interpretations of the results in the online appendix. Table B5 reports the statistical results. Using OLS regressions does not change the substance of our empirical results.

B.6 Using nearest neighbor matching

In the main text, we conduct exact matching to address potential selection biases in foreign firms' adoption of SOE JV as an investment structure. To add more matching evidence, we also use the Nearest Neighbor Propensity Score (NNPS) Matching method (Stuart et al., 2011). We include the same set of matched covariates used in the main analysis, plus the number of years that the MNC has operated in China. Matching on this continuous covariate is more feasible under the NNPS Matching than Exact Matching. Then, we use OLS models to estimate the matched dataset.

We find that the results in Table B6 are largely consistent with those in Table 6 in the main text. *SOE JV* remains positive and has statistically significant effects on the more substantial measures of lawsuit success. The magnitudes of coefficient sizes are also larger than other types of political tie. Personal political connections of the plaintiff, whether measured by the conventional approach or the more refined approach, do not significantly contribute to the more rewarding litigation outcomes.

Table B1: Focusing on the post-2013 period

	Dependent variable:					
	Judgment	*Court fee*	*Comp* > 0	*Comp* $> \frac{1}{4}$	*Comp* $> \frac{1}{2}$	*Comp* $\geq$ *full*
(1)	**Political Partnership Mechanism**					
SOE JV	0.413^{**}	0.720^{***}	0.514^{*}	0.945^{***}	0.939^{***}	0.612^{*}
	(0.132)	(0.158)	(0.235)	(0.250)	(0.285)	(0.297)
Observations	3397	2274	2143	2109	2109	2109
(2)	**Political Connection Mechanism**					
Political Connections	0.337^{***}	0.188	0.171	0.173	-0.021	0.030
	(0.090)	(0.336)	(0.232)	(0.159)	(0.209)	(0.204)
Observations	3299	2198	2104	2070	2070	2070
Political Connections (narrow)	0.140	0.003	0.812^{*}	0.429^{+}	0.046	0.298
	(0.128)	(0.312)	(0.343)	(0.258)	(0.363)	(0.313)
Observations	3361	2248	2122	2088	2088	2088
(3)	**Political Partnership Beyond Political Connections**					
SOE JV	0.223	0.698^{**}	0.485^{*}	0.954^{***}	1.066^{**}	0.713^{*}
	(0.150)	(0.233)	(0.247)	(0.259)	(0.329)	(0.308)
Political Connections	0.308^{**}	0.074	0.113	0.035	-0.196	-0.102
	(0.097)	(0.354)	(0.244)	(0.180)	(0.247)	(0.204)
Observations	3295	2195	2103	2069	2069	2069
Other controls:	plaintiff home country, plaintiff industry, court location, ruling year, ruling procedure, case type, domestic opponent					

Note: Robust standard errors clustered by province are in parentheses.
$^{+}p < 0.1;^{*}p < 0.05;^{**}p < 0.01;^{***}p < 0.001$.

Table B2: Focusing on coastal provinces

	Dependent variable:					
	Judgment	*Court fee*	*Comp* > 0	*Comp* $> \frac{1}{4}$	*Comp* $> \frac{1}{2}$	*Comp* $\geq$ *full*
(1)	**Political Partnership Mechanism**					
SOE JV	0.471^{*}	0.507^{**}	0.548^{+}	0.768^{*}	0.896^{**}	0.569^{*}
	(0.196)	(0.186)	(0.304)	(0.298)	(0.292)	(0.286)
Observations	3008	2071	1956	1931	1931	1931
(2)	**Political Connection Mechanism**					
Political Connections	0.320^{**}	0.270	0.353	0.254^{+}	0.033	0.014
	(0.105)	(0.335)	(0.220)	(0.133)	(0.205)	(0.243)
Observations	2925	2006	1917	1892	1892	1892
Political Connections (narrow)	0.205	-0.071	0.832^{*}	0.441	-0.008	0.143
	(0.163)	(0.326)	(0.397)	(0.297)	(0.386)	(0.351)
Observations	2980	2052	1937	1912	1912	1912
(3)	**Political Partnership Beyond Political Connections**					
SOE JV	0.310	0.430^{*}	0.458	0.736^{*}	0.977^{**}	0.666^{**}
	(0.221)	(0.170)	(0.314)	(0.308)	(0.300)	(0.251)
Political Connections	0.268^{*}	0.203	0.301	0.155	-0.117	-0.095
	(0.119)	(0.340)	(0.244)	(0.165)	(0.223)	(0.237)
Observations	2921	2002	1915	1890	1890	1890
Other controls:	plaintiff home country, plaintiff industry, ruling year, ruling procedure, case type, domestic opponent					

Note: Robust standard errors clustered by province are in parentheses.
$^{+}p < 0.1;^{*}p < 0.05;^{**}p < 0.01;^{***}p < 0.001$.

Table B3: Focusing on MNCs as plaintiffs

	Dependent variable:					
	Judgment	*Court fee*	*Comp* > 0	*Comp* $> \frac{1}{4}$	*Comp* $> \frac{1}{2}$	*Comp* $\geq$ *full*
(1)	**Political Partnership Mechanism**					
SOE JV	0.420^{***}	0.618^{**}	0.567	0.775^{*}	0.726^{*}	0.440
	(0.104)	(0.228)	(0.371)	(0.323)	(0.367)	(0.318)
Observations	2286	1531	1444	1418	1418	1418
(2)	**Political Connection Mechanism**					
Political Connections	0.439^{***}	0.210	-0.283	-0.156	-0.136	-0.135
	(0.130)	(0.346)	(0.240)	(0.175)	(0.154)	(0.234)
Observations	2249	1500	1433	1407	1407	1407
Political Connections (narrow)	0.251	-0.532	0.431	0.387	0.315	0.443
	(0.321)	(0.480)	(0.347)	(0.413)	(0.386)	(0.467)
Observations	2292	1537	1447	1421	1421	1421
(3)	**Political Partnership Beyond Political Connections**					
SOE JV	0.121	0.631^{*}	0.999^{*}	1.180^{***}	1.132^{**}	0.773^{*}
	(0.133)	(0.279)	(0.389)	(0.346)	(0.417)	(0.355)
Political Connections	0.413^{**}	0.036	-0.537^{*}	-0.486^{**}	-0.470^{**}	-0.369
	(0.152)	(0.390)	(0.262)	(0.187)	(0.177)	(0.257)
Observations	2243	1495	1430	1404	1404	1404
Other controls:	plaintiff home country, plaintiff industry, court location, ruling year, ruling procedure, case type, domestic opponent					

Note: Robust standard errors clustered by province are in parentheses.
$^{+}p < 0.1;^{*}p < 0.05;^{**}p < 0.01;^{***}p < 0.001$.

Table B4: Including addition control variables

	Dependent variable:					
	Judgment	*Court fee*	*Comp* > 0	*Comp* $> \frac{1}{4}$	*Comp* $> \frac{1}{2}$	*Comp* $\geq$ *full*
(1)	**+ Controlling for China experience**					
SOE JV	0.542^{***}	0.620^{***}	0.445^{+}	0.644^{**}	0.709^{**}	0.432
	(0.156)	(0.153)	(0.244)	(0.243)	(0.272)	(0.307)
Years of China operation (logged)	-0.005	0.132^{*}	0.058	0.155	0.169^{+}	0.175
	(0.051)	(0.058)	(0.077)	(0.110)	(0.092)	(0.117)
Observations	3018	2061	1951	1916	1916	1916
(2)	**+ Controlling for firm size**					
SOE JV	0.599^{***}	0.333	0.349	0.715^{**}	0.829^{**}	0.740^{***}
	(0.097)	(0.254)	(0.279)	(0.260)	(0.293)	(0.164)
Total assets	-6.732^{***}	-0.713^{*}	-3.095^{+}	-5.019^{*}	-4.128^{+}	-2.779
	(1.628)	(0.340)	(1.756)	(2.349)	(2.136)	(2.554)
Observations	2022	1382	1333	1310	1310	1310
(3)	**+ Controlling for listing status**					
SOE JV	0.488^{**}	0.595^{***}	0.462^{+}	0.661^{*}	0.698^{*}	0.438
	(0.160)	(0.169)	(0.274)	(0.257)	(0.281)	(0.284)
Public listed	0.230^{+}	0.163	0.219	-0.137	-0.279	-0.141
	(0.127)	(0.232)	(0.178)	(0.251)	(0.353)	(0.240)
Observations	3199	2166	2049	2013	2013	2013
Other controls:	plaintiff home country, plaintiff industry, court location, ruling year, ruling procedure, case type, domestic opponent					

Note: Robust standard errors clustered by province are in parentheses.
$^{+}p < 0.1;^{*}p < 0.05;^{**}p < 0.01;^{***}p < 0.001$.

Table B5: Using OLS regressions

	Dependent variable:					
	Judgment	*Court fee*	*Comp* > 0	*Comp* $> \frac{1}{4}$	*Comp* $> \frac{1}{2}$	*Comp* $\geq$ *full*
(1)	**Political Partnership Mechanism**					
SOE JV	0.077^{***}	0.104^{**}	0.094^{+}	0.126^{**}	0.129^{**}	0.075^{+}
	(0.020)	(0.035)	(0.051)	(0.046)	(0.050)	(0.041)
Observations	3655	2475	2343	2305	2305	2305
(2)	**Political Connection Mechanism**					
Political Connections	0.060^{***}	0.032	0.031	0.017	-0.001	0.012
	(0.016)	(0.045)	(0.028)	(0.020)	(0.022)	(0.015)
Observations	3553	2395	2300	2262	2262	2262
Political Connections (narrow)	0.056^{*}	0.022	0.151^{*}	0.073^{*}	0.020	0.042
	(0.024)	(0.033)	(0.060)	(0.037)	(0.038)	(0.027)
Observations	3617	2447	2320	2282	2282	2282
(3)	**Political Partnership Beyond Political Connections**					
SOE JV	0.046^{+}	0.098^{**}	0.089	0.128^{**}	0.139^{**}	0.078^{+}
	(0.027)	(0.032)	(0.054)	(0.049)	(0.051)	(0.041)
Political Connections	0.052^{**}	0.019	0.020	0.003	-0.015	0.004
	(0.019)	(0.046)	(0.032)	(0.023)	(0.024)	(0.015)
Observations	3547	2390	2297	2259	2259	2259
Other controls:	plaintiff home country, plaintiff industry, court location, ruling year, ruling procedure, case type, domestic opponent					

Note: Robust standard errors clustered by province are in parentheses.
$^{+}p < 0.1;^{*}p < 0.05;^{**}p < 0.01;^{***}p < 0.001$.

Table B6: Nearest neighbor matching results

	Dependent variable:					
	Judgment	*Court fee*	*Comp* > 0	*Comp* $> \frac{1}{4}$	*Comp* $> \frac{1}{2}$	*Comp* $\geq$ *full*
(1)	**Political Partnership Mechanism**					
SOE JV	0.105^{**}	-0.030	0.042	0.145^{**}	0.103^{*}	0.062
	(0.042)	(0.061)	(0.060)	(0.062)	(0.061)	(0.052)
Observations	390	218	202	198	198	198
(2)	**Political Connections Mechanism**					
Political Connections	0.038^{*}	-0.017	-0.008	-0.012	-0.023	-0.020
	(0.022)	(0.023)	(0.026)	(0.024)	(0.022)	(0.019)
Observations	1,490	1,170	1,070	1,056	1,056	1,056
Political Connections (narrow)	-0.027	-0.039	0.081^{*}	0.028	0.016	0.038
	(0.042)	(0.040)	(0.048)	(0.049)	(0.045)	(0.040)
Observations	540	410	390	384	384	384
Matching covariates:	court location, case type, ruling procedure, rule year, public-listed, plaintiff home country, plaintiff industry years of China operation					

Note: $^{*}p<0.1$; $^{**}p<0.05$; $^{***}p<0.01$

C Sectoral Heterogeneity

In this section, we examine sectoral heterogeneity in the degree of state dominance of the industry. Given the relative importance of state-controlled economy, the value of SOE JV should be more pronounced in China's state-dominated sectors than in the more liberalized, non-state-dominated sectors with greater market competition and openness.

To code state-dominated industries, we rely on the *Catalogue of Industries for Guiding Foreign Investment*, maintained by the National Development and Reform Commission and the Ministry of Commerce of China. The Catalogue classifies all industries into three categories: encouraged, restricted, and prohibited. In the "encouraged" category, foreign investors face few regulatory restrictions on market access and operation. Instead, local governments often compete with each other to offer attractive investment incentive packages (Chen, 2017). Foreign investors in these sectors generally do not need to build local connections in order to receive MNC-friendly policies. In the "prohibited" category, foreign investors are technically not allowed to enter and operate in those industries, although there is still uncertainty and room for maneuver in practice.[4] In the "restricted" category, foreign investment is still allowed to enter the market, but is subject to various ownership and corporate structure constraints.[5] Overall, the industries listed under "restricted" and "prohibited" categories are generally considered "strategic" industries and

[4]Examples include "Fishing in the sea area and inland waters under China's jurisdiction" and "Movie production companies, distribution companies, and cinema companies."

[5]For example, in the industry of "Exploration and exploitation of oil and natural gas", foreign investments are "limited to Chinese-foreign equity or contractual joint ventures." The restrictions also apply to a variety of manufacturing sectors. For example, the "Design, manufacturing and repair of vessels" industry requires "Chinese parties as controlling shareholders."

tend to be dominated by SOEs (Hsueh, 2016) or require foreign investors to establish JV partnerships with SOEs (Pearson, 1992).

We use the 2017 Catalogue to create a proxy for SOE domination of an industry:[6] the indicator is coded as 1 if the firm operates in a "restricted" or "prohibited" industry, and 0 otherwise.[7] In our dataset, in 29.1% of the cases the plaintiff firm operates in a state-dominated industry.

Table C1 presents the heterogeneous effects of *SOE JV* across state-dominated versus non-state-dominated sectors. In the non-state-dominated industries where state-controlled entities play a less important role and forced JVs are less likely (*State-dominated industries* $= 0$), SOE JVs do not enjoy substantial adjudicative advantages. The coefficient of SOE JV is not statistically significant for obtaining any positive compensation. In comparison, the merit of SOE JV is mostly manifested in the state-dominated industries, especially for the more financially-substantial ruling outcomes.

The results also speak to the scope conditions of the proposed mechanism. The sectoral heterogeneity suggests that state-affiliated actors play a crucial role mostly in those strategic industries over which the state intends to maintain control and dominance. This argument could be extended to other countries where the government's participation in and influence over the local economy is common and thus partnering with regime insiders (although not always voluntary) is a reliable way of securing institutional rents. Business partnerships with political power-holders operate, at least partially, on behalf of

[6]The government authorities periodically revise the Catalogue, and the general policy trend is reducing the number of restricted and prohibited industries and opening up more sectors for foreign and private investments. Therefore, we use the 2017 Catalogue to code the industries that have always been protected.

[7]The industries listed under "restricted" and "prohibited" categories in 2017 have mostly remained so since the beginning of the industrial policy. The 2017 Catalogue can be accessed at `http://www.fdi.gov.cn/1800000121_39_4851_0_7.html`.

Table C1: Heterogeneous effects across sectors

	Dependent variable:					
	Judgment	*Court fee*	*Comp* > 0	*Comp* $> \frac{1}{4}$	*Comp* $> \frac{1}{2}$	*Comp* $\geq$ *full*
SOE JV	0.427^{+}	0.238	-0.125	-0.068	-0.382	-0.398
	(0.239)	(0.248)	(0.127)	(0.267)	(0.287)	(0.400)
State-dominated industries	0.183	0.097	0.515^{+}	0.535^{***}	0.499^{**}	0.528^{***}
	(0.141)	(0.205)	(0.310)	(0.158)	(0.157)	(0.144)
SOE JV $\times$ State-dominated industries	0.070	0.934^{**}	1.166^{*}	1.402^{*}	1.926^{***}	1.476^{**}
	(0.355)	(0.307)	(0.528)	(0.568)	(0.546)	(0.488)
Observations	3655	2475	2343	2305	2305	2305
Other controls:	plaintiff home country, court location, ruling year, ruling procedure, case type, domestic opponent					

Note: Robust standard errors clustered by province are in parentheses.
$^{+}p < 0.1$;$^{*}p < 0.05$;$^{**}p < 0.01$;$^{***}p < 0.001$.

regime interests and thus enjoy various market privileges.

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