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THE PROPERTY RIGHTS THEORY APPROACH FROM A SOCIO-ECONOMIC VIEWPOINT

This paper examines the property rights theory as a part of the New Institutional Economics. It uses the socioeconomic perspective to capture advantages and disadvantages of this theory in the context of economic effectiveness of a company (practical issue), as well as the usefulness of its analytical tools (theoretical issue).

Keywords: *property, Property Rights School, New Institutional Economics, economic effectiveness, institutions.*

Property rights theory is a construct unifying the elements of law, management, economics, sociology and psychology, but above all, it is primarily used by theoreticians and practitioners of the 'Queen of the Social Sciences.'[1] Along with the agency theory and transaction-costs theory, it constitutes the basis for the new institutional economy.

In Polish literature of these respective social sciences one can vainly search for a comprehensive introduction to the property rights theory as such, despite the fact that such an approach originated in the publication by Ronald Coase[2] in 1937.

The proper development of the following view accrued during the sixties and seventies of the past century. I will proceed to the reconstruction of the fundamental assumptions of the classical property rights theory and then mention its latest trends.

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[1] Wilson Edward O., *Consilience: The Unity of Knowledge*, Vintage Books, New York 1999, pp. 212–213.

[2] Coase Ronald, *The Nature of the Firm*, Economica, Vol. 4, No. 16/1937, pp. 386–405.

THE GENERAL CONCEPT OF INSTITUTION

The main common element of the new streams of institutional economy is the methodological stipulation that "institutions do matter."[3] Contrary to all appearances, it is not a trivial assertion as one could notice the shortcomings and imperfections of the latter, once the discussed view is juxtaposed with the conventional neoclassical economy.

I bear in mind among other things the shortcomings related to the enterprise ownership structure. Imperfections of this kind are the outcome of the

> (...) institutional nature of the neoclassical economy. The anti-institutional approach feature is the abstraction from the diversity of forms adopted by the economic structures as well as mutual relations that can occur among them. In reference to the enterprises ownership it means that either it was assumed that the property did not influence the market functioning (e.g., it does not influence the allocation of resources) or that it was assumed that only one form of the ownership existed (e.g., the full and unlimited private ownership).[4]

The sheer notion of the institution in the economic sciences that greatly influenced the formation of new institutional economy is connected with the works of Commons and Downs. *Foundations of Capitalism* by Commons deserves special attention because "it contains a significant part of American institutionalism and its achievements of the thirties of which R. Commons was the leading representative."[5]

Therefore, what are institutions and what is their attitude towards organization? According to Douglass North "Institutions are the rules of the game in a society or, more formally, are the humanly devised constraints that shape human interaction."[6]

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[3] Matthews Robert C.O., *The Economics of Institutions and the Sources of Growth*, The Economic Journal, Vol. 96, No. 384/1986, p. 903.

[4] Iwanek Maciej, *Analiza instytucji własności przedsiębiorstw. Przyczynek do problematyki efektywności i usprawnienia przedsiębiorstw publicznych* [Analysis of the Institution of Property of Companies. A Contribution to the Problems of Performance and Improvement of Public Companies], Wydział Nauk Ekonomicznych Uniwersytetu Warszawskiego, Warszawa 1996, p. 11.

[5] Ząbkowicz Anna, *Współczesna ekonomia instytucjonalna wobec głównego nurtu ekonommii* [Modern Institutional Economics and the Main Trends in Economics], Ekonomista, Nr 6/2003, p. 797.

[6] North Douglass C., *Institutions, Institutional Change and Economic Performance*, Cambridge University Press, Cambridge 1990, p. 3.

One can also say that "institutions are the rules of the game and organizations are the players,"[7] or more accurately:

> (...) organizations are the groups of entities joined by the common cause, playing the same game according to the institutional principles but with the specific goal of winning that game. The following makes at times the game participants to play fair or foul. The institutional rules of the game still persists and are abided by while the organizations come into being mainly because of the anticipated expectations or congruencies.[8]

Given the concept of institution and the diversity of its formulations, their general importance is moderately clear, and it brings to mind culturally accepted principles of operation that can be also defined as

> stable patterns of behaviors, habits and rules in the arrangement encouraging or discouraging to undertake specific actions. They are treated as means of mediation developed by people between the individual and the society (contracts, agreements, and deals) that constitutes the kind of a conveyor belt between the individual and collective activities.[9]

In turn, Matthews[10] distinguishes dissimilarities of the institution concept that can be encountered in respective formulations of the concept of institution. Firstly, he speaks of the property rights that are of particular importance for the process of *The Property Rights Theory* comprehension. Secondly, he enumerates the consequences or — as he determines it himself — the norms of economic behavior. Thirdly, he identifies the institutions with the contract types and finally institutions with authority, or to be more precise, a reasoning that Matthews calls "who decides about what."

PROPERTY RIGHTS

The property rights approach to the discussed institutional economic school of thought constitutes the most important element among those four types of institutions. They are defined as "the *sanctioned behavioral relations* among men that arise from the existence of goods and pertain to their use."[11]

[7] Ząbkowicz Anna, *Współczesna ekonomia...*, p. 805.
[8] *ibidem*, p. 806.
[9] *ibidem*, p. 805.
[10] Matthews Robert C.O., *The Economics...*, pp. 904–905.
[11] Furubotn Eirik G., Pejovich Svetozar (Eds.), *The Economics of Property Rights*, Ballinger Publishing Company, Cambridge, Mass. 1974, p. 3.

It is also important that property rights' theoreticians when discerning the constituent parts of property law follow the legal doctrine. Three basic elements of property law are the following:

(a) the right to use the asset (*usus*);

(b) the right to appropriate returns from the asset (*usus fructus*);

(c) the right to change the asset's form and/or substance (*abusus*).[12]

At this point, it should be noted that *property rights* pertains to the general understanding of this term, while the word *ownership* means the property rights in a narrow range.[13]

Primarily, the very broad comprehension of property rights is a certain novelty that was inferred to by the rights theory. They concern not only material things but also, for instance, the right to vote or the right to publish.[14] This kind of understanding is commonly adopted. It is the cause of heated discussion on the intellectual property rights whose status is regulated by amended legal acts in different branches of law.

As far as the three law elements mentioned above are concerned, their most crucial and at the same time ultimate component is "the right to bear the repercussions concerning the modification of the value of the object. It is so, because the following assumes that the owner may transfer all or only some of his property rights to other persons under mutually agreed conditions."[15]

Alchian and Demsetz's assert:

> It is not *the* resource itself which is owned; it is a bundle, or a portion, of rights to *use* a resource that is owned. In its original meaning, property referred solely to a right, title, or interest, and resources could not be identified as property any more than they could be identified as right, title, or interest.[16]

The idea is that property rights are understood as institutions, shape the behavior of the individuals in a specified way and at the same time contribute to the reduction of transactional costs among given individuals. However, from the principal–agent point of view, property rights regulate

[12] *ibidem*, p. 4.

[13] Tittenbrun Jacek, *Własność prywatna a publiczna w ujęciu teorii praw własności* [Private versus Public Property as Interpreted in the Theory of Property Rights], [in:] Doktór Kazimierz (ed.), *Socjologia: teoria i działanie. Księga pamiątkowa ku czci Władysława Markiewicza* [Sociology: Theory and Action: A Festschrift for Władysław Markiewicz], Wydawnictwo IFiS PAN, Warszawa 1997, p. 144.

[14] Furubotn Eirik G., Pejovich Svetozar (Eds.), *The Economics...*, p. 3.

[15] Tittenbrun Jacek, *Własność prywatna...*, p. 144.

[16] Alchian Armen A., Demsetz Harold, *The Property Right Paradigm*, The Journal of Economic History, Vol. 33, No. 1/1973, p. 17.

the relations between the two parties — and in an idealized model — they facilitate the bilateral information flow occurring between two objects.

At times even the intuition of lawyers reflects the social and peculiar character of the property concept that is generally "a form of control of necessary resources vested in certain groups or individuals, their rights being established by public power of law; private property, in practice, functions as a delegation of public power to a monopoly right holder."[17]

STATE (PUBLIC) PROPERTY AND PRIVATE PROPERTY

Representatives of the property rights school distinguish three main forms of property in the strict sense:

(a) communal ownership;

(b) private ownership;

(c) state ownership.[18]

All members of a given community can benefit from the first form of property. Demsetz mentions the right to cultivate and hunt on a given land as well as the right to use the municipal pavements and gives an example of common property. However, private property means that a given community recognizes the right of the owner to exclude other persons from using his ownership rights. The last form concerns the situation in which the state can exclude every person from exercising a given right as long as the state acts in accordance with accepted political procedures of identifying who cannot benefit from this kind of the ownership.[19]

In relation to those three forms of ownership, Alchian and Demsetz observed that "Often communal ownership is technically associated with state ownership, as in the case of public parks, wherein the state technically has the capability of excluding persons from using its property."[20]

The same authors emphasize the fact that "perhaps the most important ownership distinction is between state (public) ownership and private ownership"[21] (also stressed by Jacek Tittenbrun).

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[17] Getzler Joshua, *Theories of Property and Economic Development*, Journal of Interdisciplinary History, Vol. 26, No. 4/1996, p. 655.

[18] See, Demsetz Harold, *Toward a Theory of Property Rights*, The American Economic Review, Vol. 57, Issue 2/1967, p. 354.

[19] *ibidem*, p. 354.

[20] Alchian Armen A., Demsetz Harold, *The Property Right...*, p. 19.

[21] *ibidem*, p. 18.

Some people classify the forms of ownership in a slightly different way as they distinguish private, public and cooperative ownership. The latter "was often treated as form of public ownership (or also social) in the past. The advocates of the following approach stressed above all the common use of a given property by cooperative members. This feature was supposed to be typical of other forms of the public ownership especially for state ownership, and at the same time it was to differentiate cooperation from typical forms of private ownership."[22]

FIVE TYPES OF PROPERTY RIGHTS OWNERS

According to *The Formation of Property Rights* by Ostrom and Schanger, Wacław Stankiewicz enumerates five classes (groups) of property rights owners. The following classes of owners are correlated with the specified kinds of rights.

Table 1. Bundles of Rights Associated with Positions.

	Owner	Proprietor	Claimant	Authorized user	Authorized entrant
Access	X	X	X	X	X
Withdrawal	X	X	X	X	
Management	X	X	X		
Exclusion	X	X			
Alienation	X				

Source: Ostrom Elinor, Schlager Edella, *The Formation of Property Rights*, [in:] Hanna Susan S., Folke Carl, Mäler Karl-Göran (Eds.), *Rights to Nature. Ecological, Economic, Cultural, and Political Principles of Institutions for the Environment*, Island Press, Washington, DC 1996, p. 133.

The owners have the full range of property rights at their disposal; in other words they have "the right to enter a physically specified area and make use of the non-transferable utilities." Secondly, they have the right to conciliate; thirdly — the right to manage; fourthly — the right to exclude other people; and finally — "the right to sell or lease the exclusion and management rights."[23]

[22] Milewski Roman (Ed.), *Podstawy ekonomii* [Foundations of Economics], Wydawnictwo Naukowe PWN, Warszawa 1999, p. 24.

[23] See, Stankiewicz Wacław, *Ekonomika instytucjonalna. Zarys wykładu* [Institutional Economics. Lecture Outline], Wydawnictwo Wyższej Szkoły Businessu i Administracji, Warszawa 2005, p. 49.

Those five basic vertical elements are nothing else than the bundle of property rights that can be briefly characterized on the basis of three general rights in light of the existing enterprise mechanisms and their analysis:

(d) the right to be a residual claimant, i.e. to receive the residual of the firm's profits after all other inputs have been paid their contractual prices;

(e) the right to revise the membership of the team, or, more simply, to hire and fire;

(f) the right to sell these rights, that defines the ownership of the classical capitalist firm.[24]

As far as the two main categories are concerned — possession and ownership — one should stress the fact that there is no consensus in the area of those rights and their denotations. For instance, the Roman legal tradition at the end of the Republic was already familiar with those mentioned terms; however, their meaning does not correspond with the one presented by Wacław Stankiewicz.[25]

THE SHAREHOLDERS AND THE PROPRIETARY RIGHTS TO THE ENTERPRISE

We have already stated that the fundamental proprietary division within the property rights theory differentiates the state (public) property and private property. Naturally, it has its serious consequences as far as the whole company management process is concerned. According to the theoreticians of this school, this division finally influences the competitive advantage of the enterprise.

To my mind, intuition is crucial for the property rights school and it is expressed quite precisely in the formulation of Furubotn and Pejovich: "It can be shown, for example, that privately owned resources will always tend to be allocated to the highest valued uses."[26] Therefore, the relation between the form of ownership and the effectiveness is strict, and private ownership as well as the companies in the possession of private owners are more effective than the public ones in the light of the discussed concept. Analysis of the enterprise with the dispersed property right stock

[24] Tittenbrun Jacek, *Private versus Public Enterprise. In Search of the Economic Rationale for Privatisation*, Janus Publishing Company, London 1996, p. 4.

[25] See, Kunderewicz Cezary, *Rzymskie prawo prywatne* [Roman private law], Wydawnictwo Uniwersytetu Łódzkiego, Łódź 1995, p. 107 and following.

[26] Furubotn Eirik G., Pejovich Svetozar, *Property Rights and Economic Theory: A Survey of Recent Literature*, Journal of Economic Literature, Vol. 10, No. 4/1972, p. 1141.

ownership carried out by Jacek Tittenbrun and supported by the property rights theory demonstrated the smooth transition from strictly proprietary aspects to the theory of agency elements and transactional costs theory:

> Because the ownership of a corporation is typically dispersed among many shareholders, individual owners face high costs of monitoring managerial decisions and enforcing residual-maximising behaviour. Owing to this, their right to hire and discharge members of the team, and notably management, is restricted. It can be said, then, that because of this reduced ability to alter the membership of the team, the shareholders' ownership right is attenuated. This means in practice their reduced ability to control the decisions made by the managers. This is significant, of course, because the managers' decisions affect the shareholders' wealth.[27]

The consequence of the following scenario leads to a peculiar tension between the owner(s) and those agents who are termed as managers. And in this case, the dispersed right stock ownership as well as the dispersed property rights to a given company increases the independence of those *technocrats* from the influences of those owners. The following intuition was precisely articulated for the first time in *The Modern Corporation and Private Property*, a classical work of Berle and Means in 1932.[28] The controversies associated with it have been updated to the present day and still tend to arouse intellectual emotions.[29]

Pejovich, when referring to the Yugoslav form of socialism at that time, quotes the words of the economist from that country who in turn observed that "if the workers really owned the firm, they would sell off their shares and then we wouldn't have socialism any more."[30]

However, Harold Demsetz presented this issue in the following way:

> What shareholders really own are their shares and not the corporation. Ownership in the sense of control again becomes a largely individual affair. The shareholders own their shares, and the president of the corporation and possibly a few other top executives control the corporation.[31]

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[27] Tittenbrun Jacek, *Private versus...*, pp. 5–6.

[28] Berle Adolf A., Means Gardiner C., *The Modern Corporation and Private Property*, Macmillan, New York 1932.

[29] See, Leech Dennis, *Corporate Ownership and Control: A New Look at the Evidence of Berle and Means*, Oxford Economic Papers, New Series, Vol. 39, No. 3/1987, pp. 534–551; and La Porta Rafael, Lopez-de-Silanes Florencio, Shleifer Andrei, *Corporate Ownership Around the World*, The Journal of Finance, Vol. 54, No. 2/1999, pp. 471–517.

[30] Pejovich Steve, *Freedom, Property Rights and Innovation in Socialism*, Kyklos, Vol. 40/1987, p. 464.

[31] Demsetz Harold, *Toward a Theory...*, p. 359.

The issue of separation of property and control is not the subject of this paper; nonetheless, I will mention that for the majority of researchers among the representatives of the property rights school such dualism affects (positively) the process of the corporation management. Theoreticians of this school referred their conclusions largely to the developed Western countries with certain exceptions. However, the entire spectrum of unconventional solutions that were worked out in different countries is left out of their reach. At this point, let us only mention Polish *"Ustawa Kominowa"* being the act on the remuneration of executives in state-owned companies that could affect the condition of a given enterprise.

Having mentioned previously the three ownership forms in a strict sense, we have not characterized precisely connotations hidden behind each of them.

Wacław Stankiewicz when considering the difference between the collective and private property says:

> in family, rural communities, productive collectives and other entities the individual does not possess the right to dispose the income exclusively from the effects of the community and its actions as the rule of equal distribution of effects has been adopted. The danger of the ineffective use of available resources (...) within the group, is present.[32]

The practices of this kind as well as the very scheme of deduction are nothing more than the analyses of the economic property rights theory made by theoreticians. The personnel behaviors of this kind and more explicitly of governments are to be found within the foundations of the maximization of their advantages at the expense of a given company.

Apart from the private property concept that can be transferred to other subjects, the two other forms are of a different character. The declaration of the Yugoslav economist has been already quoted and one could explicitly conclude that:

> Ownership of public property is in a sense compulsory, at least as long as one is a member of the public. If, moreover, one changes his membership and joins a new community, one acquires then a share in public ownership without paying for it. Such dilution of ownership does not exist under private ownership.[33]

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[32] Stankiewicz Wacław, *Ekonomika instytucjonalna...*, pp. 47–48.
[33] Tittenbrun Jacek, *Private versus ...*, p. 9.

DIVERSIFICATION OF ORGANIZATIONAL FORMS IN THE LIGHT OF PROPERTY RIGHTS THEORY

Basically one can distinguish the following structures, such as simple, functional, multi-divisional, matrix, hybrid or, most recently, the network structure.[34] One can also distinguish six types of enterprise organization with the use of slightly different criteria. It is so, because "the property rights theory allows for performing behavioral forecasts in relation to managers depending on the forms organizational (structures) those enterprises function being managed by those managers. In particular, special attention is paid to the situations in which the property rights are weakened. The tendency for convergence and comparison of behaviors of different managers occurs in the following conditions."[35]

The first form is the enterprise "whose income is regulated by the valid regulations (for instance, the maximum allowed rate of return). In such companies, managers are rather orientated towards maximization of the utility function. Shareholders are not interested in excessive supervision from the part of the managers as the income still cannot exceed the specified threshold."[36]

The second form is extremely important as the majority of the companies listed in the Warsaw Stock Exchange (and not only there) has such a structure. At this point, I bear in mind the company with a fragmented stock ownership, and managed by professional, paid managers. The crucial fact is that "property rights in the following form are weak and their effectiveness is limited. Small shareholders do not possess strong motivation to control the discretional behavior of the managers; though the freedom of behavior is subject to limitations. They cannot allow for the decrease in generated income below the minimal level that is requested by the stock ownership"[37] because the managers could be dismissed from their positions.

The third form is "the cooperative society (mutual insurance companies, savings banks, etc.). The following organizations are the source

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[34] Hatch Mary Jo, *Organization Theory. Modern, Symbolic, and Postmodern Perspectives*, Oxford University Press, Oxford 1997, pp. 161–199.

[35] Gorynia Marian, *Zachowania przedsiębiorstw w okresie transformacji. Mikroekonomia przejścia* [Enterprise Behaviour during the Transition. Microeconomics of Transition], Wydawnictwo Akademii Ekonomicznej w Poznaniu, Poznań 2000, pp. 48–49.

[36] *ibidem*, p. 49.

[37] *ibidem*.

of ineffectiveness because of the absence of precisely formulated property rights and owners embezzling the revenues. Their managers tend to maximize their own utility function. As in the case of the two last forms,"[38] managers do not always form decisions based on the well-being of the company. One can give the examples of effective entities that make use of the cooperative organizational form.

The fourth form is the public (state) ownership in which "the property is (...) particularly unclear and the costs related to the discovery of ineffectiveness are especially high."[39] It is not that evident and surely the economic effectiveness of such organized enterprises exceeds other norms in many cases — as it turns out during analyses of the empirical researches being carried out.

The penultimate example is the socialist form in which the "particular threats for the effectiveness are the behaviors of managers that consist in accumulating the capital intended for overcoming difficulties that can arise in the future."[40]

And finally the last example is the company managed by the workers themselves (self-governed enterprise). According to authors who deal with this form of organization, it is most distant from the idea of capitalism. At this point, one can mention "the tendency for short-term operations — taking into account that long-term planning is not in the interest of workers that co-manage the enterprise (...) The weakening of motivation stems from the absence of transferability of workers property rights to the company assets."[41] Nowadays much space is devoted to the analysis of the so-called ESOP (*Employee Stock Ownership Plan*); however, there are many more forms of ownership or collective co-ownerships.[42]

CONCLUSION

The property rights theory is not free from indulgences, certain shortcomings that are particularly visible when applying the sociological approach or more precisely, the socio-economic approach. More important elements of those weaknesses have been widely presented and

[38] *ibidem.*

[39] *ibidem.*

[40] *ibidem.*

[41] *ibidem*, p. 50.

[42] See, Rosen Corey, Case John, Staubus Martin, *Każdy pracownik współwłaścicielem*, Harvard Business Review Polska, 01/2006, pp. 79–89.

analyzed in the book written by Jacek Tittenbrun[43] (e.g., formal and legal understanding of the very idea of ownership). At this point, however, one will examine the diachronic division of companies into companies with a majority owner and companies with dispersed stock ownership that corresponds to the distinction into private and public property. There are empirical elaborations in which one examines the effectiveness of the non-profit or profit-seeking enterprises where analogically the non-profit companies are considered to be less effective from the previously mentioned ones.[44]

It is not that relevant, at least here, that "between the sole proprietorship and manager-controlled corporation there spreads a whole continuum of forms such as the partnership, a firm having a majority shareholder who also serves as a manager, a firm with a dominant outside shareholder and hired manager, a firm controlled by financial institutions, etc."[45] Furthermore, the very way of perception of the company by the property-rights theory is important.

What else could be the enterprise in the following terms if not the collection of assets and liabilities as well as the rights to manage them?

The motivational function of the discussed property rights is also important if one considers the following elements of the new economy and its analysis: ex *ante* and *ex post* contracts as well as their costs, limited rationality, opportunism, uncertainty and so on. The anti-symmetrical distribution of property rights can be found in the foundations of the *free rider* problem within the framework of the following conception.

In turn, as far as the motivation systems are concerned, according to Jacek Tittenbrun:

> (...) upon closer inspection, incentive, 'performance-related' schemes do not assimilate the possition of top managers as regards their exposure to risks and opportunities to that of normal shareholders; in terms of the property rights school, and contrary to its claims, they do not appear to face 'the same mixture of rewards and penalties as other shareholders face.[46]

Maciej Iwanek observes similar problems of the property rights theory particularly when large businesses are analyzed, in which the "phenomenon of separating the property from management is common; in

[43] Tittenbrun Jacek, *Private versus...*, p. 21.

[44] French III H. E., *The Property Rights Theory of the Firm: Empirical Results from a Natural Experiment*, The Journal of Political Economy, Vol. 84, No. 1/1976, pp. 143–152.

[45] Tittenbrun Jacek, *Private versus ...*, p. 21.

[46] *ibidem*, p. 30.

other words, the separation of the right to the residual income and the right to exercise control from the right to managerial decisions."[47] Therefore, some hold the view that this separation of property from the management in fact contributes to the argument that the effectiveness is not solely determined by the form of ownership, but it is rather the management that is the decisive factor.

More or less, the analysis carried out by Jacek Tittenbrun induces one to draw the following conclusion. He observed the consequences of various approaches in the context of privatization and jumps to the conclusion that:

> (...) the impact of market structure on performance is probably stronger than that of ownership *per se*. This is shown, among others, by the fact that in many instances the beneficial effects of competition have proved to be sufficient to overcome a tendency toward inefficiency resulting from public ownership and public enterprises competing with private firms have not shown inferior economic performance. In addition, economic performance depends on many factors which are relatively independent of ownership and competition, such as the quality of management or internal organisation structure.[48]

To conclude this general presentation of propaedeutic assumptions as well as the criticism of the respective elements of the property rights theory, it is worth mentioning the internal division of the following perspective. In the latest literature on the subject, it is more and more frequent to distinguish between the old or *the classical* property rights theory than from its new or rather *modern* version.[49] While the former "provides greater attention to the historical and institutional context that shapes and changes property rights (and therefore led to 'getting the incentives rights')."[50] the new version of property rights "utilizing advanced mathematical tools, attempts stylized modeling of ownership and *incentive structures*."[51] The latter perspective is also determined as "one of the most interesting theories of the firm in economics."[52]

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[47] Iwanek Maciej, *Analiza instytucji...*, pp. 26–27.

[48] Tittenbrun Jacek, *Private versus...*, pp. 124–125.

[49] See, Kim Jongwook, Mahoney Joseph T., *Property Rights Theory, Transaction Costs Theory, and Agency Theory: An Organizational Economics Approach to Strategic Management*, Managerial and Decision Economics, 26/2005, p. 224.

[50] *ibidem*.

[51] *ibidem*.

[52] Garrouste Pierre, *The New Property Rights Theory of the Firm*, [in:] Colombatto Enrico (Ed.), *The Elgar Companion to the Economics of Property Rights*, Edward Elgar, Cheltenham-Northampton 2004, p. 380.

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