

Pyramidal business groups, prominent in most countries, are virtually absent in the US today. Newly- assembled data show that, until the mid-twentieth century, such groups dominated the US as well. Their demise follows a barrage of New Deal regulatory reforms. Of these, the Public Utility Holding Company Act, inter-corporate dividend taxation and the Investment Companies Act aimed directly at pyramids. Enhanced investor protection, estate taxes may also have contributed. Antitrust enforcement was not (directly) linked to the process. We conclude that sustained regulatory pressure on multiple fronts, supported by a sustained anti-big business political climate, largely eliminated US pyramidal groups.

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