



Thought Leadership on Emerging Markets

Bi-Annual Report 2013-2015





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Milestones at a Glance

2013

May 27

**Launch Event of HKUST IEMS –
Forum on Prospects for Emerging
Markets in the Global Economy**

June 24 - 26

**Conference on
Human Resources
and Economic
Development**

May 31 - June 1

**Symposium on
Economic Governance
in China and the
Developing World**

May 28

**Announced
the first round
of research
grants**

June 2-3

**HKUST Delegation
to Moscow School
of Management
SKOLKOVO**

April 14-16

**Conference on
Challenges of
Population Aging
in Asia**

June 17

**Google Hangout with the World
Bank on Extending Working Lives of
Older Workers in Emerging Markets**

July 1

**Launch of HKUST IEMS
Thought Leadership
Brief Series**



September 9

**Launch of HKUST IEMS
Social Media Channels**



September 12

Workshop on Minimum
Wages and Employment
in China, Hong Kong, and
the World



November 21-22

Conference on
China's Impact on African
Employment: What do We
Know and Where are the
Gaps?

November 28-29

8th Asian Conference on Applied
Micro-Economics/Econometrics
(Theme: Labor Economics)



December 4-7

Conference on
Globalization of
Knowledge Creation and
Innovation in the Context
of Emerging Economies



2015

January 1

**Launch of
HKUST IEMS
Working Paper
Series**

June 25

HKUST IEMS-EY Hong Kong
Emerging Market Insights
Series on Political and
Economic Consequences
of Demographic Change in
Emerging Markets, by Jack
Goldstone and Albert Park

May 20-21

IEMS-CAG
Workshop on
Understanding
Financial Inclusion
in Asia





October 7

HKUST Business Insights Presentation on Financial Inclusion: An Untapped Market, by Kellee Tsai and Arnaud Ventura



November 3

Launch of the Emerging Market Insights Series with support from EY Hong Kong and LAPP on As Goes Russia, so Goes Europe, by Christopher Hartwell

November 4

Launch of the New HKUST IEMS website

November 14

Public Lecture on Structural Challenges for the Mexican Economy, by Manuel Sánchez González (Vice Governor of the Bank of Mexico)

February 23

Google Hangout with the World Bank on China in Africa: China's Impact on African Employment

March 9-10

SKOLKOVO-HKUST Joint Workshop on Business and Wealth in Russia and China

April 16

Announced the third round of research grants

April 20

Forum on Can the Bear and the Dragon be Bosom Buddies? The Current and Future State of Sino-Russian Relations

April 24

CEMP-CIEPS-HKUST IEMS Workshop on Capital Flows and Financial Development in Emerging Markets

April 22

HKUST Business Insights Presentation on The Market and the State in China's Economic Reforms, by Yong Wang and Albert Park





Mission

The mission of the HKUST Institute for Emerging Market Studies (IEMS) is to provide thought leadership on the key challenges facing businesses and policy makers in emerging markets. The Institute aims to focus its activities on thematic issues that are important for emerging markets, and to build on the research strengths of the faculty of the Hong Kong University of Science and Technology (HKUST).

Currently, our major research themes include:

1. Human capital, employment, and structural change
2. Innovation and entrepreneurship
3. Global economic integration
4. Financial development
5. Corporate governance

Director's Report

The HKUST Institute for Emerging Market Studies (IEMS) was established in 2013 with financial support from EY. HKUST, as a globally elite university whose location makes it a gateway to China and other Asian economies, is uniquely well positioned to become a thought leader on issues facing emerging markets. The Institute has over 40 Faculty Associates with research interests in emerging markets, primarily from the six Business School departments and the Division of Social Science.

To realize its mission, HKUST IEMS has three main goals. The first is to generate new knowledge by promoting high-quality research on issues of practical importance to businesses and policy makers in emerging markets. The Institute provides financial support for faculty research and develops collaborations with research partners worldwide. The second goal is to communicate relevant research findings to the business and public policy communities through reports, newsletters, and events to have a maximum impact on the public discourse on emerging markets. Finally, the Institute aims to provide a platform through its events and online for increasing knowledge, awareness, and the exchange of ideas amongst academics, the business community, government, non-governmental organizations, and the public.

Since its formal launch in May 2013 through June 2015, the Institute has been extremely active in pursuing the above goals. It has awarded three rounds of competitive research grants supporting 28 research projects by its distinguished Faculty Associates, and also allocated research funds to support 8 research projects on issues related to employment and human capital as part of the World Bank's Network on Jobs and Development. The Institute has organized and sponsored a wide array of events, including 16 conferences and workshops, 11 policy and business talks, and 20 academic seminars. To disseminate the research of Faculty Associates more broadly, from July 2014 to June 2015 the Institute published 9 Thought Leadership Briefs which present research results in a way that is concise and accessible to a broad audience, and from January to June 2015 posted 27 academic papers in its online working paper series. To reach a global audience, the Institute has created a dynamic website rich in video content, and operates on all of the key social media platforms (YouTube, Facebook, Google+, Twitter, WeChat, Weibo). Faculty Associates



are regularly featured in the media (72 media references through June 2015).

The Institute also has made great progress building partnerships globally to extend its influence, better understand key challenges from a more global perspective, and promote meaningful research collaborations and exchanges. A main partnership is with EY and the other centers on emerging markets it supports. Collaborating with EY Hong Kong, HKUST IEMS started an Emerging Market Insights series of business talks for the business and policy communities in Hong Kong. HKUST IEMS also signed a contract (2014-2016) to be one of five global institutions joining the World Bank's Network on Jobs and Development (with other partners in India, South Africa, Poland, and Latin America) to help find solutions to employment challenges in developing and emerging economies. The Institute also joined the Economic Policy Forum (EPF) – Emerging Economies Think Tank Alliance for High Quality Growth, which comprises 26 institutions globally and organizes events and provides policy recommendations.

We are extremely proud of how much the Institute has achieved in its first two plus years, which we believe has laid a strong foundation for making even greater strides in the future in continuing to fulfill its mission to provide global thought leadership on emerging market issues.

Albert Park

Director

HKUST Institute for Emerging Market Studies

Message from EY

Emerging markets are the world's future growth markets. All growth-oriented companies, regardless of where they are headquartered, know and understand that a significant part of their future success will be in these markets.

In order to succeed, it will be necessary for businesses, governments, and other stakeholders to gain deeper insights into the various challenges facing emerging market countries including stable financial systems and access to capital and credit; sustainability and efficiency in economic development; and facilitating investment and the creation of high quality jobs. This is why we at EY are very pleased to support the HKUST Institute for Emerging Market Studies (HKUST IEMS) in its efforts to engage top researchers to investigate these issues in depth. The insights produced by the Institute's activities will be of great benefit to policymakers, business and professional leaders, emerging market domestic enterprises, global companies, and other organizations operating in emerging markets. HKUST IEMS provides a valuable forum for our partners, clients, and key stakeholders to address the critical issues facing these markets.

The work produced by HKUST IEMS is strongly aligned to EY's purpose to "build a better working world". We believe that the better the question, the better the answer – and the better the world works. We see this purpose in action with our cooperation with HKUST IEMS, who are similarly committed to making a difference in emerging markets and making the world work better.

We value our collaboration with HKUST IEMS and its global thought leadership and research. We look forward to continued collaboration in the future.



Jay Nibbe

Global Vice Chair (Tax Practice)

EY

Message from the President, HKUST

Given its close proximity to China and other major emerging markets in Asia, the Hong Kong University of Science and Technology (HKUST) is uniquely well-positioned – both literally and figuratively – to lead advanced research on emerging market countries. The rigorous interdisciplinary research conducted by HKUST IEMS Faculty Associates can produce useful insights to help policy makers and businesses better understand emerging market issues. For this reason, I am proud that HKUST has established the Institute for Emerging Market Studies with support from EY, and excited to witness the Institute's impressive level of activity in producing research, organizing events, and disseminating research findings to a wide audience.

The University strongly supports HKUST IEMS in its efforts to become a premier source of thought leadership on emerging market issues, and to further the University's goal to have a greater impact on the world outside its gates.



Tony F. Chan

President

Hong Kong University of Science and Technology

Organization

Directorate

HKUST IEMS is led by a Director, an Associate Director, and an Executive Committee consisting of the Director, the Associate Director, and 5 HKUST Faculty Associates (4 elected to alternating 2-year terms by all Faculty Associates, and one appointed annually by the Director). In addition, HKUST faculty members with research interests in emerging markets are invited to become Faculty Associates of the Institute for renewable 3-year terms. The Institute has a small team of administrative and research staff to provide leadership and support for research projects, academic events, publications, and outreach activities.

An Advisory Board consisting of six members, including three appointed by EY (including the Chair of the Advisory Board) and three appointed by HKUST, approves leadership appointments and advises the leadership on major decisions and strategic directions.

Director

Albert Park

(Chair Professor of Social Science and Professor of Economics)

Associate Director

Peter MacKay

(Associate Professor of Finance)

Executive Committee membership

Chairperson

Albert Park (Chair Professor of Social Science and Professor of Economics)

Members

David Cook (Professor of Economics)¹

Sam Garg (Assistant Professor of Management)

Peter MacKay (Associate Professor of Finance)

Naubahar Sharif (Associate Professor of Social Science)²

Kellee Sing Tsai (Head and Professor of Social Science)¹

Xiaogang Wu (Professor of Social Science)

David Zweig (Chair Professor of Social Science)

Advisory Board membership

Chairperson

Karl Johansson (Managing Partner, CIS, EY)³

Jay Nibbe (Global Vice Chair, Tax Practice, EY)⁴

Members

Ilse Blank (Director – Global Economic Programs, Leader – Brand, Marketing, & Communications, EY)⁴

Agnes Chan (Regional Managing Partner, Hong Kong & Macau, EY)

Leonard Cheng (Dean, School of Business and Management, HKUST)⁵

James Z Lee (Dean, School of Humanities and Social Science, HKUST)⁶

Joseph Lee (Vice-President, Research and Graduate Studies, HKUST)

Sam Park (President, SKOLKOVO Institute for Emerging Market Studies)⁷

Jitendra V Singh (Dean, School of Business and Management, HKUST)⁸

Henry Tye (Director, HKUST Jockey Club Institute for Advanced Study, HKUST)⁹

**names arranged in alphabetical order*

¹ On board since Sep 2014

² Served in place of David Zweig while David Zweig was on 6-month sabbatical leave during 2013/2014

³ On board until Jan 2015

⁴ On board since Jan 2015

⁵ On board until Aug 2013

⁶ On board since Aug 2013

⁷ On board until May 2014

⁸ On board since March 2015

⁹ On board until March 2015

Researchers and Staff

Christina Jenq

Post-doctoral Fellow, HKUST IEMS and
Institute for Advanced Study
PhD, University of Chicago

Christina specializes in labor economics
and labor econometrics with research
interests in family economics, gender,
and the Chinese economy.



Xuechao Qian

Research Assistant
MA in Economics, University of Hong Kong
*BA in Economics, Southwestern University
of Finance and Economics*

Xuechao's research interests focus on applied
microeconomics, particularly labor economics,
health economics and economic development.



Vrishali Shekhar

Project Coordinator¹
*MSc in Economics for Development,
Oxford*
BA in Economics, University of Delhi

Vrishali works on knowledge generation
and sharing, conducts research analysis, and
develops outreach activities to non-academic
communities.



Lois Li

Manager
*MA in Comparative and
Public History, Chinese University of
Hong Kong*
*BA in English, Chinese University of
Hong Kong*

Lois oversees the administration of
the Institute.



Christopher Domingue

Project Coordinator
BA in Economics, Trinity University
*BA in Chinese Culture and Language,
Trinity University*

Christopher supports policy research projects as well as
the various outreach activities of the HKUST IEMS.



Sasidaran Gopalan

Post-doctoral Fellow,
HKUST IEMS and
Institute for Advanced Study
PhD, George Mason University

Sasidaran's research focuses on the various
implications of financial openness and capital
flows on financial development and integration
in emerging Asia.



Charlotte Sun

Research Assistant
*MA in Environmental Studies,
University of Melbourne*
*BS in Environmental Economics
and Policy, UC-Berkeley*

Charlotte is interested in interdisciplinary
research on environmental policy and public
health.



Qing Xia

Research Assistant²
MPhil in Economics, HKUST
*BA in Economics,
Peking University*

Qing executes research projects, writes
analysis reports, and coordinates academic
and outreach events.



Carla Chan

Assistant Manager
MSc in Computer Science, HKUST
BEng in Computer Engineering, HKUST

Carla manages public relations,
digital marketing, content
generation, and outreach events.



¹ Left in July 2014

² Left in December 2014

Faculty Associates

The Institute has more than 40 Faculty Associates, who hold appointments in the School of Business and Management, the Division of Social Science, and the HKUST Jockey Club Institute for Advanced Study.

First name	Last name	Title	Department/Division	Interests/Areas of Expertise
Erik	Baark	Professor	Social Science	National Innovation Systems in Asia and Europe; China's Science & Technology Policy; Hong Kong Innovation System and Policy; Innovation in Service Industries
Hye Jee	Cho	Assistant Professor	Social Science	International Political Economy; International Relations; Comparative Politics
Joon Nak	Choi	Assistant Professor	Management	Social Network Analysis; Organizational Theory; Corporate Strategy; Globalization and Global Cities; Industry Clusters; Korean Studies
David	Cook	Professor	Economics	International Macroeconomics; Monetary Policy
Amy	Dalton	Associate Professor	Marketing	Consumer Psychology
Sam	Garg	Assistant Professor	Management	Entrepreneurship; Innovation Management
Vidhan	Goyal	Professor	Finance	Capital Structure; Corporate Governance; Bankruptcy; Debt Contracts; Emerging Markets
Liang ¹	Guo	Associate Professor	Marketing	Economics of Psychology; Marketing Strategy; Industrial Organization; Applied Economics
Li	Han	Assistant Professor	Social Science	Political Economy; China
Guojun	He	Assistant Professor	Division of Social Science, Division of Environment, and Economics Department	Environmental Economics, Health Economics, Development Economics
Ji Yeon Jean	Hong	Assistant Professor	Social Science	Comparative Political Economy; Authoritarian Regimes and Leaderships; Political Economy of Development Resource Politics; East Asian Politics
Kai Lung	Hui	Professor	Information Systems, Business Statistics and Operations Management	Information Privacy and Security; Information Technology Policies; Electronic Commerce
Mingyi	Hung	Professor	Accounting	International Capital Markets; Financial Accounting; International Financial Reporting Standards
James K S	Kung	Chair Professor	Social Science	Economic History; Institutions and Institutional Change; Political Economy; Applied Economics
James	Kwok	Associate Professor	Information Systems, Business Statistics and Operations Management	Digital Rights Management; Computer Security for Business; Hacking Techniques; Digital Watermarking
Edwin	Lai	Professor	Economics	International Trade; Industrial Organization; Technological Change; Growth and Development; East Asia and China Economies
Siu Fai	Leung	Professor	Economics	Health Economics; Household Behavior and Family Economics; Labor and Demographic Economics; Law and Economics; Cross Sectional Data
Jiatao	Li	Chair Professor	Management	Strategic Management; Multinational Corporate Strategy; Global Management; Managing Alliances; Joint Ventures and Partnerships in China; Doing Business in China
Xi	Li	Assistant Professor	Accounting	Global Macro Investments; International Corporate Governance; Chinese Economy; Product Market Competition; Earnings Management; Corporate Financing Events
Yao Amber	Li	Assistant Professor	Economics	International Trade; Chinese Economy; Development; International Macroeconomics; Applied Econometrics; International Business and Strategy

First name	Last name	Title	Department/Division	Interests/Areas of Expertise
Yimin	Lin	Associate Professor	Social Science	Political Economy; Organizations and Institutions; China
Peter	MacKay	Associate Professor	Finance	Corporate Finance; Risk Management; Capital Structure; Corporate Investment; Corporate Governance
Abhiroop	Mukherjee	Assistant Professor	Finance	Behavioral Finance; Role of Information in Equity Markets; Corporate Governance
Javad	Nasiry	Assistant Professor	Information Systems, Business Statistics and Operations Management	Behavioral Operations Management; Revenue Management; Supply Chain Management; Healthcare Operations
Rachel	Ngai	Visiting Fellow	HKUST Jockey Club Institute for Advanced Study	Macroeconomics, Growth and Development; Labor
Albert	Park	Chair Professor and Professor	Division of Social Science and Department of Economics	Development Economics; Labor Economics; Human Capital; Economics of Aging; Applied Microeconomics; Chinese Economy
Christopher	Pissarides	IAS Helmut & Anla Par Sohmen Professor-at-Large	HKUST Jockey Club Institute for Advanced Study	Macroeconomics of Labor Markets; Structural Change; Economic Growth
Barry	Sautman	Professor	Social Science	China/Africa Links; Ethnic Politics in China; Nationalism in Comparative Perspective
Naubahar	Sharif	Associate Professor	Social Science	Sociology of the Innovation Systems Conceptual Approach; Role of Innovation/Technology in Hong Kong; University-industry Linkages; Economic Linkages between Hong Kong and Guangdong
Satoru	Shimokawa	Assistant Professor	Social Science	Agricultural Economics; Development Economics; Health Economics
Bilian	Sullivan	Associate Professor	Management	Organizational Theory; Organizational Learning; Social Networks; Corporate Governance; Policy and Firm innovation
Kellee Sing	Tsai	Professor	Social Science	Chinese Politics; Political Economy of Development; Informal Finance; Private Sector Development; Sub-national Models of Political Economy; China-India Comparison; Remittances
Sujata	Visaria	Assistant Professor	Economics	Development Economics; Applied Microeconomics; Institutional Economics; Financial Economics; Welfare and Poverty
Jin	Wang	Assistant Professor	Social Science	Development Economics; Public Economics; Chinese Economy
Pengfei	Wang	Associate Professor	Economics	Macroeconomics; Monetary Economics; International Macroeconomics
Wenbo	Wang	Assistant Professor	Marketing	Advertising; Pricing; Pro-social Behavior; Sustainability, Especially in the Context of Emerging Markets
Yong	Wang	Assistant Professor	Economics	Macroeconomics; Growth and Development; Political Economy; Chinese and Indian Economies; International Trade
Xiaogang	Wu	Professor	Social Science	Education; Inequality and Mobility; Migration and Urbanization; Survey Research and Quantitative Methods
Jenny Juanyi	Xu	Associate Professor	Economics	International Macroeconomics; Monetary Economics; Macroeconomics; Chinese Economy
Alminas	Zaldokas	Assistant Professor	Finance	Corporate Governance; Family Firms; Innovation; Industrial Organization; Corporate Finance
Jane	Zhang	Assistant Professor	Social Science	Experimental Economics; Development Economics; Applied Econometrics
Jimin	Zhao	Associate Professor	Social Science	Environmental Policy and Governance; Climate Change and Global Environmental Governance; Sustainable Transportation and Automotive Technology; Energy Policy and Technology Development; Chinese Environmental and Energy Policy
David	Zweig	Chair Professor	Social Science	Movement of High Quality Talent; China's Energy Policy; China's International Political Economy; Chinese Politics

Research Grants

HKUST IEMS awarded 28 research grants to Faculty Associates. Awards of up to HKD \$125,000 were given for each project (up to HKD \$150,000 per principal investigator for collaborative projects starting in 2015).

Grants awarded in 2013:

Income Distribution and Sovereign Credibility in Emerging Market Countries

- Principal Investigator: Hye Jee Cho, Assistant Professor, Division of Social Science
- Explores how income inequality affects the investor perceptions of sovereign creditworthiness in emerging market countries around the world.

Understanding Demand for Counterfeit Products in Developing Nations

- Principal Investigator: Amy Dalton, Associate Professor, Department of Marketing
- Addresses the psychological factors driving consumer demand for counterfeits, especially the psychological impact of resource scarcity (e.g. money, goods, jobs) as related to counterfeit good consumption, as well as various cultural factors such as India's caste system.

A Study of User Behavior in Using Search Engine for Locating Infringing Digital Media in Emerging Markets

- Principal Investigators: James S.H. Kwok, Associate Professor of Business Education, Department of Information Systems, Business Statistics, and Operations Management; Kai-Lung Hui, Professor, Department of Information Systems, Business Statistics, and Operations Management
- Proposes a comprehensive study of user behaviour in emerging markets in using search engines for locating infringing digital media in an attempt to evaluate the effectiveness of the de-listing/de-indexing technical measures employed by governments in China, Russia, Thailand, India, and other emerging markets.

Relatedness Between Industries and Industrial Relocation: Evidence from Chinese Firms

- Principal Investigator: Yao Amber Li, Assistant Professor, Department of Economics
- Investigates how the network of relatedness between industries has affected the process of industrial upgrading and relocation in China during the period of 1998-2009.

Corporate Risk Management in Emerging Markets: Challenges and Opportunities

- Principal Investigator: Peter MacKay, Associate Professor, Department of Finance
- Explores corporate risk management in firms operating in emerging markets, focusing on risks that are uncertain such as those in ancient and less-developed derivatives markets.

Private Sector Financial Contract Design to Overcome Public Sector Inefficiencies in Emerging Markets

- Principal Investigator: Abhiroop Mukherjee, Assistant Professor, Department of Finance
- Examines whether or not there are any financial contracts that private lenders and firms can write to circumvent the problem of difficulty of financial contract enforcement.

Preemption and Defense: Strategy of International Patenting in Emerging Economies

- Principal Investigator: Naubahar Sharif, Associate Professor, Division of Social Science
- Investigates international patenting activities in emerging economies at the firm level using the concept of "patent families" to ensure comparability of patents applied for in a wide array of 29 emerging market national patent offices.

Workshop on Pathways to Sustainable Urbanization in Emerging Economies

- Principal Investigator: Jimin Zhao, Associate Professor, Division of Social Science
- Aims to explore the pathways and pattern of urbanization in China and other emerging economies from a sustainable development perspective – focusing on topics such as climate change, air pollution, water quality, energy consumption, etc. – with invited speakers from different disciplines from the US, UK, and China.

Reverse Migration and Technology Transfer in Emerging Market Societies

- Principal Investigator: David Zweig, Chair Professor, Division of Social Science
- Addresses the issue of whether reverse migrants, particularly scientists and entrepreneurs, are an important source of technology transfer for emerging economies using quantitative interviews (sample size: 200) in India and Turkey.

Grants awarded in 2014:

University-Industry Linkages in Indonesia and Vietnam: A Comparative Perspective

- Principal Investigator: Erik Baark, Professor, Division of Social Science/Environment
- Explores the institutional framework for university-industry linkages in Indonesia and Vietnam, and examines how policies to promote these linkages have shaped such interactions

Social Networks and the Geographic Pattern of EMNC Expansion Overseas

- Principal Investigator: Joon Nak Choi, Assistant Professor, Department of Management
- Explores how social networks direct emerging market multinational corporations (EMNCs) to expand towards one overseas location instead of another by relating global geographic structure of social networks with patterns of EMNC expansion

Entrepreneurship in Emerging Economies: Unpacking the CEO-Board Relationship in New Ventures

- Principal Investigator: Sam Garg, Assistant Professor, Department of Management
- Aims to develop a middle range theory based on ventures in China and India, examining the CEO-board relationship in emerging market public firms where CEO alignment is a central issue

Market Access and Capital Structure: Evidence from China

- Principal Investigator: Vidhan Goyal, Professor, Department of Finance
- Investigates financing decisions of private, public, and state-owned enterprises (SOEs) in the Chinese context, and how constraints such as private firms' limited funding access affects the financing decisions of such firms

College Majors and Career Trajectories during China's Economic Transformation

- Principal Investigator: James Lee, Chair Professor, Division of Social Science
- Provides empirical evidence – via a survey of over 10,000 Suzhou University alumni entering the university between 1952 and 2002 – of how higher education shapes individuals' career trajectories and other life outcomes in China

Can the Poor be Incentivised to Save? A Study of Migrant Domestic Workers in Hong Kong

- Principal Investigator: Sujata Visaria, Assistant Professor, Department of Economics
- Explores whether providing the poor with opportunities to invest and earn relatively safe returns increases their savings behaviour in order to inform emerging market microfinance practitioners on how to better devise new financial products

Understanding Firms in Emerging Transitional Economies: China and Central-Eastern Europe Compared

- Principal Investigator: Jin Wang, Assistant Professor, Division of Social Science
- Examines how firm performances differ and why they are different across emerging transitional economies – in this case, China and Central-Eastern Europe (CEE) – which may lead to a better understanding of the determinants of productivity gaps, and how to implement policies to close such gaps

Self-employment and Entrepreneurship in Post-Socialist Transition Economies: A Comparative Study of China, Russia, and Vietnam since the 1990s

- Principal Investigator: Xiaogang Wu, Professor, Division of Social Science
- Compares three former/reforming state socialist countries – namely China, Russia, and Vietnam – to examine the similarities and variations in the patterns of entry into and exit from self-employed businesses since the 1990s, focusing in particular on status changes in cadres and political connections during transition

China's International and Intranational Risk Sharing

- Principal Investigator: Juanyi Xu, Associate Professor, Department of Economics
- Explores China's consumption risk sharing, focusing on the key issues of cyclical property and determinants of Chinese consumption risk sharing, and the consumption risk sharing between China and the rest of the world

Grants awarded in 2015:

Suppression or Diffusion? Effects of Foreign Direct Investment on Labor Rights Protection in Emerging Market Countries

- Principal Investigator: Hye Jee Cho, Assistant Professor, Division of Social Science
- Examines how the effects of FDI on labor rights and regulations differ depending on the source countries and industries using improved and textured data on FDI and labour rights in emerging market countries around the world.

Equity Crowdfunding in China: An Exploratory Study

- Principal Investigators: Sam Garg, Assistant Professor, Department of Management; Kellee Tsai, Professor, Division of Social Science
- Explores equity crowdfunding (EC) in China, and specifically studies the types of formal and informal governance institutions established in EC-backed firms following the mobilization of funding, and the relationship between governance and performance in EC-backed firms vs. comparable firms (such as VC-funded firms).

National Expressway Expansion, Trade integration and Pollution: Micro-Evidence from 60,000 Industrial Plants in China

- Principal Investigator: Guojun He, Assistant Professor, Division of Social Science/Division of Environment/Department of Economics
- Provides micro-evidence on the environmental consequences of domestic trade integration using pollution data from more than 60,000 industrial plants to test the "pollution haven hypothesis" stating that rich regions shift "dirty" production to poor regions with lax environmental standards.

Agglomeration, Competition, and Firm Capability: Evidence from China and India

- Principal Investigator: Yao Amber Li, Assistant Professor, Department of Economics
- Examines whether agglomeration is also associated with anti-competitive, collusive forces by contrasting a model of agglomeration economics with one where proximity enables collusion via data from Chinese and Indian manufacturing firms (1999-2008 for China, and 1996-2011 for India).

A Model of China's Shadow Banks and Market Determined Interest Rate Reform

- Principal Investigator: Xi Li, Assistant Professor, Department of Accounting
- Develops a dynamic general-equilibrium model showing that the lack of market-determined interest rates is critical in explaining the rapid rise of the unstable shadow banks in China as well as a range of related misallocation. Additionally, the study will show the importance of a specific sequence for interest rate reform, which so far has not been adopted and has led to even further misallocation.

Value of Chinese Patents: Evidence from the Chinese Patent Inventor Survey

- Principal Investigator: Naubahar Sharif, Associate Professor, Division of Social Science
- Using an inventor survey approach with data from the Chinese Patent Inventor Survey conducted by the China State Intellectual Property Office (SIPO), estimates will be given on the value of Chinese patents in general and the impact of government benefits aimed at patent awardees.

Evaluating Spillover Effects of the Trader Agent Intermediated Lending Scheme on Non-borrowers

- Principal Investigator: Sujata Visaria, Assistant Professor, Department of Economics
- Implements three variants of the Trader Agent Intermediated Lending (TRAIL) scheme aimed at understanding the role of selection incentives versus monitoring by agents to examine spillover effects of the scheme on non-participating households.

Industrial Upgrading, Structural Change, and the Middle-Income Trap

- Principal Investigator: Yong Wang, Assistant Professor, Department of Economics
- Develops formal models that highlight the role of structural change and industrial upgrading in explaining the middle-income trap, and conducts quantitative investigations on policies and welfare on which will be based recommendations to emerging markets on how to avoid the "middle income trap".

Place-based Policies, Innovation and Entrepreneurship: Evidence from China's Economic Zones

- Principal Investigator: Jin Wang, Assistant Professor, Division of Social Science
- Compiles and analyses data examining the micro-impact of a prominent place-based program in China: namely, the "economic zone", or areas in which special policies are enacted to increase FDI, domestic investment, international trade, technological cooperation and innovation, and employment. The two questions that will be addressed are whether or not these areas boost firm investment, employment, innovation, and productivity, and the characteristics of effective economic zones.

Product Market Response to Corporate Governance Shocks: Evidence from India

- Principal Investigators: Alminas Zaldokas, Assistant Professor, Department of Finance; Abhiroop Mukherjee, Assistant Professor, Department of Finance
- Adopts a regression discontinuity analysis to explore how corporate governance shapes operating strategies in Indian firms affected by the major corporate governance reform Clause 49 requiring the majority of India's companies to have audit committees, a minimum number of independent directors, and CEO/SFO certification of financial statements and internal controls.

Conferences and Forums

2013

Launch Event of HKUST IEMS – Forum on Prospects for Emerging Markets in the Global Economy

(2013.05.27)

Tony Chan (President of HKUST) and Jay Nibbe (Global Vice Chair of Tax Practice at EY) delivered opening remarks on the establishment of HKUST IEMS. Presentations were made by world-renowned experts Jan Svejnar (Director of the Center for Global Economic Governance at Columbia University), Yang Yao (Dean of the National School of Development at Peking University), and Deepak Nayyar (former Chief Economic Adviser to the Government of India), followed by a lively panel discussion moderated by Albert Park (Director of HKUST IEMS). Jan Svejnar discussed the effects of the current global economic situation on emerging market economics, explaining how globalization and foreign competition have affected domestic firms in emerging markets. Yang Yao suggested that although China is likely to maintain relatively high rates of growth, technology lock-in, environmental problems, and energy shortages constitute real challenges that China must overcome to achieve sustained economic growth. Deepak Nayyar analyzed the technological capabilities of China, India, and Brazil, emphasizing the opportunities for late-comer countries to learn from these countries in promoting their own technological development.



IAS Public Policy Series: Symposium on Economic Governance in China and the Developing World

(2013.05.31–06.01)

*Co-organized with the
HKUST Jockey Club Institute for Advanced Study,
the Division of Social Science,
the School of Humanities and Social Science,
and the Department of Economics.*



This symposium brought together the world's foremost experts on Chinese economic and political systems to discuss how China's system of governance has contributed to its rapid economic growth, and whether China's experience provides any lessons for other developing countries. In his keynote presentation, Pranab Bardhan (UC Berkeley) argued that the deep involvement of China's government in its economic activities – leading to misallocation of capital, build-up of excess capacity, and entrenched vested interests of political elites – will handicap its future development, and suggested that China needs to lift market barriers, free information flow, and encourage innovation to achieve sustainable growth. In a session on political leadership, Barry Naughton (UCSD) assessed China's new national leadership team, concluding that China's economic bureaucracy is facing severe challenges, but if the new leaders are determined reformists, they still have the power to reform the bureaucratic system to more effectively pursue their agenda. Other presenters included Dan Treisman (UCLA), Hongbin Li (Tsinghua University), Li-an Zhou (Peking University), and James Kung (HKUST).

International Conference on Human Resources and Economic Development

(2013.06.24–26)

*Co-organized with the
HKUST Jockey Club Institute for Advanced Study,
the Division of Social Science,
the School of Humanities and Social Science,
and the Department of Economics.*



Leading development economists presented their research on the process of human capital formation, including the development of both cognitive and noncognitive skills, how different dimensions of human capital affect wage and employment outcomes in the labor market, and how policy interventions can support positive educational and development outcomes. Distinguished presenters included Michael Kremer (Harvard University, and Advisor to USAID), Jere Behrman (University of Pennsylvania), Eric Hanushek (Stanford University), Jishnu Das (World Bank), Orazio Attanasio (University College London), and Costas Meghir (Yale University and University College London).

6th Annual Meeting of the China Economics Summer Institute (CESI), 2013

(2013.08.22–24)

Sponsored and organized by a consortium including HKUST IEMS, UC Berkeley's Institutions and Governance Program at the Institute for International Studies, the Chicago Booth Initiative on Global Markets, Tsinghua University School of Economics and Management, and Peking University's Guanghua School of Management.



This annual meeting regularly features the best recent research on the Chinese economy, especially by younger scholars, selected from a large number of applicants. The 6th conference brought together more than 40 researchers from all over the world, who presented and discussed research on public finance, international trade, labor and family, and political economy in China.

Conference on Wealth Accumulation and Inequality of Opportunity

(2013.10.18–19)

Co-organized with the HKUST School of Humanities and Social Science, the French Centre for Research on Contemporary China (CEFC), and GATE Lyon Saint-Etienne.



This conference explored the issues of rising wealth inequality in the US, Europe, and China, the reliability of the evidence for said inequality, and appropriate policy responses. The two keynote speakers were two well-known French economists: Thomas Piketty (Paris School of Economics, London School of Economics, EHESS, and author of *Capital in the 21st Century*), and Francois Bourguignon (former Chief Economist of the World Bank). Piketty presented remarkable newly constructed historical data for the US, UK, and France to argue that the main drivers of rising inequality are a higher after-tax return to capital exceeding the rate of economic growth, fueled by the power of global capital markets, which leads to inherited wealth growing faster than earned wealth. He proposed imposing a progressive tax on inherited wealth. Bourguignon argued that the key focus should be on “institutions” and that governments should focus less on reducing inequality in outcomes than on creating equality of opportunities (e.g. through education, microfinance, etc.).

China's Urbanization Strategy: Challenges and Prospects

(2013.11.18)

Co-organized with the HKUST Leadership and Public Policy Executive Education Office (LAPP).



In this forum, three prominent authorities – Chorching Goh (Lead Economist for China and Mongolia at the World Bank) who led the Bank's team working with the Development Research Center (DRC) under the State Council on a major report on China's urbanization strategy, Christina Wong (University of Melbourne), and Albert Park (HKUST) – shared their insights on different aspects of urbanization in China. To tackle the challenges facing China's large-scale urbanization, the participants recommended that China allow the market to play a decisive role with the government playing a facilitating role, and specifically to relax state control of land, labor, and capital markets, promote rural land ownership, and equalize benefits received by rural and urban hukou holders.

2014



Conference on Challenges of Population Aging in Asia

(2014.04.14–16)

Co-organized and co-sponsored by the World Bank.

To understand the impacts of population aging on the economic and social development of Asia, this event invited leading aging scholars from Japan, Korea, Taiwan, Indonesia, Singapore, mainland China, Hong Kong, Malaysia, Thailand, Vietnam, and Australia as well as renowned international experts to discuss key issues affecting the elderly, including elderly well-being, work and retirement, health care systems, pensions, and social protection. Keynote speakers included David Weir (University of Michigan, and Director of the US Health and Retirement Study), James Smith (RAND Corporation), Andrew Mason (University of Hawaii), and Robert Willis (University of Michigan).

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7th Annual Meeting of the China Economics Summer Institute (CESI), 2014

(2014.06.30–07.02)

Sponsored and organized by a consortium including HKUST IEMS, UC Berkeley's Institutions and Governance Program at the Institute for International Studies, the Chicago Booth Initiative on Global Markets, Tsinghua University School of Economics and Management, and Peking University's Guanghua School of Management.

HKUST IEMS continued to support the annual conference of the China Economics Summer Institute, this time held at Tsinghua University, with the purpose of nurturing a network of top-level scholars conducting research on the Chinese economy.

Workshop on Minimum Wages and Employment in China, Hong Kong, and the World

(2014.09.12)

*Co-organized with the
HKUST Department of Economics.*



This one-day workshop brought together leading labor economists from China, Hong Kong, and the US to present recent research on minimum wages, and assess the impacts of minimum wage legislation on labor market and inequality outcomes in different socio-economic settings (especially in mainland China and Hong Kong). Keynote speakers included John Addison (University of South Carolina), David Neumark (UC Irvine), and Shi Li (Beijing Normal University). A key recommendation that echoed across presentations was the inefficacy of minimum wages as a tool for reducing poverty, with several presenters advocating more efficient alternative policy tools such as earned income tax credits. Participants also emphasized that the extent to which regulations can be enforced is critical for understanding the impacts of minimum wage laws in China and other emerging markets.

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China's Impact on African Employment: What Do We Know and Where are the Gaps?

(2014.11.21–22)

*Co-organized with the
Development Policy Research Unit (DPRU)
at the University of Cape Town.*



An activity of the World Bank's Jobs and Development Network held in Johannesburg, South Africa, featured speakers included Francisco Ferreira (World Bank Chief Economist for Africa), Deborah Brautigam (Johns Hopkins University), and Barry Sautman (HKUST). Ferreira pointed out that despite the recent influx of OFDI into the manufacturing sectors of several African nations, the majority of African nations have difficulty meeting basic OFDI requirements for manufacturing such as abundant skilled labor, reliable power supplies, and decent transportation infrastructure and logistical support. Brautigam found that reports of massive land grabs by Chinese investors were wildly overstated, while Sautman debunked the myth that Chinese employers hire only Chinese workers and not locals, drawing upon extensive field research in multiple African countries.

8th Asian Conference on Applied Micro-Economics/ Econometrics (Theme: Labor Economics)

(2014.11.28–29)

*Co-organized with the
World Bank and the
HKUST Department of Economics.*



This conference brought together leading labor economists in Asia (Hong Kong, mainland China, Japan, Korea, Taiwan, Singapore) to present their latest research on labor markets and wages, socioeconomic inequality, advances in applied econometrics, and related topics. A keynote speech was delivered by Mark Rosenzweig (Yale University), who showed that the current practice of selling crop or rainfall insurance only to land-owning cultivators and not to landless workers in India may make wage laborers worse off because landowners grow riskier crops that make labor demand and wages more volatile. Both groups can benefit if rainfall insurance is also offered to landless laborers.

Conference on Globalization of Knowledge Creation and Innovation in the Context of Emerging Economies

(2014.12.04–07)

*Co-organized with the HKUST Business School,
Department of Management, the
City University of Hong Kong's Department
of Management, and the
Management and Organization Review.*



Co-organized by Arie Lewin (Duke University, Editor of *Management and Organization Review*) and faculty of the HKUST Department of Management, the conference invited leading scholars to discuss what are the key questions at the frontier of research on innovation in emerging markets. A keynote speech was made by Justin Lin (Peking University, former Chief Economist at the World Bank) who argued that although markets served as the basic institution for resource allocation, government policy has served and should serve a critical facilitation role for structural change by making forward-looking investments in sectors consistent with each country's dynamic comparative advantage.



Workshop on Business and Wealth in Russia and China

(2015.03.09–10)

*Co-organized with the Moscow School of
Management SKOLKOVO.*

HKUST IEMS convened a joint workshop with the Moscow School of Management SKOLKOVO featuring faculty and experts from HKUST and SKOLKOVO discussing their research on a variety of topics related to Russia, China, and other emerging market economies. Key themes including business education for the future, wealth possessors in Russia and China, entrepreneurship in Russia, Hong Kong, and China's Pearl River Delta Region, and microfinance in Russia, China, and India. Featured speakers included Roger King (HKUST), Vladimir Korovkin (SKOLKOVO), and Sean Ferguson (Associate Dean of the School of Business and Management, HKUST).

Workshop on Capital Flows and Financial Development in Emerging Markets

(2015.04.24)

*Co-organized with the
Center for Emerging Market Policies (CEMP)
at George Mason University's School of Policy,
Government, and International Affairs (GMU-SPGIA),
and the
Claremont Institute for Economic Policy Studies (CIEPS)
at Claremont Graduate University.*

GMU-SPGIA hosted the 5th annual research forum on the theme of capital flows and financial development in emerging market economies (EMEs), which brought together leading scholars from around the world to present, discuss, and deliberate on cutting edge research work on policy issues of concern to EMEs in order to benefit the research and policy community at large. An interesting finding by Andres Fernandez (Inter-American Development Bank) was that over the past decade and a half, countries around the world have not systematically applied capital controls in a countercyclical fashion as advocated by a large theoretical literature. Other featured presenters included Ravi Balakrishnan (IMF), Nicholas Coleman (US Federal Reserve), Poonam Gupta (World Bank), and Tom Willett (McKenna College).

Workshop on Understanding Financial Inclusion in Asia

(2015.05.20–21)

Co-organized with the Centre on Asia and Globalisation (CAG) at the National University of Singapore's Lee Kuan Yew School of Public Policy.



This two-day workshop focused on issues related to emerging market financial sector openness, financial market technological innovations, regulatory frameworks and their relationship to foreign bank entry, and other related topics. Featured speakers included Sergio Schmukler (World Bank), Aaron Mehrotra (Bank of International Settlements), and Xiao Geng (Fung Global Institute).

HKUST 3rd Annual Conference in International Economics

(2015.06.12–13)

Co-organized with the HKUST Department of Economics.



The conference included research presentations by top international economists from the US and Asia, including Charles Engel (University of Wisconsin), Jonathan Eaton (Brown University), and Eric Verhoogen (Columbia University). Topics related to emerging markets included the impact of US quantitative easing and on emerging markets, technology adoption in Pakistan, and the impact of trade liberalization on export prices (quality upgrading) among Chinese exporters.

Academic Seminars

The Institute has held a series of academic seminars where Faculty Associates and visiting speakers present their latest research findings on various topics related to emerging markets.

2013

Innovate or Die: the Fate & Future of Hong Kong-owned Pearl River Delta (PRD) Factories (2013.11.11)

Naubahar Sharif, Associate Professor of Social Science, analyzed firm survey data to show that Hong Kong firms engaged in R&D or innovative collaborations in China showed a greater rate of survival in China's Guangdong Pearl River Delta region. He recommended that the governments of Hong Kong and Guangdong should adopt policies that support innovation and work together to develop a highly integrated regional innovation system including actors in all relevant sectors.



Talent Recruitment, Reverse Migration and Transnational Bridges in South Korea and China (2013.12.13)

Joon Nak Choi, Assistant Professor of Management, and David Zweig, Chair Professor of Social Science, talked about the challenges of recruiting talent to return to South Korea and China. David Zweig found that the primary catalyst for Chinese returning to China was in the domestic implementation of technology developed from abroad. Joon Nak Choi argued that South Korea should focus on building social ties with its emigres, as overseas Koreans are often viewed as outsiders in Korea's uninviting mono-ethnic culture.



Legitimacy or Resources? Firm Innovation and Government Innovation Policy in China's Transitional Economy (2014.02.10)

Bilian Sullivan, Associate Professor of Management, presented research that examined the role of government policies in promoting innovation in Chinese firms. Her results demonstrated that government innovation policy positively affects firm innovation, but that the effect is reduced when a firm is larger or state-owned, and when there is already strong social legitimacy for innovation.



The Value of Political Ties and Market Credibility: Evidence from Corporate Scandals in China (2014.03.03)

Mingyi Hung, Professor of Accounting, discussed the findings of her research on corporate scandals, which analyzed over 200 enforcement actions against corporate misconduct by Chinese courts and securities regulators from 1997 to 2005, concluding that political scandals trigger worse market reactions than market scandals, highlighting the important role played by political connections in China's market economy.



The Potential of the RMB to be a Major Invoicing Currency in the Asia-Pacific Region (2014.05.12)

Edwin Lai, Professor of Economics, offered his views on the RMB's potential to become an international currency in the Asia Pacific region. He presented international trade data suggesting that only a small fraction of China's overall foreign trade was invoiced in RMB. This under-use of RMB was attributed to China's capital controls disallowing the full convertibility of the RMB, as well as a relatively undeveloped domestic financial sector.



Markets over Mao: The Rise of Private Business in China (Joint with the Division of Social Science) (2014.09.15)

Nicholas Lardy, Senior Fellow at the Peterson Institute for International Economics, reported that China's private businesses accounted for most of the growth of output and all of the growth of employment since 1978, and more recently most of the incremental growth of exports as well. Lardy then debunked common views that China's private sector has had little or no access to credit from the banking system and that China represents a model of state capitalism.



The Ten-Year Long Recession: Why the Future of Europe is Not Bright, and Why this Matters to Asia (Joint with the Division of Social Science) (2014.09.16)

Mark Blyth, Professor of International Political Economy and Faculty Fellow of the Watson Institute for International Studies at Brown University, spoke on European austerity measures, their effect on long-term employment prospects for the region, and how the unlikely prospect of Europe unburdening itself from massive government debt will impact Asia's economy in the future.



How Does Foreign Bank Entry Affect Monetary Policy Effectiveness?: Exploring the Interest Rate Pass-Through Channel (2014.09.22)

Sasidaran Gopalan, Postdoctoral Fellow at HKUST IEMS and the HKUST Jockey Club Institute for Advanced Study, spoke about his research into the impact of foreign bank entry on interest rate pass-through mechanisms in emerging markets. Using lends rates for a panel of 57 emerging and developing economies over the period from 1995 to 2009, he concluded that foreign banks tend to promote financial inclusion by easing supply-side constraints, and that foreign banks generally strengthen interest-rate transmission, but only if there is a sufficient degree of foreign bank presence.



The Impact of Global Demographic Changes on the International Security Environment (2014.10.06)

Jack Goldstone, Professor of Public Policy at George Mason University, talked about the relationship between global demographic changes and international security. He suggested focusing priorities on the geographic areas and population groups forecasted to experience the greatest population growth, namely: Sub-Saharan Africa, the global middle class, major cities, Muslims, and the elderly.



China's Evolving International Science and Technology Relations: Opportunities and Challenges (2014.10.21)

Denis Simon, Senior Advisor to President Obama for China and Global Affairs and the Executive Director of the University Design Institute at Arizona State University, discussed China's evolving strategic posture for science and technology cooperation that China has adopted at the national and local levels, the Ministry of Science and Technology's new policy initiatives, and the growing impact of China on the international science and technology system, especially in terms of the growing role and scale of foreign R&D in China.



The Impact of Financial Institutions on Property Rights – and the Impact of Institutions on Financial Volatility in Transition Economies (2014.11.04)

Christopher Hartwell, President of the Center for Social and Economic Research (CASE) in Warsaw, Poland and Research Professor at Kozminski University, presented his research on the determinants of financial volatility in the transition countries of Central and Eastern Europe. He found that in transition economies, volatility in property rights leads to much higher levels of financial volatility, and that good institutions lead to lower financial volatility. He also found that support for property rights development is threatened in its earlier stages by financial volatility but in the long-term, financial volatility is healthy for the development of strong institutions supporting property rights.



Financing Smallholder Agriculture: An Experiment with Agent-Intermediated Microloans in India (2014.12.08)

Sujata Visaria, Assistant Professor of Economics, presented her research on traditional vs. non-traditional micro-credit delivery schemes in India. Upon conducting a field experiment in rural India using a non-traditional trader-agent intermediated lending (TRIAL) scheme in which local businessmen recommend borrowers and earn commissions for successful repayment, she found that the TRIAL scheme was more cost-effective, had higher repayment rates, imposed lower costs on borrowers, and significantly increased agricultural incomes from high-risk cash crops as compared to traditional microfinance lending schemes.



2015

Localization of Chinese Enterprises in Africa (2015.02.09)

Barry Sautman, Professor of Social Science, discussed his field work illustrating that, despite cultural disadvantages in comparison to non-Chinese foreign investors, Chinese enterprises in Africa are substantially localized and Chinese are at least as present in African society as immigrants from other countries.

**Once an Enemy, Forever an Enemy? The Long-run Impact of the Japanese Invasion of China from 1937 to 1945 on Trade and Investment** (2015.02.16)

Zhigang Tao, Professor of Economics and Strategy at the University of Hong Kong and Director of the Institute for China and Global Development, presented his research showing that historical animosity between China and Japan over the Japanese invasion of China from 1937 to 1945 still influences international trade and investment, despite the trend toward an increasingly globalized world.

**Is the PDS Already a Cash Transfer? Rethinking India's Food Subsidy Policies** (2015.03.02)

Sujata Balasubramanian, Research Assistant Professor of Social Science, reported the results of her research using India's National Sample Survey data, which finds that poor families have used increased Public Distribution System (PDS) subsidies not to raise their consumption of cereals as intended, but rather have used the increase subsidies as cash to buy other goods and services. She further concluded that neither increased PDS subsidies nor direct cash transfers are likely to raise total food expenditure in poor families in India.

**2015: Is China Abolishing the Hukou System? (Joint with the Division of Social Science)** (2015.03.16)

Kam Wing Chan, Professor of Geography at the University of Washington, discussed recent Chinese policy efforts to relax restrictions to its household registration ("hukou") system, and whether or not these efforts signal a significant effort to dismantle the hukou system entirely in the near future. Although Chan admits that China's hukou system appears to be getting less and less strict over time, he is skeptical that the system will be repealed or fundamentally altered, given the failure of previous announcements to produce actual reforms, and given the political economy of reforms in China.



Registration Status, Occupational Segregation, and Rural Migrants in Urban China (2015.03.23)

Xiaogang Wu, Professor of Social Science and Director of the Center for Applied Social and Economic Research (CASER) at HKUST, discussed his research on China's household registration ("hukou") system and how it creates inequality between migrant workers and local workers in Chinese cities. He finds that rural workers are disadvantaged primarily because of occupational segregation as opposed to within-occupation discrimination.



Government Officials' Political Incentives, the State's Bureaucratic Capability and Corporate Diversification in an Emerging Economy (2015.04.13)

Danqing Wang, Associate Professor of Strategy and International Business and the School of Business at the University of Hong Kong, spoke on her research into how a given bureaucrat's career concerns affects their choice of policies. She finds that retiring government bureaucrats prioritize social stability far more than bureaucrats with a long career ahead of them, indicating that promotion incentives for Chinese bureaucrats favor economic growth far more than social stability.



The Structure of Economic Globalization: It's a Small World After All (2015.05.04)

Joon Nak Choi, Assistant Professor of Management, used social network analyses of headquarters-subsidary ties amongst multinational enterprises to argue that the global economy has a "small world" structure composed of distinct regions held together by crucial hubs such as New York City and Hong Kong with reaches that span global regions.



Ownership-Specific Human Capital and the Employment Gender Gap in Urban China (2015.05.07)

Christina Jenq, Postdoctoral Fellow at HKUST IEMS and the HKUST Jockey Club Institute for Advanced Study, discussed her research into the role of China's urban enterprise reforms on the growing gender inequality in urban employment. Based on her analysis, she postulated that 30-50% of the rising gender imbalance in urban employment is attributable to gender-asymmetric industry-level privatization, with the remaining 50-70% due to gender differences in labor supply.

