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**Global Basic Income or Human Heritage Dividend:  
Colonial Origin of the Share Capital of All Major Transnational Corporations (TNCs), and the Best  
Way to Purify their “Original Sin”**

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1. Introduction

Transnational Corporations (TNCs) have strong economic and political power in contemporary human society, so that we, all human-beings, need to think and discuss about the way to control TNCs' power for the urgent needs regarding universal human rights.

This paper tries to propose a step forward for this direction.

2. One Giant Capital Group of All Major TNCs

The analysis of the network of global corporate control in 2007 by Vitali, et al.(2011), which was the first investigation of the architecture of the international ownership network, along with the computation of the control held by each global player, showed the top 50 control-holding TNCs in the core of a giant network of big TNCs.

The giant network contains all the top TNCs by economic value, accounting for 94% of the total TNC operating revenue, and the top 50 TNCs, which are financial institutions except 2, hold control of 40% of the total operating revenue in the network by their direct/indirect majority shareholding (Figure 1, Table 1 & 2).

3. Colonial Origin of the Share Capital of TNCs

Table 2 shows the founding years and countries of all the top 50 TNCs, and Table 3 is the summary of their founding years. Here we can find that 90% of the Top 50 TNCs were established until mid-20th century in USA, west

Europe, and Japan.

For the reason of almost all the companies, especially financial institutions, established until mid-20th century in USA, west Europe and Japan inevitably contains some money thanks to possession of their colonies in their founding capital, we can conclude that part of the share capital of the ruling TNCs in 21st century has its origin in possession of colonies by the Great Powers until mid-20th century.

#### 4. Colonial Responsibilities of TNCs; Reparation or Philanthropy?

This fact has an important meaning in the debate on global justice and colonial responsibilities. Because responsibilities of the ruling TNCs on global justice, especially on global poverty issues, have been argued a lot, but colonial responsibilities of all the present TNCs have never been discussed seriously (Pogge2008, Wettstein 2009).

Colonial responsibilities of some TNCs have been argued a lot, regarding reparation to slavery, colonialism, and forced labor under Nazi and Imperial Japanese rules, etc., but colonial responsibilities of all major TNCs have been said to be doubtful ( Howard-Hassman 2003, 2008, Torpey 2006, Young 2011).

Since the colonial responsibilities of all major TNCs cannot be denied by the fact, the present TNCs cannot be innocent about the colonial past on the Earth. At least some parts of all TNCs' capital are waiting to be purified from the bloody past.

#### 5. In Guise of Conclusion: Ownership Transfer of the Majority Share Capital of All TNCs to All Human Beings as a Common Human Heritage

The best way for TNCs to take responsibilities for the past injustices is not just to give money to the poor as reparation or corporate philanthropy but to make their majority share capital a permanent human heritage, from which all of us on the Earth can get enough financial resources for Global Basic Income.

However, I need another paper for clear explanation of the idea of Human Heritage Inheritance Fund (Okanouchi 2016,2017Forthcoming).

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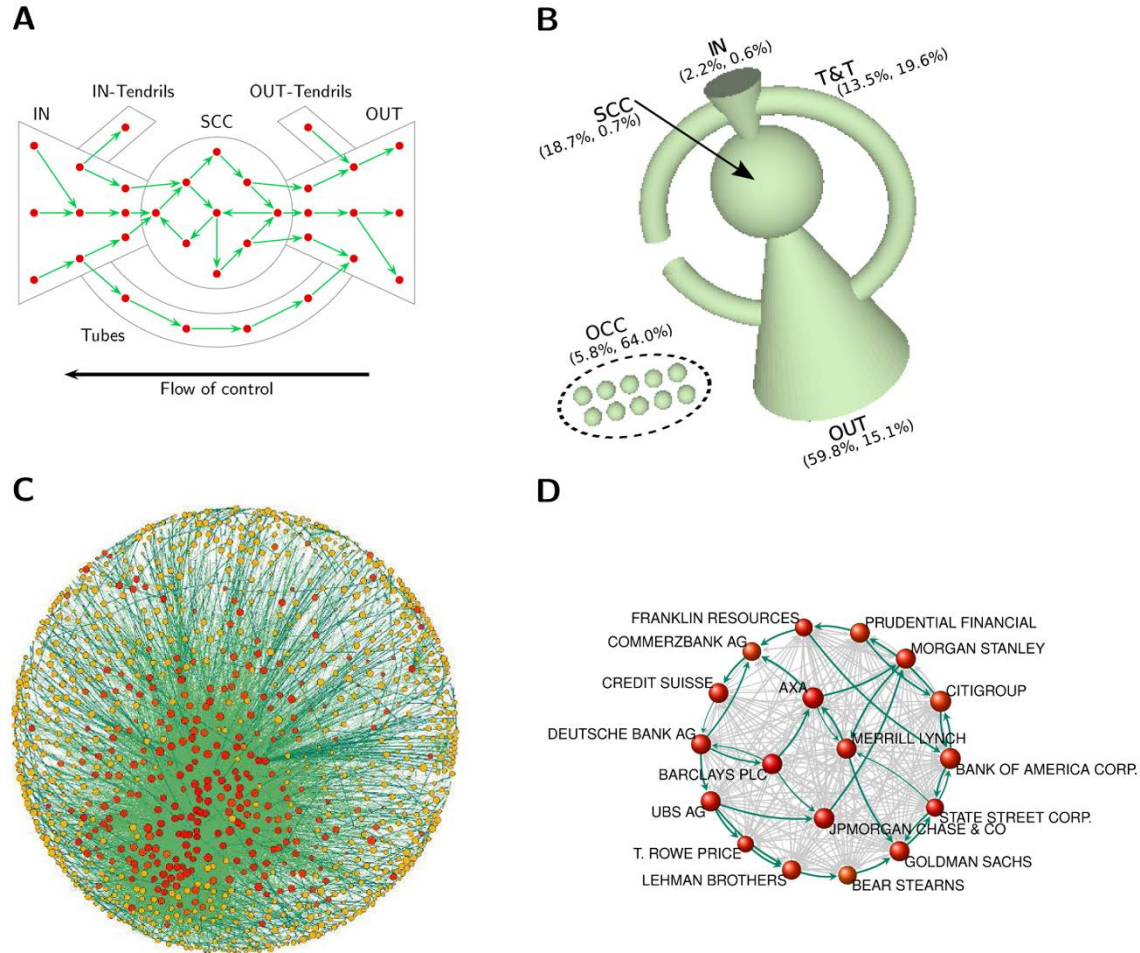
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Figure 1. Share Capital Ownership Network of All TNCs based on Orbis 2007 Database



[Source] Vitali, et al. 2011: 4, Figure2. [Note] In Figure 1 B, the first number in ( ) indicates % of total TNC operating revenue, and the second number indicates % of total numbers of TNCs.

Table 1. Number and percentage of TNCs, Non-TNC shareholders, and Non-TNC participated companies, and percentage of total TNC operating revenue, in the sections of the bow-tie network and other connected components(OCC), in 2007.

	Number of TNCs (%)	Number of Non-TNC shareholder (%)	Number of Non-TNC participated companies (%)	% of total TNC operating revenue
Largest Connected Component (LCC)	15,491 (36.0)	47,819 (61.7)	399,696 (83.3)	94.17
In-section(IN)	282 (0.7)	5,205(6.7)	129(0.0)	2.18
Strongly Connected Component(SCC)	295 (0.7)	0(0)	1023(0.2)	18.68
Out-section(OUT)	6,488(15.1)	0(0)	318,073(66.3)	59.85
Tubes & Tendrils(T&T)	8,426(19.6)	42,614(55.0)	80,471(16.8)	13.46
Other Connected Components (OCC)	27,569 (64.0)	29,637 (38.3)	80,296 (16.7)	5.83
Grand Total 合計	43,060 (100)	77,456 (100)	479,992 (100)	100

[Source] Compiled by the author from Vitali, et al.2011:5, Table 1.

Table 2 Top 50 TNCs Ranked by Network Control in 2007

Rank	Name of Economic Actor	Country	NACE code *	Network Position	Network Control (%)	Cumulative Network Control (%)	Foundation Year	Remark
1	BARCLAYS PLC	UK	6512	SCC	4.05	4.05	1896(1736,Barclays, Bevan &	Originally, goldsmith bankers

							Tritton,1817Rothschild Frères)	in Lombard Street, London since 1690.Financed for slave Trade in 18 <sup>th</sup> c. Bought Européenne de Banque in 1990.
2	CAPITAL GROUP COMPANIES INC, THE	USA	6713	IN	2.61	6.66	1931(Lovelace, Dennis & Renfrew)	Financial services company. Started as an investment firm in Los Angels.
3	FMR CORP	USA	6713	IN	2.28	8.94	1946(1930, Fidelity Fund)	Investment Trust.
4	AXA	France	6712	SCC	2.27	11.21	1816	Insurance Company.
5	STATE STREET CORPORATION	USA	6713	SCC	1.81	13.02	1925 (1792Union Bank)	From merger of a bank and investment trust.
6	JPMORGAN CHASE & CO.	USA	6512	SCC	1.53	14.55	2000 (1799Bank of Manhattan, 1823Chemical Bank of New York, 1871Drexel,Morgan&Company)	From merger of commercial bank and investment bank.
7	LEGAL & GENERAL GROUP PLC	UK	6603	SCC	1.47	16.02	1836	Insurance Company.
8	VANGUARD GROUP, INC., THE	USA	7415	IN	1.23	17.25	1975 ( 1928Wellington Management)	Investment trust.
9	UBS AG	Switzerl	6512	SCC	1.21	18.46	1998 ( 1832Dillon Read &	

		and					Co.(USA), 1862Bank in Winterthur, 1872 Basler Bankverein, 1880 Paine & Webber(USA))	
10	MERRILL LYNCH & CO.INC.	USA	6712	SCC	0.99	19.45	1914	
11	WELLINGTON MANAGEMENT CO. L.L.P.	USA	6713	IN	0.88	20.33	1928	
12	DEUTSCHE BANK AG	Germany	6512	SCC	0.84	21.17	1870	
13	FRANKLIN RESOURCES, INC.	USA	6512	SCC	0.82	21.99	1947	
14	CREDIT SUISSE GROUP	Switzerl and	6512	SCC	0.82	22.81	1856	
15	WALTON ENTERPRISES LLC	USA	2923	T&T	0.75	23.56	(1962Walmart)	
16	BANK OF NEW YORK MELLON CORP.	USA	6512	IN	0.72	24.28	2007 (1784Bank of New York, 1869Mellon Bank)	
17	NATIXIS	France	6512	SCC	0.7	24.98	2006(1878Banque Populaire,1818Caisse d'Epargne Groupe)	

18	GOLDMAN SACHS GROUP, INC., THE	USA	6712	SCC	0.66	25.64	1869	
19	T. ROWE PRICE GROUP, INC.	USA	6713	SCC	0.65	26.29	1937	Investment company.
20	LEGG MASON, INC.	USA	6712	SCC	0.63	26.92	1899	Investment company.
21	MORGAN STANLEY	USA	6712	SCC	0.64	27.56	1935 ( 1924 Dean Witter & Company)	
22	MITSUBISHI UFJ FINANCIAL GROUP, INC.	JAPAN	6512	SCC	0.6	28.16	2006 (1880 三菱為換店、1879 橫濱正金銀行、1656 鴻池兩替商、1863 布屋兩替店、1933 三和銀行、1881 伊藤銀行、1882 名古屋銀行、1896 愛知銀行、1941 東海銀行)	
23	NORTHERN TRUST CORPORATION	USA	6512	SCC	0.56	28.72	1889	
24	SOCIÉTÉ GÉENÉRALE	FRANCE	6512	SCC	0.54	29.26	1864	
25	BANK OF AMERICA CORPORATION	USA	6512	SCC	0.53	29.79	1998 (1874Commercial National Bank, 1904Bank of Italy, 1914Merrill Lynch)	
26	LLOYDS TSB GROUP PLC	UK	6512	SCC	0.51	30.30	1995 (1765Lloyds Bank Trustee, 1810Saving Bank)	
27	INVESCO PLC	UK	6523	SCC	0.52	30.82	1935 ( 1874 Germania Savings	



							Bank , 1887 Citizens Bank of Savannah)	
28	ALLIANZ SE	Germany	7415	SCC	0.5	31.32	1890	
29	TIAA(Teachers Insurance and Annuity Association)	USA	6601	IN	0.92 * *	32.24	1918	Created to replace the system of free pensions provided by Carnegie Foundation for the Advancement of Teaching for professors.
30	OLD MUTUAL PUBLIC LIMITED COMPANY	UK	6601	SCC	0.45	32.69	1845	Originally Insurance & Investment Company in Capetown.
31	AVIVA PLC	UK	6601	SCC	0.45	33.14	2000 (1696Hand in Hand Fire & Life Insurance Society,1797Norwich Union, 1861 Commercial Union)	
32	SCHRODERS PLC	UK	6712	SCC	0.43	33.57	1804	
33	DODGE & COX	USA	7415	IN	0.43	34.00	1930	
34	LEHMAN BROTHERS HOLDINGS, INC.	USA	6712	SCC	0.43	34.43	1850	
35	SUN LIFE FINANCIAL, INC.	CANADA	6601	SCC	0.39	34.82	1865	

36	STANDARD LIFE PLC	UK	6601	SCC	0.38	35.2	1825	
37	CNCE(Caisse Nationale des Caisses d'Épargne et de Caisse Nationale des Caisses d'Épargne et de Prévoyance)	France	6512	SCC	0.37	35.57	1818	
38	NOMURA HOLDINGS, INC.	JAPAN	6512	SCC	0.35	35.92	1925 (1918Osaka Nomura Bank 大阪野村銀行)	
39	THE DEPOSITORY TRUST COMPANY	USA	6512	IN	0.36	36.28	1973	Public financial institution
40	MASSACHUSETTS MUTUAL LIFE INSUR.	USA	6601	IN	0.35	36.63	1851	
41	ING GROEP N.V.	Holland	6603	SCC	0.33	36.96	1991 (1845Nederlanden Insurance Company, 1762Barings Bank)	
42	BRANDES INVESTMENT PARTNERS, L.P.	USA	6713	IN	0.33	37.29	1974	
43	UNICREDITO ITALIANO SPA	Italy	6512	SCC	0.32	37.61	1998 (1827Cassa di Risparmio di Torino, 1870Banca di Genova)	The origin can be traced back to 15c.

44	DEPOSIT INSURANCE CORPORATION OF JP	JAPAN	6511	IN	0.32	37.93	1971	Public financial institution
45	VERENIGING AEGON	Holland	6512	IN	0.32	38.25	1978 (1844Algemeene Friesche, 1859Nillmij)	Originally insurance company.
46	BNP PARIBAS	France	6512	SCC	0.31	38.56	2000 ( 1848CNEP, 1872 PARIBAS)	
47	AFFILIATED MANAGERS GROUP, INC.	USA	6713	SCC	0.32	38.88	1993	
48	RESONA HOLDINGS, INC.	JAPAN	6512	SCC	0.3	39.18	2002 (1918Osaka Nomura Bank 大阪野村銀行)	
49	CAPITAL GROUP INTERNATIONAL, INC.	USA	7414	IN	0.3	39.48	1987	
50	CHINA PETROCHEMICAL GROUP CO.	China	6511	T&T	0.3	39.78	1998	State owned holding company for petrochemical industry.

\* NACE code Rev.1.1 is as follows: ([http://ec.europa.eu/eurostat/statistics-explained/index.php/NACE\\_background](http://ec.europa.eu/eurostat/statistics-explained/index.php/NACE_background))。

2923 Manufacture of non-domestic cooling and ventilation equipment; 6511 Central banking ;6512 Other monetary intermediation  
6523 Other financial intermediation n.e.c.;6601 Life insurance ;6603 Non-life insurance ;6712 Security broking and fund management  
6713 Activities auxiliary to financial intermediation n.e.c.; 7414 Business and management consultancy activities

7415 Management activities of holding companies

\* \* Calculated by the author from the source.

[Source] Vitali, et al 2011:33. “Foundation year” and “Remark” are from various sources including official Websites of the companies.

Table 3 Established Periods of the Top 50 TNCs Ranked by Network Control in 2007

	15 ~ 16c	17c	18c	19c (1st Half)	19c (2nd Half)	20c (1st Half)	20c (2nd Half)	Total
Banks	<i>43</i>	<i>1</i> , <i>22</i> , <i>26</i>	<u>1,5,6</u> ,16, 26, <i>28</i> , 41	<u>9</u> ,32,37,43, 46	12,17,18,22, 24,25,27,34	<u>10</u> ,38,48		21( <i>5</i> )
Insurance Companies		<i>31</i>	<u>7</u> ,31	30,36,41,45	28,35,40	<u>4</u>		10( <i>1</i> )
Investment Trusts					20,23	<u>2,3,5,8</u> ,11, 13,19,21,29,3 3,49	42,47	15
Others							15,39, 44,50	4
Total	<i>1</i>	( <i>4</i> )	7( <i>2</i> )	9	12	16	6	50( <i>6</i> )

[Source] Compiled from Table 2.

[Notes] The number in the column indicates the rank of the TNCs, except in the column of “Total”. The numbers of the Top 10 are underlined. 6 TNCs which has former organizations are shown in Italic numbers.