

RESEARCH GRANTS COUNCIL
THEME-BASED RESEARCH SCHEME (TRS)

Completion Report on Funded Project

Project start date: 1 September 2012

Project completion date: 31 August 2017

1. Project Title:

Enhancing Hong Kong's Future as a Leading International Financial Centre

2. Names and Academic Affiliations of Project Team Members[#]

Project team member	Name / Post	Unit / Department / Institution	Average number of hours per week spent on this project in the whole project period
Project Coordinator (PC)	Professor Douglas W. ARNER, Kerry Holdings Professor in Law	Law / HKU	16 hours
Deputy Project Coordinator & Co-Principal Investigator	Dr Simon X.B. ZHAO, Associate Professor & Founding Director, International Centre for China Development	Geography / HKU	12 hours
Co-Principal Investigator(s)	Professor David C. DONALD, Professor	Law / CUHK	8 hours
	Professor Say H. GOO, Professor	Law / HKU	8 hours
	Professor Richard W.X. HU, Professor & Head	Politics & Public Administration / HKU	8 hours
	Professor Chen LIN, Chair of Finance, Stelux Professor in Finance, Associate Dean (Research and Knowledge Exchange) & Director, Centre for Financial Innovation and Development	Economics & Finance / HKU	8 hours

Co-Principal Investigator(s)	Professor Frank M. SONG, Professor & Director, Centre for China Financial Research	Economics & Finance / HKU	8 hours
	Professor Wilson H.S. TONG, Professor of Finance	Accounting & Finance / PolyU	8 hours
	Professor Dariusz WÓJCIK, Professor & Fellow, St. Peter's College	Geography & Environment / Oxford University, UK	8 hours
	Professor Chenggang XU, Professor of Economics	Economics / Cheung Kong Graduate School of Business, China (w.e.f. 1 Jul 2016)	8 hours
Co-Investigator(s)	James R. BARTH, Senior Finance Fellow Lowder Eminent Scholar in Finance	Milken Institute, USA Business / Alburn University, USA	
	Thorsten BECK, Professor of Banking and Finance	Finance / City University, UK	
	Patrick BOLTON, Zalaznick Professor of Business	Business / Columbia University, USA	
	Gordon L. CLARK, Professor & Director, Smith School of Enterprise and the Environment; Fellow, St. Edmund Hall	Enterprise & Environment / Oxford University, UK	
	Richard M. CULLEN, Visiting Professor	Law / HKU	
	Hongmian GONG, Associate Professor	Geography / City University of New York, USA	

Co-Investigator(s)	Di GUO	Former HKU Assistant Professor (w.e.f. 1 Jul 2015)	
	Joel F. HOUSTON, John B. Hall Chair & Professor	Business Administration / University of Florida, USA	
	Berry F.C. HSU, Professor of Law	Financial and Economic Law/ CTBC (China Trust Bank Corporation) Business School, Tainan (w.e.f. 1 Mar 2017)	
	Robin Hui HUANG, Professor & Director, Centre for Financial Regulation & Economic Development	Law / CUHK	
	Kun JIANG, Lecturer	Roehampton Business School/ UK	
	Jing LENG, Professor	Law / East China University of Politics and Law, PRC	
	Katharina PISTOR, Sovern Professor of Law	Law / Columbia University, USA	
	Hyun Song SHIN, Economic Advisor & Head of Research	Monetary & Economic Department / Bank for International Settlements, Switzerland	
	Shaojun ZHANG, Assistant Professor	Accounting & Finance / PolyU	
	Chao XI, Professor	Law / CUHK	
	Li ZHANG, Professor	Social and Public Policy/ Fudan University, PRC	

Collaborators	Shahla ALI, Associate Professor	Law / HKU	
	Emilios AVGOULEAS, Chair Professor in International Banking Law and Finance	Law / University of Edinburgh, UK	
	Susong BA, Deputy Director, Institute of Financial Research	Study Centre for Development, State Council, PRC	
	Ross P. BUCKLEY, Scientia Professor & Centre for International Finance and Regulation / King & Wood Mallesons Chair of International Finance Law	Law / University of New South Wales, Australia	
	Chun CHANG, Professor of Finance & Executive Director, Shanghai Advanced Institute of Finance	Finance / Shanghai Jiaotong University, PRC	
	Wilson CHOW, Associate Professor and Head, Dept of Professional Legal Education	Professional Legal Education / HKU	

Collaborators	Julan DU, Associate Professor	Economics / CUHK	
	Eilis FERRAN, Professor of Company and Securities Law; JM Keynes University Fellow in Financial Economics; & Pro Vice Chancellor for Institutional and International Relations	Law / Cambridge University, UK	
	Guido FERRARINI, Professor of Business Law & Capital Markets Law & Director, Genoa Centre for Law and Finance	Law & Finance / University of Genoa, Italy	
	Kevin FUNG, Portfolio Manager	Vicktor Capital, HK	
	Michael H. GROTE, Professor of Corporate Finance & Vice President – Academic Affairs	Frankfurt School of Finance and Management, Germany	
	Ryoichi HISASUE, Research Fellow, Institute of Developing Economies	National Graduate Institute for Policy Studies, Japan	
	Yiping HUANG, Managing Director & Chief Economist – Emerging Asia Professor of Economics	Barclays Capital, HK National School of Development / Peking University, PRC	
	Byung-Yeon KIM,	Economics / Seoul National	

Collaborators	Professor	University, South Korea	
	Dan LI, Assistant Professor	Economics & Finance / HKU	
	Qiao LIU, Professor of Finance	Guanghua School of Management / Peking University, PRC	
	Paul McGUINNESS, Professor	Finance / CUHK	
	Eric PAN, Associate Director, Office of International Affairs	U.S. Securities & Exchange Commission, USA	
	Michael TAYLOR, Managing Director and Chief Credit Officer	Moody's, HK	
	Yung Hoi TSE, Deputy Chief Executive Officer & President	Bank of China International (HK) & Chinese Securities Association of Hong Kong	
	Jin WANG, Assistant Professor	Social Sciences / HKUST	
	Rolf WEBER, Professor for Civil, Commercial and European Law	Law / University of Zurich, Switzerland	
	Sarah WORTHINGTON, Downing Professor of the Laws of England	Law / Cambridge University, UK	
	Geng XIAO, Professor	Economics & Finance and Social Sciences / HKU	
	Yansheng ZHANG, Director, Institute of International Economic Research	National Development and Reform Commission, PRC	
Zhongfei ZHOU, President & Professor, Shanghai University of Politics & Law	Shanghai University of Politics & Law, PRC		

Please highlight the approved changes in the project team composition and quote the date when the RGC granted approval of such changes. For changes in the project team composition, please submit a separate request, together with the justification and the curriculum vitae of the new member(s), to the RGC three months prior to the intended effective date of the change.

3. Project Objectives

Summary of objectives addressed/achieved:

Objectives*	Percentage achieved	Remarks**
1. Identify key elements of the economic, legal and institutional environment that support development of international financial centres, with particular focus on Hong Kong.	100%	
2. Identify central ongoing developments and key relationships important to Hong Kong's future as a leading international financial centre, focussing on: China's continuing financial reform and the role of Hong Kong; the role of Hong Kong in international financial regulatory processes; the ongoing globalization of finance and its risks and opportunities for Hong Kong and China; and the strategic changes evolving in financial centres around the world and their implications for Hong Kong.	100%	
3. Analyze the existing economic, legal and institutional environment in Hong Kong in order to identify weaknesses and	100%	

6. Research Highlights and Outputs

(Maximum 20 A4 pages for sections 6 to 11, excluding any appendices and attachments)

6.1 What are the most exciting research accomplishments of the project?

(Please list five or more of the team's best research accomplishments, such as journal and conference papers, software codes, research infrastructure, etc. For each item, please clearly justify how it has achieved international excellence (e.g. best paper award, invited presentation, citations, product licensed to industry, etc.))

International financial centres and international policy on, and in, international financial centres have changed significantly in recent years, driven by globalization, financial crises, emergence of new economic powers and technology. Our team's work and links with academia and major financial policy and regulatory organisations in Hong Kong, Mainland China and around the world have helped create the tools needed to understand these changes. We highlight seven areas as the most exciting research accomplishments from the project:

Our project's first research accomplishment – the one called for in the TRS theme under which it is funded – relates to finding ways of **making Hong Kong a more competitive financial centre**. *Bridging Finance without Fragmentation: A Comparative Look at Market Connectivity in the US, Europe and Asia*,⁵ shows how equity market design, with Chinese characteristics, sometimes offers a better model than current practice in the West and how the Chinese 'stock connect' model of linking exchanges creates better markets for trading equities than similar US and EU systems. Such a new approach has thus given Hong Kong a competitive advantage, and encouraged rival jurisdictions like New York and London develop similar stock connect systems. *Conceiving Corporate Governance for an Asian Environment*⁶ shows how Hong Kong and other Asian markets have fomented longer-term time horizons and objectives by encouraging investment by large, entrepreneurial shareholding firms. These (sometimes state-linked) institutions can hold on to their investments longer, focusing on longer-term profitability. Consistent with *Hong Kong's Public Enforcement Model of Investor Protection*,⁷ Hong Kong public policy has put the onus of policing market conduct on the regulator rather than the investing public. Such market design spares investors the expense and ire of suing bad firms – in effect socializing market policing. The three works, when taken together, make a strong case for far more government intervention in financial markets, an unfashionable in London and New York.

Building on these and other analysis from the project, the team published a major book on this core aspect of the project: *Financial Markets in Hong Kong*⁸ is now the foundational work on financial

⁵ D. Donald, "Bridging Finance without Fragmentation: A Comparative Look at Market Connectivity in the US, Europe and Asia," 16:2 European Business Organization Law Review 173 (2015).

⁶ D. Donald, "Conceiving Corporate Governance for an Asian Environment," 12 University of Pennsylvania Asian Law Review 88 (2016).

⁷ D. Donald, "Hong Kong's Public Enforcement Model of Investor Protection," 4:2 Asian Journal of Law and Society, special section on Law and Economics in (East) Asia 1 (2017).

⁸ D. Arner, B. Hsu, S. Goo, S. Johnstone & P. Lejot (2016), *Financial Markets in Hong Kong* (Oxford University Press).

law and regulation in Hong Kong and their role in its evolution and future as an international financial centre. It paints the picture of Hong Kong's financial and equity markets, compared with others in the region. The work shows how the many interventionist policies of Hong Kong's regulators and governments over the past 10-20 years have helped move finance from the West and toward China. Collaboration with the Hong Kong Financial Services Development Council has been instrumental in highlighting and supporting many of these findings.

Our project's second accomplishment looks beyond the specific context of Hong Kong to the **factors driving international financial centres' growth and development more generally**. *The Political-Economic Geography of Foreign Exchange Trading*⁹ traces the emergence of New York and London as international financial centres to the convenience of using US dollars (the *moneta franca* of the post World War II monetary system) in these markets. *What Turns Cities into International Financial Centres?*¹⁰ uses cross-border investment banking revenues from 2000 to 2014 to show how already leading domestic financial centres with large, deep, flexible and open labour markets, a large and internationalised non-financial sector, strong rule of law and contract enforcement blossom into global financial centres. As China's currency – the renminbi – is internationalized, so too are its financial centres like Shanghai. Just as the US and UK took advantage of the US dollar's usefulness in international commerce in the post World War II period, so too do China and Hong Kong take advantage of the Chinese yuan's usefulness in global internet trade. The major strands are brought together in *International Financial Centres after the Global Financial Crisis and Brexit*¹¹, which provides the foundational analysis of international financial centres after the 2008 global financial crisis. The significance of this work has been reflected in a number of related reports in the Financial Times, among others.

These studies even hold lessons for jurisdictions undergoing political change in the upcoming decades, like the UK (Brexit) and Hong Kong (handover in 2047). *Financial Centres' Polyarchy and Competitiveness Does Political Participation Change a Financial Centre's Competitiveness?*¹² takes a multi-disciplinary approach (combining history, economics, politics, international relations and statistics). The study finds that changes in political institutions and regulations in one jurisdiction cause competitive changes in rival international financial centres. Highly politically restrictive jurisdictions relax their financial regulations to compete with more innovative rivals when new financial products and services capture more and more foreign financier's money. Liberal financial regulators tighten up their policies when other jurisdictions tighten, as they focus policy on creating an investment-friendly environment for particular types of portfolio investors. For the first time, we can predict how political changes in London will affect the value of assets under

⁹ D. Wojcik, D. Korth-MacDonald & SX Zhao (2017). "The Political-Economic Geography of Foreign Exchange Trading", 17(2) J. Econ. Geography 267.

¹⁰ D. Wojcik, E. Knight & V. Pazitka (2017). "What Turns Cities into International Financial Centres? Analysis of Cross-Border Investment Banking 2000-2014", J. Econ. Geography.

¹¹ Cassis, Y. & Wójcik, D. (eds.) (2018) *International Financial Centres after the Global Financial Crisis and Brexit* (Oxford University Press, Oxford).

¹² B. Michael & B. Candelon (2018). "Financial Centres' Polyarchy and Competitiveness Does Political Participation Change a Financial Centre's Competitiveness?" (currently under review).

management in places like Singapore or Dubai.

The third accomplishment revolves around our project's **empirical measurements of financial regulation's impacts** on international financial development. Decades of work before described the historical, political and policy choices involved in created an international financial centre. Yet, few provided testable propositions – much less actual test results. Over 60 empirical studies provide these tests, showing how changes in something like bank opacity results in specific changes in the extent to which banks record bad loans. *Competition and Bank Opacity*¹³ creates indices of bank regulation, and use quantitative measures of competition, loan-loss provisions and banks' financial statement revisions, to show how fewer disclosure rules lead to more bad loans and erroneous financial statements. *Spare Tire? Stock Markets, Banking Crises, and Economic Recoveries*¹⁴ documented the role of financial diversification and the necessity of actions by financial centres and countries to build equity and debt markets in addition to strong banking systems. These and related works have been presented and discussed at major central banks and international organisations including the Bank for International Settlements, International Monetary Fund and World Bank.

Such quantification most tellingly benefitted the analysis of corporate governance in international financial centres, including econometric analyses of corporate governance practices. A two-part series looking at corporate governance in Hong Kong and China shows how quantitative measurements of corporate governance lead to specific policies at the company and national levels – and how these policies lead to higher market valuations for companies engaged in reform.¹⁵ The first, focusing on Hong Kong, shows how better corporate governance practices like reducing family dominance and self-dealing correlate with up to 5%-15% increases in the returns of Hong Kong's listed firms. The second, focusing on Chinese corporate governance, finds that the typical corporate governance reforms advocated by the OECD could lead to 7% higher equity prices for Mainland Chinese firms listed in Hong Kong. The two studies also produced over 50 recommendations for Hong Kong regulators, including the Hong Kong Securities and Futures Commission, Hong Kong Monetary Authority, the HKSAR Financial Services and the Treasury Bureau, and other government departments.

A fourth accomplishment deals specifically with increasing our **macro-level understanding of financial centre governance** in China. As part of a major long term analysis of institutional structures and political economy developed throughout the project, two studies of China's political economy show exactly how the Communist Party (and the government of the People's Republic in general) have used political tools to serve economic ends. Both *Political Economy of Private Firms in China*¹⁶ and *China's Political-Economic Institutions and Development*¹⁷ quantify the value of

¹³ L. Jiang, R. Levine & C. Lin (2016). "Competition and Bank Opacity", Review of Financial Studies, 29, 2016, 1911.

¹⁴ R. Levine, C. Lin & W. Xia (2016), "Spare Tire? Stock Markets, Banking Crises, and Economic Recoveries", Journal of Financial Economics, 120, 81.

¹⁵ B. Michael & S. Goo (2017). "Last of the Tai-Pans: Improving the Sustainability of Long-Term Financial Flows by Improving Hong Kong's Corporate Governance", Business Law Review 38,(3); B. Michael & S. Goo (2017). "The Role of Hong Kong's Financial Regulations in Improving Corporate Governance Standards in China: Lessons from the Panama Papers for Hong Kong", University of Hong Kong Faculty of Law Research Paper No. 2016/048.

¹⁶ D. Guo, K. Jiang, BY Kim & C. Xu (2014). "Political Economy of Private Firms in China", Journal of Comparative

rents generating by having political connections. Politically connected businesspersons profit from these connections – particularly after the adoption of constitutional reform. These businesspersons serve to enforce China’s ‘Regionally Decentralized Authoritarian Regime’ by amassing resources, bolstering the government’s (and banks’) finances, and providing parts of China’s social services. In return, these business persons farm rents created in its distorted economies. Studies like these have helped fill in the broader picture about financial centre development which causal, econometric studies could not do. They have also been reflected in the award of the China Economics Prize to Chenggang Xu.

Similarly, *How Big Is China’s Real Estate Bubble and Why Hasn’t It Burst Yet?*¹⁸ provides empirical evidence showing how local government officials have used land sales and building to finance investment vehicles sold on financial markets, often developing financial centres in multiple places around China. Drawing on data from the OECD, it shows how a property price collapse fundamentally changes economic and financial institutional structures.

Our fifth accomplishment looks to the future – showing the changing nature of competition between international financial centres in the context of digital financial services and financial technology (FinTech). *Regulation of Digital Financial Services in China: Last Mover Advantage*¹⁹ analyses the role of regulation (or lack thereof) in China’s digital financial transformation, including the risks that it has raised. Ecommerce and online shopping have led to the rise of – and competition between – internet-friendly finance providers like PayPal and AliPay. International financial centres play a role in the digital economy, documented in *Government-subsidized R&D and firm innovation: Evidence from China*.²⁰ Internet finance and online commerce have not resulted in Thomas Friedman’s ‘flat world.’ Instead, as we stress in several key studies, the proximity these centres provide help them compete in information technology (IT) age.

The emergence of FinTech and the rapid technological transformation of finance particularly in China but also around the world has been perhaps the most existing surprise and the work which has emerged is one of the most exciting accomplishments of the project. *The Evolution of FinTech: A New Post-Crisis Paradigm*²¹, downloaded over 15,000 times on SSRN, featured by the New York Times and cited over 130 times since it was first posted in 2015, traces the factors underlying this new era and has emerged as the foundational analysis in this respect. Likewise, *FinTech, RegTech and the Reconceptualization of Financial Regulation*²² shows, the automation of compliance tasks, the real-time testing of regulatory performance (and tracking of business partners), as well as the

Economics 42(2), 286.

¹⁷ C. Xu (2015). “China’s Political-Economic Institutions and Development”, *Cato Journal* 35, 525 (2015).

¹⁸ S. Zhao & B. Michael (2016). “Bubble Economics: How Big a Shock to China’s Real Estate Sector Will Throw the Country into Recession, and Why Does it Matter?”, Lincoln Institute of Land Policy Working Paper WP16BM1.

¹⁹ W. Zhou, D. Arner & R. Buckley, “Regulation of Digital Financial Services in China: Last Mover Advantage?”, (2015) 8:1 *Tsinghua China Law Review* 2.

²⁰ D. Guo, Yan Guo & Kun Jiang (2016). “Government-Subsidized R&D and Firm Innovation: Evidence From China,” *Research Policy* 45(6): 1129-1144.

²¹ D. Arner, J. Barberis & R. Buckley (2016). “The Evolution of FinTech: A New Post-Crisis Paradigm”, 47 *Georgetown Journal of International Law* 1271.

²² D. Arner, J. Barberis & R. Buckley (2017). “FinTech, RegTech and the Reconceptualization of Financial Regulation”, 37 *Northwestern Journal of International Law & Business* 371.

authorization of some financiers to conduct tests using experimental regulation (in ‘sandboxes’) represent a brave new world for international financial centre regulators. It has likewise emerged in the area of RegTech (regulatory technology) as the fundamental analysis.

The project has always had an applied, practical side. Three other achievements deserve highlighting – the project’s potential effects on financial centre’s standing, practical effects and influence in the policy world, as well as its lingering impacts on attitudes toward multi-disciplinary research.

Our sixth achievement consists of our user-focus when conducting research. We had regulators and practitioners in mind as users of several of our studies. Hundreds of policymakers and regulators and thousands of market participants attended events organized by the project, sometimes events focused on very specific questions such as whether the Hong Kong Stock Exchange should allow dual-listing. For over 1,100 policymakers from Europe and the US, such participation consisted of hearing about Hong Kong regulators’ responses to financial change, and what lessons foreign regulators might glean from them. In 4 papers²³, we proposed changes to specific legal provisions – providing cost-benefit analysis and (on occasion) political analysis. Over 90 recommendations addressed these specific changes to concrete articles in Hong Kong’s ordinances and rulebooks – before considering the hundreds of more veiled recommendations contained in denser academic prose. The strength of this demand has led to requests for advice from a range of governments including Brunei, Malaysia, Malta, Moldova, Russia and China, as well as international organisations including the IMF, Financial Stability Board, Asian Development Bank and Alliance for Financial Inclusion, among others.

Our seventh achievement relates to the sustainability of our research model. We took pains to combine disciplines in our research studies. About one-quarter of our studies involved more than one type of analysis – focusing economists to confront political theorists, and geographers to work with lawyers. Several articles have taken into account the way space and place affect financial policy (as distance affects the extent to which credit policy needs tightening or loosening).²⁴ Others have applied quantitative analysis to bureaucratic behaviour.²⁵ Most works have confronted the heavy hand of history – something discouraged in conventional law, economics, and political sciences faculties. Interest in these works shows that – despite pessimistic predictions to the contrary – scholars will respond to multi-disciplinary work – and adopt such methods if given incentives to do so.

Looking forward, our work will focus on further developing many of these themes, in particular those relating to technological evolution, financial innovation and their implications for financial centres – particularly Hong Kong.

²³ For one example, see B. Michael, S. Zhao & D. Wojcik (2015). “What Role Can an International Financial Centre's Law Play in the Development of a Sunrise Industry? The Case of Hong Kong and Solar Powered Investments,” University of Hong Kong Faculty of Law Research Paper No. 2014/034.

²⁴ For one example, see D. Wójcik, D. MacDonald-Korth, & X. Zhao (2017). “The Geography of Foreign Exchange Trading: Currencies and International Financial Centres”, *Journal of Economic Geography* 17(2): 267–286.

²⁵ D. Guo, K. Jiang & C. Xu, (2017). “Institution and Managerial Task Allocation: Evidence from Chinese Entrepreneurs”, *Journal of Human Capital* 11(3).

6.2 What was the added value of the TRS funding, rather than standard project grant funding?

(For example, could this work have been achieved with other funding scheme, such as the General Research Fund or Collaborative Research Fund? If not, why?)

The key value of the TRS funding was fourfold:

First, the scale and duration of funding were key to the results achieved, particularly in terms of long term research horizon, interdisciplinarity, and collaboration across disciplines, institutions and countries. Such duration and scale are only possible under the TRS and AoE. The scale was central to visibility, particularly in Hong Kong but also internationally, which contributed to impact.

Second, the selection of themes under the TRS scheme was instrumental in incentivising collaboration among the Co-PIs in putting together the initial proposal. Other schemes generally lack the theme-based focused and the related grand challenge based approach. Because of the importance of the theme to many policymakers, regulators and industry participants in Hong Kong, there was a natural interest in what we were doing, which enhanced opportunities for both collaboration and impact.

Third, the resources available for the PC in terms of teaching and administrative relief were central to being able to coordinate and drive forward activities across the project team. This is not available under the CRF and the GRF does not allow the Co-PI based model which is instrumental in allocating resources across team members and institutions.

Fourth, the importance of such large research schemes to member universities is key to very strong institutional support which makes many aspects of project administration and development practical.

6.3 If the project has not met its original objectives, why?

We have successfully met all of the objectives we set at the outset.

6.4 (a) Peer-reviewed journal publication(s) arising directly from this project:

(Please attach a copy of the publication and/or the letter of acceptance if not yet submitted in the previous progress report(s). All listed publications must acknowledge RGC's funding support by quoting the specific grant reference. Please mark the symbol "#" next to the publications involving inter-institutional collaborations)

The Latest Status of Publications				Author(s) (<i>denote the corresponding author with an asterisk*</i>)	Title and journal/book (<i>with the volume, pages and other necessary publishing details specified</i>)	Submitted to the RGC (<i>indicate the year ending of the relevant progress report</i>)	Attached to this report (<i>Yes or No</i>)
Year of publication	Year of acceptance (<i>for paper accepted but not yet published</i>)	Under review	Under preparation (<i>optional</i>)				
2013				Zhao, S., Lao, Q. and Chan, Y.	"The Rise of China and Development of Financial Centres in Hong Kong, Beijing, Shanghai and Shenzhen", <i>Journal of Globalization Studies</i> , 4(1), 32-62.	2014	No
2013				Zhao, S.	"Information Exchange, Headquarters Economy and Financial Centers Development: Shanghai, Beijing, and Hong Kong", <i>Journal of Contemporary China</i> , 22(84), 1006-1027 (Routledge: London; New York).	2014	No
2013				Sun, Q., Tong, W. and Zhang, X.	"How Cross-listings from an Emerging Economy affect the Host Market?", <i>Journal of Banking and Finance</i> , 37(7), 2229-2245.	2014	No
2013				^Lin, C., Officer, M., Wang, R. and Zou, H.	"Directors' and Officers' Liability Insurance and Loan Spreads", <i>Journal of Financial Economics</i> , 110(1), 37-60.c	2014	No
2013				Barth, J., Lin, C., Ma, Y., Seade, J. and Song, F.	"Do bank regulation, supervision and monitoring enhance or impede bank efficiency?" <i>Journal of Banking and Finance</i> , 37(8), 2879-2892.	2014	No
2013				Ali, S.	"Globalization and Financial Dispute Resolution: Examining Areas of Convergence and Informed Divergence in Financial ADR", <i>Journal of Dispute Resolution</i> 2(4).	2014	No

The Latest Status of Publications				Author(s) (<i>denote the corresponding author with an asterisk*</i>)	Title and journal/book (<i>with the volume, pages and other necessary publishing details specified</i>)	Submitted to the RGC (<i>indicate the year ending of the relevant progress report</i>)	Attached to this report (<i>Yes or No</i>)
Year of publication	Year of acceptance (<i>for paper accepted but not yet published</i>)	Under review	Under preparation (<i>optional</i>)				
2013				Ali, S.	“Lessons for the US System of Financial Arbitration: A Responsive Empirical Exploration of Arbitration and Ombudsman Services”, <i>Frontiers of Law in China</i> , 8(4), 651-688.	2014	No
		2013		B. Michael and S.H. Goo	Last of the Tai-Pans: Improving the Sustainability of Long-Term Financial Flows by Improving Hong Kong's Corporate Governance Asian Institute of International Financial Law Working Paper No. 16	2014	No
2014				Arner, D., Donald, D., Goo, S., Hu, R., Lin, C., Michael, B., Song, F., Tong, W., Xu, C., Wojcik, D. and Zhao, S.	Assessing Hong Kong as an International Financial Centre, First Report of the Hong Kong Research Grants Council Theme-based Research Scheme Project: Enhancing Hong Kong's Future as a Leading International Financial Centre	2014	No
2014				Haberly, D. and Wójcik, D.	“Sovereign Networks in the Space of Flows: The Political Geography of Offshore Banking”, University of Oxford, School of Geography and the Environment, Working Papers in Employment, Work and Finance, No. 14-09.	2014	No
2014				Arner, D. W. and Gibson, E.	“Financial Regulatory Structure in Hong Kong: Looking Forward”, in Huang, R. and Schoenmaker, D. (eds) <i>Institutional Structure of Financial Regulations: Theories and International Experience</i> , London: Routledge.	2014	No

The Latest Status of Publications				Author(s) (<i>denote the corresponding author with an asterisk*</i>)	Title and journal/book (<i>with the volume, pages and other necessary publishing details specified</i>)	Submitted to the RGC (<i>indicate the year ending of the relevant progress report</i>)	Attached to this report (<i>Yes or No</i>)
Year of publication	Year of acceptance (<i>for paper accepted but not yet published</i>)	Under review	Under preparation (<i>optional</i>)				
		2014		Michael, B.	“Does Objectives-Based Financial Regulation Imply a Rethink of Legislatively Mandated Economic Regulation? The Case of Hong Kong and Twin Peaks Financial Regulation”, University of Hong Kong Faculty of Law Research Paper.	2014	No
2014				Buckley, R. *, Arner, D. and Stanley, R.	“Trade Finance in East Asia – Potential Responses to the Shortfall”, 15:1 <i>Melbourne Journal of International Law</i> 109, 109-127.	2015	No
2014				Buckley, R. *, Arner, D. and Panton, M.	“Financial Innovation in East Asia”, 37 <i>Seattle Law Review</i> 307, 307-351.	2015	No
2014				Beck, T., Lin, C. and Ma, Y.*	“Why Do Firms Evade Taxes? The Role of Information Sharing and Financial Sector Outreach”, <i>Journal of Finance</i> , 69 (2), 763-817.	2015	No
2014				Xu, J. and Zhang, S.*	“The Fama-French three factors in the Chinese stock market”, <i>China Accounting and Finance Review</i> , 16(2), 210-227	2015	No
2014				Yan, Y. and Zhang, S.*	“Quality of PIN estimates and the PIN-return relationship”, <i>Journal of Banking and Finance</i> , 43, 137-149		
2014				Xi, C.*	“Domestic Politics as International Norms: China’s Changing Roles in International Banking Regulation”, <i>Banking and Finance Law Review</i> , 30(1), 69-88.	2015	No

The Latest Status of Publications				Author(s) (<i>denote the corresponding author with an asterisk*</i>)	Title and journal/book (<i>with the volume, pages and other necessary publishing details specified</i>)	Submitted to the RGC (<i>indicate the year ending of the relevant progress report</i>)	Attached to this report (<i>Yes or No</i>)
Year of publication	Year of acceptance (<i>for paper accepted but not yet published</i>)	Under review	Under preparation (<i>optional</i>)				
		2014		Bryane Michael, Simon Zhao and Dariusz Wojcik	What Role Can an International Financial Centre's Law Play in the Development of a Sunrise Industry? The Case of Hong Kong and Solar Powered Investments University of Hong Kong Faculty of Law Research Paper No. 2014/034	2015	No
2014				Guo, D., Jiang, K., Kim, B* and Xu, C.	"Political Economy of Private Firms in China", <i>Journal of Comparative Economics</i> , 42(2), 286-303.	2015	No
2014				Wang, Y.* and Song, F.	"Macroeconomic Uncertainty, Demand for Financing and Corporate Investment" (in Chinese), <i>Economic Research Journal</i> , 2014(2), 4-17.	2015	No
2014				Weber, R., Arner, D.*, Gibson, E. and Baumann, S.	"Addressing Systemic Risk: Financial Regulatory Design", <i>Texas International Law Journal</i> , 49(2), 149-200.	2015	No
		2015		Michael, B., Falzon, J. and Shamdasani, A.	"A Theory of Financial Services Competition, Compliance and Regulation", University of Hong Kong Faculty of Law Research Paper No. 2015/001.	2015	No
2015				Haberly, D., and Wójcik, D.*	"Regional blocks and imperial legacies: Mapping the global offshore FDI network", <i>Economic Geography</i> , 91(3), 251-280.	2015	No
2015				Huang, R.H.*	"The Regulation of Shadow Banking in China: International and Comparative Perspectives", <i>Banking & Finance Law Review</i> , 30(3), 481-503.	2015	No
2015				Zhou, W., Arner, D.* and Buckley, R.	"Regulation of Digital Financial Services in China: Last Mover Advantage?", 8:1 <i>Tsinghua China Law Review</i> 2, 2-39.	2015	No

The Latest Status of Publications				Author(s) (<i>denote the corresponding author with an asterisk*</i>)	Title and journal/book (<i>with the volume, pages and other necessary publishing details specified</i>)	Submitted to the RGC (<i>indicate the year ending of the relevant progress report</i>)	Attached to this report (<i>Yes or No</i>)
Year of publication	Year of acceptance (<i>for paper accepted but not yet published</i>)	Under review	Under preparation (<i>optional</i>)				
		2015		B. Michael, J. Falzon and A. Shamdasani	A Theory of Financial Services Competition, Compliance and Regulation, University of Hong Kong Faculty of Law Research Paper No. 2015/001	2015	No
2015				Michael, B.* and Goo, S.H.	“Corporate governance and its reform in Hong Kong: a study in comparative corporate governance”, <i>Corporate Governance</i> , 15(4), 444-475.	2015	No
2015				Wójcik, D.*	“Accounting for globalization: evaluating the potential effectiveness of country-by-country reporting”, <i>Environment and Planning C</i> , 33(5), 1173-1189.	2015	No
2015				Wójcik, D.*, and Camilleri, J.	“‘Capitalist tools in socialist hands’? China Mobile in global financial networks”, <i>Transactions of the Institute of British Geographers</i> , 40(4), 464-478.	2015	No
2015				Wójcik, D.* and MacDonald-Korth, D.	“The British and the German financial sectors in the wake of the crisis: size, structure and spatial concentration”, <i>Journal of Economic Geography</i> , 15(5), 1033-1054	2015	No
2015				Xu, C.*	“China's Political-Economic Institutions and Development”, <i>Cato Journal</i> , 35(3), 525-548.	2015	No
2017				Wójcik, D.*, Knight, E. and Pazitka, V.	“What turns cities into international financial centres? Analysis of cross-border investment banking 2000–2014”, <i>Journal of Economic Geography</i> , 18(1), 1-33	2016	No
2017				Knight, E. and Wójcik, D.*	“Geographical linkages in the financial services industry: a dialogue with organizational studies”, <i>Regional Studies</i> , 51(1), 116-127.	2016	No

The Latest Status of Publications				Author(s) (<i>denote the corresponding author with an asterisk*</i>)	Title and journal/book (<i>with the volume, pages and other necessary publishing details specified</i>)	Submitted to the RGC (<i>indicate the year ending of the relevant progress report</i>)	Attached to this report (<i>Yes or No</i>)
Year of publication	Year of acceptance (<i>for paper accepted but not yet published</i>)	Under review	Under preparation (<i>optional</i>)				
2017				Gan, J.*, Guo, Y. and Xu, C	“Decentralized privatization and change of control rights in China”, <i>The Review of Financial Studies</i> , https://doi.org/10.1093/rfs/hhx100	2016	No
2016				Yan, Y. and Zhang, S.*	“The business cycle and profitability of trading strategies”, <i>Frontiers of Business Research in China</i> , 10(4), 525.	2016	No
2016				Wójcik, D.*, MacDonald-Korth, D. and Zhao, X.B.	“The Political–Economic Geography of Foreign Exchange Trading”, <i>Journal of Economic Geography</i> 17(2), 267-286.	2016	No
2016				Pan, F.*, Zhao, X.B. and Wojcik, D.	“The rise of venture capital centers in China: a spatial and network analysis”, <i>Geoforum</i> , 75, 148-158.	2016	No
2017				Guo, D., Guo, Y. and Jiang, K.*	“Funding forms, market conditions, and dynamic effects of government R&D subsidies: evidence from China”, <i>Economic Inquiry</i> , 55(2), 825-842.	2016	No
2016				Donald, D.	“Conceiving Corporate Governance for an Asian Environment”, <i>the University of Pennsylvania East Asia Law Review</i> , 12, 88-138.	2016	No
2016				Beck, T., Chen, T., Lin, C.*, and Song, F.M.	“Financial innovation: The bright and the dark sides”, <i>Journal of Banking & Finance</i> , 72, 28-51.	2016	No
2016				Levine, R.*, Lin, C., & Xie, W.	“Spare tire? Stock markets, banking crises, and economic recoveries”, <i>Journal of Financial Economics</i> , 120(1), 81-101.	2016	No
2016				Guo, D.*, Guo, Y., and Jiang, K.	“Government-subsidized R&D and firm innovation: Evidence from China”, <i>Research Policy</i> , 45(6), 1129-1144.	2016	No

The Latest Status of Publications				Author(s) (<i>denote the corresponding author with an asterisk*</i>)	Title and journal/book (<i>with the volume, pages and other necessary publishing details specified</i>)	Submitted to the RGC (<i>indicate the year ending of the relevant progress report</i>)	Attached to this report (<i>Yes or No</i>)
Year of publication	Year of acceptance (<i>for paper accepted but not yet published</i>)	Under review	Under preparation (<i>optional</i>)				
2016				Levine, R.*, Lin, C. and Xie, W.	“Spare Tire? Stock Markets, Banking Crises, and Economic Recoveries”, <i>Journal of Financial Economics</i> , 120 (1), 81-101.	2016	No
2016				Arner, D.*, Barberis, J. and Buckley, R.	“The Evolution of FinTech: A New Post-Crisis Paradigm?”, <i>Georgetown Journal of International Law</i> 47(4), 1271-1319.	2016	No
2017				Arner, D. W., Barberis, J., & Buckley, R. P.	“FinTech, RegTech, and the reconceptualization of financial regulation”, <i>Northwestern Journal of International Law and Business</i> , 37, 371.	2017	No
2016				Cao, J.*, Chordia T. and Lin C.	“Alliances and Return Predictability”, <i>Journal of Financial and Quantitative Analysis</i> 51(5), 1689-1717.	2016	No
2016				Guo, D.*, Jiang, K. and Xu, C.	“Institution and Managerial Task Allocation: Evidence from Chinese Entrepreneurs”, <i>Journal of Human Capital</i> 11(3), 397-422.	2016	No
2016				Houston, J., Lin, C. and Zhu Z.*	“The Financial Implications of Supply Chain Changes”, <i>Management Science</i> 62(9), 2520-2542.	2016	No
2016				Pan, F., Zhang, F., Zhu, S.*, and Wójcik, D.	“Developing by borrowing? Inter-jurisdictional competition, land finance and local debt accumulation in China”, <i>Urban Studies</i> 54(4), 897-916.	2016	No
2017				Wójcik, D.*, MacDonald-Korth, D. and Zhao, X.B.	“The Political–Economic Geography of Foreign Exchange Trading”, <i>Journal of Economic Geography</i> 17(2), 267-286.	2016	No
2016				Xu, C.	“Capitalism and Socialism: Review of Kornai’s Dynamism, Rivalry, and the Surplus Economy”, <i>Journal of Economic Literature</i> 55(1), 191-208.	2016	No

The Latest Status of Publications				Author(s) (<i>denote the corresponding author with an asterisk*</i>)	Title and journal/book (<i>with the volume, pages and other necessary publishing details specified</i>)	Submitted to the RGC (<i>indicate the year ending of the relevant progress report</i>)	Attached to this report (<i>Yes or No</i>)
Year of publication	Year of acceptance (<i>for paper accepted but not yet published</i>)	Under review	Under preparation (<i>optional</i>)				
2017				Avgouleas, E., & Arner, D. W.	“The Eurozone Debt Crisis and the European Banking Union: “Hard Choices”, “Intolerable Dilemmas”, and “the Question of Sovereignty”, <i>The International Lawyer</i> , 50(1), 29-67	2016	No
2017				Chen, T., & Lin, C.*	“Does Information Asymmetry Affect Corporate Tax Aggressiveness?”, <i>Journal of Financial and Quantitative Analysis</i> , 52(5), 2053-2081.	2016	No
2017				Zhao, S.X.*, Ching, J.L., He, Y., and Chan, N.Y.M.	“Playing games and leveraging on land: Unfolding the Beijing Olympics and China’s mega-event urbanization model”, <i>Journal of Contemporary China</i> . 26(105), 465-487.	2016	No
2017				Michael, B* and Goo, S.H.	What Does Corporate Governance Regulation in Hong Kong Teach Us About Incremental Legal Change?. <i>Business Law Review</i> , 38(3), 89-100.	2015	No
		2017		Michael, B.*, Sharif, N., & Park, S. H.	The Optimal Design of the Qianhai Special Economic Zone.	2016	No
2017				Donald, D. C., & Cheuk, P. W.	“Hong Kong’s Public Enforcement Model of Investor Protection”, <i>Asian Journal of Law and Society</i> , 4(2), 349-385.		Yes
2017				Goo, S.	“An Economic Efficiency Approach to Reforming Corporate Governance: The Case of Multiple Stakeholder Boards”, <i>Asian Journal of Law and Society</i> , 4(02), 387-404.		Yes
2017				Haberly, D.*, & Wójcik, D.	“Earth incorporated: centralization and variegation in the global company network”, <i>Economic Geography</i> , 93(3), 241-266.		Yes

The Latest Status of Publications				Author(s) (<i>denote the corresponding author with an asterisk*</i>)	Title and journal/book (<i>with the volume, pages and other necessary publishing details specified</i>)	Submitted to the RGC (<i>indicate the year ending of the relevant progress report</i>)	Attached to this report (<i>Yes or No</i>)
Year of publication	Year of acceptance (<i>for paper accepted but not yet published</i>)	Under review	Under preparation (<i>optional</i>)				
2017				Haberly, D.* & Wójcik, D	“Culprits or bystanders? Offshore jurisdictions and the global financial crisis”, <i>Journal of Financial Regulation</i> , 3(2), 233-261.		Yes
2017				Zhao, X.B.*, Zhan, H., Jiang, Y. and Pan, W.	“How Big Is China’s Real Estate Bubble and Why Hasn’t It Burst Yet?”, <i>Land Use Policy</i> , 66, 153-162.		Yes
2017				Pan, F.*, Bi, W., Lenzer, J., and Zhao, S.	Mapping urban networks through inter-firm service relationships: the case of China”, <i>Urban Studies</i> 54(16), 3639-3654.		Yes
		2017		Michael, B. and Goo, S.H.	The Role of Hong Kong’s Financial Regulations in Improving Corporate Governance Standards in China: Lessons from the Panama Papers for Hong Kong University of Hong Kong Faculty of Law Research Paper No. 2016/048		Yes
2017				Mazen Dahdal, A., Walker, G. & Arner, D.	“The Qatari Financial Sector: Building Bridges between Domestic and International”, <i>Banking and Finance Law Journal</i>		Yes
2017				Zhao, S.X.*, Guo, N.S., Li, C.L.K., and Smith, C.	“Megacities, the World Largest Cities Unleashed: Major Trends and Dynamics in Contemporary Global Urban Development”, <i>World Development</i> , 98, 257-289		Yes
2018				Lin, C.*, Officer, M. S., & Shen, B.	“Managerial risk-taking incentives and merger decisions”, <i>Journal of Financial and Quantitative Analysis</i> , 53(2), 643-680.		Yes
2018				Li, L.* & Tong, W. H.	“Information uncertainty and target valuation in mergers and acquisitions”, <i>Journal of Empirical Finance</i> , 45, 84-107.		Yes

The Latest Status of Publications				Author(s) (<i>denote the corresponding author with an asterisk*</i>)	Title and journal/book (<i>with the volume, pages and other necessary publishing details specified</i>)	Submitted to the RGC (<i>indicate the year ending of the relevant progress report</i>)	Attached to this report (<i>Yes or No</i>)
Year of publication	Year of acceptance (<i>for paper accepted but not yet published</i>)	Under review	Under preparation (<i>optional</i>)				
	2018			Donald, D.	“From Block Lords to Blockchain: How Securities Dealers Make Markets”, <i>Journal of Corporation Law</i> , 44		Yes
		2018		Michael, B. and Goo, S.H.	The Case for the Extra-Territorial Application of Corporate Governance Standards in China University of Hong Kong Faculty of Law Research Paper No. 25		Yes
		2018		Michael, B. and Goo, S.H.	Do Corporate Governance Practices in One Jurisdiction Affect Another One? Lessons from the Panama Papers University of Hong Kong Faculty of Law Research Paper No. 27		Yes
		2018		Michael, B. and Goo, S.H.	The Value of the Corporate Governance Canon on Chinese Companies University of Hong Kong Faculty of Law Research Paper No. 2018/008		Yes
		2018		Michael, B. and Goo, S.H.	What Do the Panama Papers Teach Us About the Administrative Law of Corporate Governance Reform in Hong Kong? University of Hong Kong Faculty of Law Research Paper No. 2018/006		Yes
		2018		Zhao, X.B., Lenzer, James H. Jr., Pan, F. and Chan, N.Y.M	“Gauging the growth and decline of international financial centers over recent decades: Big trends and big factors”, (submitted for World Development)t.		Yes
		2018		Michael, B. and Goo, S.H.	Hard Corporate Governance Law in a Soft Law Jurisdiction, University of Hong Kong Faculty of Law Research Paper No. 2018/007		Yes

The Latest Status of Publications				Author(s) (<i>denote the corresponding author with an asterisk*</i>)	Title and journal/book (<i>with the volume, pages and other necessary publishing details specified</i>)	Submitted to the RGC (<i>indicate the year ending of the relevant progress report</i>)	Attached to this report (<i>Yes or No</i>)
Year of publication	Year of acceptance (<i>for paper accepted but not yet published</i>)	Under review	Under preparation (<i>optional</i>)				
2018				Zetsche, D. Buckley, R., Arner, D. & Barberis, J.	"From FinTech to TechFin: The Regulatory Challenges of Data-Driven Finance", <i>NYU Journal of Law and Business</i> ,14(2)		Yes
		2017		Arner, D., Avgouleas, E. & Gibson, E.	"Overstating Moral Hazard: Lessons from Two Decades of Banking Crises"		Yes
2019	2018			Zetsche, D. Buckley, R., Arner, D. & Fohr, L.	"The ICO Gold Rush: It's a Scam, It's Bubble, It's a Super Challenge for Regulators", <i>Harvard International Law Journal</i>		Yes

(b) Recognised international conference(s) in which paper(s) related to this project was/were delivered: *(Please attach a copy of each conference abstract)*

Month/Year/ Place	Title	Conference name	Submitted to the RGC <i>(indicate the year ending of the relevant progress report)</i>	Attached to this report <i>(Yes or No)</i>
National University of Singapore (November 2012).	D. Wojick, "Integrating Finance into the Global Production Networks",	Research Seminar at the Department of Geography.	2014	No
Copenhagen (Aug 2012)	C. Lin, T. Beck, T. Chen & F. Song, "Financial Innovation: The Bright and the Dark Sides"	The 39th European Finance Association (EFA) Annual Meeting	2014	No
Lingnan University, Hong Kong, (December 2012).	C. Xu, "Political and Economic Institutions of China and Constitutionalism",	The 7th Biennial Conference of the Hong Kong Economic Association,	2014	No
San Diego, CA (Jan 2013)	C. Lin, F. Song and Z. Sun, "Financial Implications of Corporate Fraud"	2013 American Finance Association Annual Conference	2014	No
University of Texas- Austin, Texas, USA (Feb. 2013).	D. Arner, "SIFIs, Derivatives and Shadow Banking in Asia"	Texas International Law Journal Symposium 2013,	2014	No
Bangkok (April 2013).	X. Zhao, "Global off-shore centres and impacts to Asian service centre development: A Comparative Study of Hong Kong's Offshore Banking and Re-Exportation Industries",	International Workshop on Creating and capturing value in the next wave of globalization: experiences in (offshore) services production from India, East Asia and Southeast Asia",	2014	No
Seoul National University, Seoul, South Korea (April 2013).	C. Xu, "Regionally Decentralized Authoritarianism: An Institutional Element of China's Growth",	Conference on The Pacific Rim Economies Institutions, Transition and Development,	2014	No
Los Angeles, USA (April 2013).	D. Wojick, "Accounting for Globalization"	Annual Meeting of the Association of American Geographers	2014	No
Tampere, Finland (May 2013).	D. Wojick, "Integrating Finance into the Global Production Networks",	European Conference of the Regional Studies Association (Keynote speech)	2014	No
Bratislava, Slovakia (May 2013).	D. Wojick, "The Global Financial Networks",	International Seminar on Financial Geographies and Post-socialist Economies	2014	No
Taiwan, (May 2013)	F. Song, "Financial Reform and RMB Internationalization in China"	Annual Conference on Finance and Accounting	2014	No

Month/Year/ Place	Title	Conference name	Submitted to the RGC (indicate the year ending of the relevant progress report)	Attached to this report (Yes or No)
CUHK, Hong Kong (May 2013).	C. Xu, "Regionally Decentralized Authoritarian Regulatory Regime of China",	Conference on Finding the Right Balance of Regulation for Economic Development: China and Western Regulatory Models	2014	No
HKUST, Hong Kong (May 2013)	C. Xu, "Political and Economic Institutions of China and Constitutionalism",	Symposium on Economic Governance in China and the Developing World,	2014	No
Nashville, TN, US (May 2013)	Guo, D., Hua, X. and Jiang, K, "An Empirical Analysis of Strategic Contracts",	The 23rd Annual Meeting of the American Law and Economics Association (ALEA)	2014	No
University of New South Wales (May 2013).	D. Arner, "The G20-FSB Post-Crisis Regulatory Agenda: Enforcing Compliance"	Capital Markets, the Corporation and the Asian Century: Governance, Accountability and the Future of Corporate Law, Berle V Conference	2014	No
Melbourne, Australia (May 2013).	D. Arner, "Addressing Systemic Risk in East Asia: Financial Regulatory Design",	Centre for Corporate Law & Securities Regulation, Melbourne Law School, University of Melbourne, Australia.	2014	No
Luxembourg City, Luxembourg, (June 2013)	Li, J. and Tong, W, "Overconfident Manager, CEO Selection and Corporate Investment: An Empirical Analysis"	2013 FMA European Conference	2014	No
University of Glasgow (Jun. 2013).	D. Arner, "Lessons for East Asia from the Global and Eurozone Crises"	Evolution in Monetary Law and Policy,	2014	No
University of Paris XI (July 2013)	S.H. Goo, "Asian perspectives on corporate governance and the UN initiatives on Business & Human Rights"	Conference on Corporate Governance & Environmental Governance: Bridging The Public/Private Divide	2014	No
Seoul, Korea (July 2013).	D. Arner, R. Buckley & M. Panton, "Financial Innovation and Development in East Asia: Balancing Risks and Opportunities"	Seminar on Financial Regulatory Reforms in East Asia (Asian Development Bank / Financial Supervisory Service of Korea),	2014	No
Jiangmen, China (September 2013).	X. Zhao, "New opportunities for second- time industrial upgrading and transfer in Pearl River Delta"	Seminar on the Development of Greater Guanghai Bay	2014	No
Peking University, Beijing (November 2013).	X. Zhao, "Factors Critical to Design of China's urbanization: land system reforms and financial facilitation and support",	China Regional Economic & Growing Enterprises Forum,	2014	No

Month/Year/ Place	Title	Conference name	Submitted to the RGC (indicate the year ending of the relevant progress report)	Attached to this report (Yes or No)
Singapore, (November 2013)	C. Xu, "Understanding the Impacts of China's 2002/2004 Constitutional Amendments",	Judicial Reform and Political Development in China,. National University of Singapore,	2014	No
Tokyo (May 2014).	Sun, Y and Song, F. "Identifying Trust Damage of Corporate Fraud: Evidence form Chinese Fraud in US"	FMA Asian Doctoral Student Consortium 2014,	2015	No
Rome, Italy (June 2014)	1) Chang, H. and Song, F. "R&D Investment and Capital Structure"; 2) Lam, P.H., Li, L., and Tong, W. H. S. "Is High Cash Flow a Blessing or a Curse? Evidence from Bidder's Long-term Performance".	The 23rd European Financial Management Association (EFMA) conference	2015	No
Dead Sea, Jordan (June 2014)	Guo, D., Jiang, K. and Xu, C. "Saving an Authoritarian Regime by Privatization".	The 17th World Congress of the International Economic Association	2015	No
Shenzhen, China (June 2014).	Donald, D. "A Chinese National Market System",	"Symposium on Building the Financial System of the 21st Century: An Agenda for China and the United States", (co-organized by China Development Research Foundation and Harvard University Law School)	2015	No
Osaka, Japan (July 2014)	Zhao, X.B. "Spatial Study of Financial Region and Sub-Centers of the International Financial Centers and its Implications to Hong Kong",	7th East Asian Regional Conference in Alternative Geography (EARCAG) "The Right to Inhabit; the Asian Challenges".	2015	No
Cracow, Poland (Aug 2014)	Wójcik, D. "Geography of Foreign Exchange Trading".	Regional Conference of the International Geographical Union	2015	No
London, UK (Aug 2014)	Wójcik, D. "Financial sector in Germany and the UK in the wake of the crisis".	Annual International Conference of the Royal Geographical Society	2015	No
Beijing, China (Sept 2014)	Xi, C. "Shadow Banking and the Development of a Sustainable Credit Market".	International Conference on 'Developing a Legal System for the Credit Market in China'	2015	No
Nashville, US (Oct., 2014)	Chang, H. and Song, F. "Testing the Pecking Order Theory with Financial Constraints".	Financial Management Association (FMA) Annual Meeting	2015	No
National University of Singapore (November 2014)	Donald, D. "Beyond Fragmentation: Building a Unified Securities Market in China (and Asia)."	Asian Financial Centres' Development and Regulation Symposium: A Comparative Study from Singapore, Hong Kong and Mainland China.	2015	No

Month/Year/ Place	Title	Conference name	Submitted to the RGC (indicate the year ending of the relevant progress report)	Attached to this report (Yes or No)
Shanghai, PRC (Nov. 2014).	Arner, D. "The G20-FSB Post-Crisis Regulatory Agenda: Challenges and Opportunities for Asia-Pacific International Financial Centres"	Asian Financial Centres Development and Regulation: A Comparative Study from Singapore, Hong Kong and Mainland China	2015	No
The Chinese University of Hong Kong (December 2014).	Donald, D. "Hong Kong's Public Enforcement Deterrent against Management Misconduct",	Public and Private Enforcement of Company Law and Securities Regulation – China and the World Conference	2015	No
University of Melbourne, Australia (Dec. 2014).	Arner, D. "Shadow Banking: Opportunities and Challenges for Regional Coordination",	Invited speech.	2015	No
Singapore (Feb. 2015).	Arner, D. "Financial Integration in East Asia: Developing Effective Regulation",	Scoping Workshop: The Future of Banking and Financial Services Regulation and Implications for Asia and ASEAN, Singapore Management University,	2015	No
Singapore (Feb, 2015)	1) Arner, D. "Financial Integration in East Asia: Developing Effective Regulation"; 2) Donald, D. "Risk-Shifting under the G-20 OTC Derivatives Initiatives: Danger for International Financial Centres with Small Economies?"	Scoping Workshop: The Future of Banking and Financial Services Regulation and Implications for Asia and ASEAN	2015	No
Osaka, Japan (Mar 2015)	Donald, D. "Law in Regression? Impacts of Quantitative Research on Law and Regulation".	The International Conference on Business and Social Science	2015	No
Lugano, Switzerland (Apr. 2015)	Donald, D. "Money, Family, Party: Governing Corporations with Multiple Motivation Matrices".	The Symposium on The Nature and Governance of the Corporation	2015	No
Chicago, US (Apr. 2015),	Wójcik, D. "International Financial Centres in the Post-2008 Era: The Case of Sydney".	Annual Meeting of the Association of American Geographers	2016	No
Beijing, China (Jun 2015)	Donald, D. "Law Applicable to Securities Held with Intermediaries: The US Rules and the Convention".	Conference on the Hague Securities Convention	2016	No

Month/Year/ Place	Title	Conference name	Submitted to the RGC <i>(indicate the year ending of the relevant progress report)</i>	Attached to this report <i>(Yes or No)</i>
Hangzhou, China (July 2015)	Michael, B. and Zhao, X.B. "Calm Before the Storm: The Future of China's Financial Institutions and Navigating Hong Kong's Challenges Ahead".	The 7th International IFABS Conference Hangzhou 2015	2016	No
Changsha, China (June 2015)	Zhang, S. "Information Asymmetry and Cross-Sectional Returns: A Re-Examination of the Relationship between Stock Return and the Adjusted Probability of Informed Trading".	2015 Asian Finance Association Annual Conference	2016	No
Amsterdam, Netherlands (July 2015)	Chang, H. and Song, F. "The Unconventional Effects of Large-Scale Asset Purchases: A Firm-Level Analysis."	European Financial Management Association (EFMA) Annual Meeting 2015	2016	No
Oxford, UK (Aug 2015)	1) Donald, D. "Opening Corporate Governance to Concrete Environments"; 2) Michael, B., Wojcik, D., Arner, D. W., Lin, C., Tong, W. H., and Zhao, S. X. "What Determines M&A Legal and Financial Advisors' Competitiveness in an International Financial Centre: Using China's Going Out Policy as a Natural Experiment"; 3) Wójcik, D. and Knight, E. "What turns cities into financial centres?"; 4) Zhao, X.B. "Gauging and understanding the growth and decline, and ups and downs of global financial centers over past decades: a multi-disciplinary framework".	Fourth Global Conference on Economic Geography 2015, Mapping Economies in Transformation	2016	No
Oxford, UK (Aug 2015)	B. Michael, What determines M&A legal and financial advisors' competitiveness in an international financial centre: Using China's going out policy as a natural experiment	Global Conference on Economic Geography 2015.	2016	No

Month/Year/ Place	Title	Conference name	Submitted to the RGC (indicate the year ending of the relevant progress report)	Attached to this report (Yes or No)
Oxford, UK (Sept. 2015)	B. Michael, What determines M&A legal and financial advisors' competitiveness in an international financial centre: Using China's going out policy as a natural experiment	International Finance and Banking Society.	2016	No
Rio de Janeiro, Brazil (Sept. 2015)	Donald, D. "The Dis-integrating Securities Exchange and the Market's Institutional Options".	Conference on Institutions, Development and Globalization	2016	No
Sydney, Australia (Dec. 2015)	Lorenzo, S. and Gong, H. "Changing New York Financial Clusters in the 2000s: Modeling the Impact and Policy Implication of the Global Financial Crisis".	The 17th International Conference on Finance and Economics	2016	No
Beijing, China (Aug 2016)	Zhao, X.B. "How Big is Chinese's Real Estate Bubble and Why Hasn't It Yet Burst: A Comparative Study between China and World Major Financial Crises 1980-2014"	the 33rd International Geographical Congress	2016	No
University of Bristol UK. (April 2016)	Donald, D. "Making and Unmaking Property Rights: A Window into the Genesis of Law"	World Interdisciplinary Network for Institutional Research (WINIR), Symposium on Property Rights,	2016	No
April 2016	Goo, S. "The role of HK corporate governance in the Road and Belt initiative (香港公司治理機制在一帶一路的戰略下所發揮的作用)"	Fourth Cross Strait Financial Law Forum: One-Belt-One-Road: opportunities and challenges for financial law	2016	No
Hong Kong (May, 2016)	Donald, D. "Conceiving Corporate Governance for an Asian Environment"	13 th Asian Law Institute Conference on "Asian Perspectives on Legal Globalization",	2016	No
Hsinchu, Taiwan (June 2016).	Yan, Y. and Zhang, S. "The business cycle and profitability of trading strategies", paper presented in	The 24th Annual Conference on Pacific Basin Finance, Economics, Accounting, and Management	2016	No
Goethe University, Frankfurt, Germany June, 2016	Donald, D. "Liquidity Effects from Asian Market Linkages: Structural Improvement or Liberalization?",	Institute for Law and Finance	2016	No

Month/Year/ Place	Title	Conference name	Submitted to the RGC <i>(indicate the year ending of the relevant progress report)</i>	Attached to this report <i>(Yes or No)</i>
Hong Kong, June 2016	Donald, D. "Liquidity Effects from Asian Market Linkages: Structural Improvement or Liberalization?"	Annual Conference of the Journal of Financial Regulation on "Integration and Interconnectedness in Global Finance"	2016	No
Boston, US (September, 2016)	Donald, D. "Information matters: why legislatures have come to dominate common law courts in the processing of informal institutions into formal law"	World International Network for Interdisciplinary Research (WINIR), Fourth Annual Conference		Yes
<p>In this presentation, I offer an information-based theory of the changing balance between case and statutory law in common law systems. Growing amounts of real-time information about disputes, solutions and disequilibria increasingly allow lawmakers to self-reflectively engage in the 'second-order observation' (Luhmann, 1993) necessary to form the general and abstract rules composing statutes. Courts can (with a minimal framework of 'writs' and 'stare decisis') create law spontaneously despite sparse information. Evidence of this can be found in pre-Imperial Great Britain and the 19th century United States. In environments where information rapidly accumulates, 'second order observation' of law expands, accelerating the production cycle from informal institution to abstract statutory rule. Case law remains important (increasingly so in civil law jurisdictions) because constant social and technological change rapidly render legislation incomplete or obsolete. However, there is no reason to think increased information flows will trigger endless rapid change. Therefore, it is likely that increasing information about problems, solutions and disequilibria will continue to diminish the importance of case law for processing informal constraints into the formal institutions of law.</p>				
Beijing, China (December 2016)	Xu, C. "The Pitfalls of a Centralized Bureaucracy"	Inaugural awarding ceremony of China Economics Prize and China Outstanding Doctoral Thesis Prize in Economics	2018	Yes
<p>In my acceptance speech for 2016 China's Economics Prize, I briefly summarize my work in three aspects. The first is the analysis of the incentive mechanism in China's bureaucratic institutions. The second is related to incentive mechanisms in the judicial system. The last is the effect of soft budget-constraint (SBC) syndrome on incentives, including the relationship between institutions and innovation. The last two dimensions are general studies where I view the China issue as a manifestation of the general problem in the world. The three aspects to be summarized share a common character, and I will highlight this common point in the concluding remarks.</p>				
Singapore (February 2017)	Donald, D. "Increasing Information Facilitates Codified Law: Why Statutes Have Supplanted the Common Law"	International Conference on Education and Social Sciences	2018	Yes

Month/Year/ Place	Title	Conference name	Submitted to the RGC <i>(indicate the year ending of the relevant progress report)</i>	Attached to this report <i>(Yes or No)</i>
<p>North (1990) draws a distinction between institutions that are ‘created’, like a constitution or other written rules, and institutions that ‘simply evolve,’ like the common law. Eisenberg (1988), using a jurisprudential rather than institutional framework, explains in detail how informal institutions (‘social propositions’) are processed into law through litigation. Deakin and Carvalho (2010) have shown how legal concepts carry information analogous to the instructions of genetic code and how the interaction of enduring concepts with changing circumstances triggers the consistency in variation of legal evolution. Deakin (2015) further argues that disequilibria in the evolution of common law can necessitate legislative intervention, so that both the common and civil law systems are hybrids requiring both statute and case law.</p>				
<p>Building on the above theoretical foundation, I offer an information-based theory of the changing balance between case and statutory law in common law systems. Growing amounts of real-time information about disputes, solutions and disequilibria increasingly allow lawmakers to self-reflectively engage in the ‘second-order observation’ (Luhmann, 1993) necessary to form the general and abstract rules composing statutes. Courts can (with a minimal framework of ‘writs’ and ‘stare decisis’) create law spontaneously despite sparse information. Evidence of this can be found in pre-Imperial Great Britain and the 19th century United States. In environments where information rapidly accumulates, ‘second order observation’ of law expands, accelerating the production cycle from informal institution to abstract statutory rule. Case law remains important (increasingly so in civil law jurisdictions) because constant social and technological change rapidly render legislation incomplete or obsolete. However, there is no reason to think increased information flows will trigger endless rapid change. Therefore, it is likely that increasing information about problems, solutions and disequilibria will continue to diminish the importance of case law for processing informal constraints into the formal institutions of law.</p>				
<p>Singapore; Taipei; New York; Boston; Volos, Greece (February; March; April’ May, 2017)</p>	<p>Donald, D. “From Block Lords to Blockchain: A Brief History of Securities Dealers’ Organizational Strategies”</p>	<p>1) Centre for Law & Business, National University of Singapore; 2) Asia-Pacific Conference on Social Sciences and Management; 3) School of Law Center on Global Legal Transformation, Columbia University; 4) Program on International Financial Systems, School of Law, Harvard University; 3) 5th International Conference on Applied Economics, Department of Economics, University of Thessaly</p>	<p>2018</p>	<p>Yes</p>
<p>Nearly all securities trading occurs among brokers or dealers. For about 1000 years, merchant firms of varying size and specialization have traded securities among themselves. For most of this time, trades were effected directly and during the two centuries from roughly 1800 to 2000 through quasi-public organizations called “exchanges”. Around 2000, the largest broker-dealers began to re-internalize trading into their own proprietary matching platforms.</p> <p>Although securities exchanges were first established to create monopoly conditions, they also brought efficiency: private ordering among members reduced risks from both counterparties and issuers through vetting and disclosure. Within the exchange, regular operations and transparent protocols democratized the market among broker-dealers, small and large. From the 1930s, these private institutions were brought within formal securities law, so that securities trading was made quite level, with all broker-dealers engaging each other within a transparent arena on which oversight focused. At the turn of the 21st century, however, technology and regulatory reform allowed the largest broker-dealers to escape the transparent egalitarianism that exchanges had become and create their own proprietary trade matching venues.</p> <p>The story of securities trading has been an evolution from firm to market and back to firm (Coase 1937) in conjunction with varying combinations of formal and informal institutions (North 1990). This evolution has been shaped by law and technology, but driven in its entirety by broker-dealer self-interest. As we approach the end of the era of concentrated trading in highly regulated securities exchanges, I give evidence of what we are losing and why. The dismantling of securities exchanges, often understood as embracing innovative technology to stimulate competition and lower prices, is the result of a rational desire of the largest broker-dealers to escape the transparency and democratizing function of regulated securities exchanges so as to return trading to a model in which leading broker-dealers control the nature and direction of the market.</p>				

Month/Year/ Place	Title	Conference name	Submitted to the RGC <i>(indicate the year ending of the relevant progress report)</i>	Attached to this report <i>(Yes or No)</i>
Frankfurt am Main, Germany; Lyon, France (May; June, 2017)	Donald, D. “Financialization of the Business Corporation and its Distortion of Productive Activity”	1)The Institute for Law and Finance, Goethe-University; 2) Conference of the Society for the Advancement of SocioEconomics (SASE), University Claude Bernard 1 Campus Rockefeller	2018	Yes
Building on my recent paper examining the basic structure of the company and how it has been altered to meet the needs of the financial system even when family and state firms dominate an economy (“Conceiving Corporate Governance for an Asian Environment,” forthcoming in University of Pennsylvania East Asia Law Review), I analyze, at a more general level, the distorting impact of financializing the company. In the context of US corporate law, I investigate the distortions often discussed, against the background of the financial system’s growth in size and importance. I conclude by discussing ways in which modern technology may allow business to fund itself while eschewing the distorting effects of financialization.				
Beijing, China (May 2017)	Tong, W. H. “Is High Cash Flow a Blessing or a Curse? Evidence from Bidder's Long-Term Performance”	4th Frontiers of Business Research in China International Symposium, Renmin University of China,	2018	Yes
In this presentation, I examine the impact of a bidder’s free cash flow (FCF) on its long-term, post-acquisition performance. Instead of taking FCF as a proxy for agency problem, I argue that free cash flow can reflect managerial ability to run a firm, which is central to the picking of high quality targets in acquisitions. Consistent with such argument, I find targets acquired by low-FCF bidders have inferior quality. They tend to have lower operating performance but higher financial leverage than those acquired by high-FCF bidders. Irrespective of the quality of the targets acquired, low-FCF bidders perform poorly in the stock market subsequently. In addition, their operation deteriorates, with a significant number of them becoming bankrupt or acquired by other firms following the acquisitions. In contrast, high-FCF bidders significantly outperform their control firms following the acquisitions if they acquire low-leverage targets and perform poorly if they acquire high-leverage targets.				
Seoul, Korea (July 2017)	Tong, W. H. “Economic Freedom and IPO Underpricing”	29th Asian Finance Association Annual Meeting	2018	Yes
In this presentation, I examine how the difference in institutional environments constitutes differential IPO underpricing across countries. Using the Heritage Foundation’s Index of Economic Freedom (IEF) as a proxy for the heterogeneous institutional environment, and a sample of 3728 IPOs from 22 countries and regions over the period 1993–2014, I show that countries with higher economic freedom have significantly less serious IPO underpricing problems. Moreover, among the 10 economic freedom factors covered by the IEF, financial freedom related factors play a more important role in reducing the IPO underpricing problem. Finally, consistent with the market sentiment hypothesis, I show evidence that pre-IPO market sentiment influences IPO first-day returns, and that the IPO underpricing problem is less severe when the market is bearish.				
Singapore (July 2017)	Donald, D. “Conceiving Corporate Governance for an Asian Environment”	4th Conference of the EU-Asia Corporate Governance Dialogue Series, National University of Singapore,	2018	Yes
Nearly all Chinese corporations are vehicles used by a separate system or social network—such as a family, a state, or a political party. Available data show a similar pattern in other Asian countries. The challenges presented by the corporation operating as a system within a system are in most instances ignored by the modern business corporation structure and related doctrine. In this presentation, I use institutional and systems theory tools to begin development of a model of corporate governance dynamics that takes real account of the systems that coexist with the corporate vehicle. I use the initial examples of the family and the political party to propose a corporate structure in which social networks and value systems can meaningfully communicate with the governance rules of the corporation.				
Tokyo, Japan Dec 2017	B. Michael, Funders-of-Last-Resort: Legal Issues Involved in Using Central Bank Balance Sheets to Bolster Economic Growth	Globalization and Economic Stability	2018	Yes

Month/Year/ Place	Title	Conference name	Submitted to the RGC <i>(indicate the year ending of the relevant progress report)</i>	Attached to this report <i>(Yes or No)</i>
<p>What role does unconventional monetary policy – and particularly unconventional policies like private asset purchases under a quantitative easing or lender of last resort scheme – play in influencing economic growth directly? In this presentation, I will look at the way that emerging and developing countries’ central banks could contribute to GDP growth by following the example of jurisdiction like the US, UK and EU, by buying private sector and specific obligation public sector assets. I will describe the relationship between these purchases and investment world-wide for the last 10 years. I will also describe the “sloth effect” – a pattern in the data whereby more central bank asset purchases actually coincides with lower investment. We find that increasing central bank balance sheet sizes with these assets. We also show how statutory mandate for nominal GDP targeting set the best legal foundations for such asset purchases.</p>				
Guangzhou (November 2017).	X. Zhao, Development of the global financial system and it impacts to the spatial distribution of the International Financial Centers	International Finance Forum - the 14th Global Annual Conference	2018	Yes
<p>This presentation reviews and summarizes the historical experiences of development of global financial centres; based on their developmental conditions, pathways and determining factors. I attempt to identify and establish a theoretical framework that could give rise to a better account for the growth and development of international financial centres (IFCs). Based on the recent findings in the areas of the “Geography of finance”, “Law-finance” theory and “Time-zone” theory, this paper synthesizes a new theory, which could best explain the up and down and rise and fall of IFCs. Amid the further deepening of the current global financial crisis and the mighty rise of Chinese economy in the world economy, I show the prospect of robust growth of Chinese financial centres, including Hong Kong, Shanghai, and Beijing and their possible roles and positions in the global financial centres network in the post-crisis era</p>				
Singapore (January 2018)	Donald, D. “Networked Securities Markets: From Cross-Listing to Direct Connection”	Conference on Asian Financial Law and Regulation, Singapore Management University	2018	Yes
<p>Securities markets can be linked by dual or cross-listings, international funds of funds, and direct connection between trade-matching platforms. The development of this networking process has been a product of changing technology, the shape of law and the profit incentives of leading broker-dealers. The relative value of different methods of linkage should be judged on the basis of the stage of technological development, market liquidity, efficiency and fairness to the constituencies using markets. Securities markets consist of three, main constituencies: issuers of securities, investors in securities, and broker-dealers trading in securities. Over the past century each of these players has offered the others a method of linking securities markets into a larger transaction network. From the 1920s, issuers have paid to list their shares on more than one exchange, and such ‘cross-listing’ was ideal for investors and brokers because it allowed them to benefit from access to these securities without bearing the costs. From the 1980s, institutional investors established multinational structures of funds, so that by purchasing a share of a ‘fund of funds’ on one market, it was possible to invest in a fund containing securities of another. With institutional investors bearing the cost of this linkage, issuers, brokers and retail investors benefited. About 2000, brokers took advantage of improving technology directly to network venues of listing in one jurisdiction with venues of trading in others. In the US and the EU, major broker-dealers simply set up alternative platforms and convinced governments to change the law so that securities listed in one place could be traded on a private platform in another. This benefited primarily broker-dealers capable of funding the creation of such alternative platforms. In China, exchanges connected to each other with the reverse effect. The connections allowed even small brokerage companies trading on one market directly to access another. In this presentation, I examine the evolution of these three networking arrangements in connection with technological change, regulatory development and the interests of key market constituencies.</p>				
Kyoto, Japan (March 2018)	Donald, D. “Why Designing Corporate Governance to Serve the Logic of Financial Markets Damages Business Corporation”	International Conference on Business and Social Science,	2018	Yes

Month/Year/ Place	Title	Conference name	Submitted to the RGC <i>(indicate the year ending of the relevant progress report)</i>	Attached to this report <i>(Yes or No)</i>
<p>Market traders must operate with sufficient spread – buy low, sell high (or vice versa). Fundamental value is irrelevant, provided the trend of market price is favorable. Liquidity is key, for traders must be able to react to market trends. Securities reflecting relatively unknown products – such as a mass-market electric automobile – present a good opportunity for healthy volatility in which skillful traders can benefit as prices soar and plunge. The logic of the financial market is one requiring liquidity, volatility, and rapid reaction (or better, anticipation) in connection with price shifts.</p> <p>Entrepreneurs engaged in innovative businesses require patience and understanding, as they explain how their new product or service fits into or replaces an existing network of items already in use. They seek to demonstrate the fundamental value of their offering, and hope to achieve a stable respect in the market for products or services. The logic of productive business is one requiring rational assessment, some patience, and ultimately a stable picture of value.</p> <p>The logic of the financial market is almost diametrically opposed to that of productive business, yet leading legal systems tie the governance of business corporations to financial market needs. At least since the 1980s, international corporate governance discourse, following an American lead, has centered around a need to focus corporate activity on the interests of financial investors.</p> <p>The results have clearly marked recent economic history: a generation of corporate managers playing the market for the shares of their own companies, an accelerated frequency of market crises, innovative companies being dismantled, ‘liquified’, by investors to generate spurts of cash for instant consumption, and an increasing number of companies seeking to protect themselves from market influence.</p> <p>In the context of US corporate law, I describe how a better understanding of financial market logic is leading to a reevaluation of corporate governance away from a model that impedes and distorts the operation of business corporations.</p>				
Taipei, Taiwan (May 2018)	Donald, D. “Legal System as Norm Packaging Platform”	College of Law, National Taiwan University	2018	Yes
<p>Legal systems assimilate generally accepted notions of right and wrong held in society, package these notions into pointed concepts, and give them back as law to that same society. Law takes two main forms: judicial decision and legislation (statute, whose broader form is a code). A legal system can therefore be viewed as a platform that packages rough norms produced by residents of a jurisdiction into pointed laws for use by those same residents. Understanding legal systems as platforms brings into focus the creation of law as an act of information processing, which lends insight to legal history, comparative law and the modeling of legal development for machine learning.</p> <p>History teaches us that judicially-driven law can function in an information-poor environment, as it did in the early common law of England and the US states. Increased information flows make it possible to accelerate the formulation of general rules as courts, scholars and lawmakers self-reflectively generalize existing problems and solutions. Critical masses of information allow the creation of culturally-informed statutes and even codes. The transplantation of law (usually in a colonial setting) also shows that when law does not include norms taken from its own social milieu it tends to fail for lack of demand.</p> <p>Modeling the packaging of cultural notions to legal concepts is the most challenging part of the platform approach. In this presentation, I explore three different frameworks to attempt such modeling, drawn from law, economics and sociology. Eisenberg (1988) and Baker (2001) both conceive common law as the processing of informal, often unspoken, notions into judicial proceedings to make the settled law as published decisions. North (1990) understands general social constraints and specific rules to constitute order by nesting in complementary proximity. Luhmann (1993) understands law to interact autopoietically with society, absorbing and yielding information through structural couplings between the society and the legal system.</p> <p>Viewing legal systems as platform yields insights for legal history, comparative law and the modeling of lawmaking. I examine the close-of-century discussion regarding convergence of law and the “legal origins” debate in light of information flows and network effects, finding that the platform perspective lends new insight. Convergence correlates with increased transnational information flows, and the period in which common law enjoyed maximum prestige correlates with the maximum network effects of the Anglo-American tradition.</p>				

Month/Year/ Place	Title	Conference name	Submitted to the RGC <i>(indicate the year ending of the relevant progress report)</i>	Attached to this report <i>(Yes or No)</i>
Cambridge, US Aug 2018	B. Michael, Financial Centres' Polyarchy and Competitiveness Does Political Participation Change a Financial Centre's Competitiveness?	World Economic History Conference (MIT)	2018	Yes

What role does polyarchy (and thus increased democracy) play in aiding the development of an international financial centre? I show support for decades of theorising that some jurisdictions use autocracy (less polyarchy) to help grow out their financial centres. I look at the growth of these financial centres as the extent to which they attract more funds from abroad (cross-border bank liabilities). Polyarchy decreases as other international financial centres' centrality in the global financial centre network expands. Polyarchy increases in most jurisdictions over time because some financial centres rely on increasingly polyartic governance as a way to foster financial innovation through increased participation by non-previously powerful sectors. Namely, the growth of an international financial centre's centrality in global financial networks relies on tapping down on polyarchy. Yet, such polyarchy – when used by some very central jurisdictions to remain central – “spreads.” I describe my model of such a relationship between polyarchy and centrality in the global financial network, describing even the most complex quantitative analysis in a way a non-specialist can understand.

- (c) RGC funding should have been acknowledged in all publication(s)/conference papers listed in (a) and (b) above. If no acknowledgement has been made in any of the publications/ papers, please indicate and provide explanations.

We have acknowledged RGC funding in all publications/conferences listed above.

6.5 To what extent this project has strengthened inter-institutional collaborations and other partnerships?

This project has been particularly valuable in strengthening collaboration between the HKU and CUHK law faculties, specifically between CUHK's Centre for Financial Regulation and Development and HKU's Asian Institute of International Financial Law, both of which regularly collaborate across a range of activities. Likewise, the project has been very important in reinforcing collaboration between HKU, UNSW Australia and University of Luxembourg in the context of financial technology (FinTech). Beyond these, the project has played a very important role in strengthening collaboration in geography between HKU and Oxford. Finally, in the area of finance, the project has deepened collaboration between HKU and Berkeley.

In addition to academic collaborations, the project played an important role in supporting and developing the Hong Kong Financial Services Development Council, reflected in contributions to a series of major policy papers as well as further cooperation and collaboration going forward on interests relating to the future development and competitiveness of Hong Kong as an international financial centre.

6.6 Research students trained (registration/awards):

Name	Degree registered for	Date of registration	Date of thesis submission/ graduation
Asraf, Uzma	PhD	12/2010	08/2015
Barberis, Janos	PhD	10/2015	2019
Chang, Huili	PhD	09/2011	08/2015
Gibson, Evan	PhD	09/2010	09/2014

Name	Degree registered for	Date of registration	Date of thesis submission/ graduation
Guo, Shu	MPhil	09/2013	01/2016
Jiang, Zhihang	PhD	01/2016	2020
John, Daniel	MPhil	09/2013	11/2015
Lorenzo, Silvia Maria	MA	09/2012	12/2015
Lejot, Paul	PhD	12/2005	2016
Lenzer Jr, James Hans	PhD	09/2008	01/2014
Liang, Jiaolong	PhD	09/2013	2016
Liu, Sibao	PhD	09/2014	2018
Lipert, Guy S C	PhD	01/2011	06/2015
Mai, Xiaoting	PhD	09/2011	08/2015
Meng, Weizhan	PhD	09/2013	2017
Pazitka, Vladimir	PhD	10/2015	2018
Qu, Difan	PhD	09/2012	08/2015
Smith, Ross	PhD	09/2013	2017
Sun, Zengyuan	PhD	09/2009	12/2014
Sun, Yuanyuan	PhD	09/2009	12/2014
Wang, Xiaoyang	PhD	10/2013	2016
Wei, Lai	PhD	09/2013	2016
Woo, Alex	SJD	08/2010	2017
Yang, Yiyi	PhD	09/2013	2017
Zhang, Bo	PhD	09/2011	08/2015
Zhang, Jihang	PhD	01/2016	2020
Zhao, Bo	PhD	09/2013	2016
Zhu, Hui Flora	PhD	09/2009	08/2015

6.7 Specific products (e.g. software or netware, instruments or equipment developed):

N/A

6.8 Other education activities and/or training programmes developed:

In the educational area, the project has had a particular impact in the context of undergraduate education in financial law and regulation at HKU and CUHK as well as in finance and geography undergraduate education at HKU. Work in the area of financial technology is underpinning new undergraduate degrees at both CUHK and HKU as well as the first massive open online course in FinTech with the edX platform, now with almost 30,000 learners from every country in the world. In addition, research underpins a range of taught postgraduate programmes at HKU, CUHK and PolyU, with HKU having launched a new LLM in Compliance and Regulation in 2016 which has distinctly benefited from the project's research.

6.9 Please highlight any deliverables indicated in the project implementation timetable endorsed by the RGC which have not been covered or achieved as per sections 6.1 to 6.8 above, and explain/ elaborate.

We have achieved all of our targeted deliverables.

Project Management

6.10 Please elaborate how the PC has played his/her role in coordinating and managing the project.

The primary role of the PC – in addition to managing project finances, overall progress and deliverables – has been to regularly interact with the other Co-PIs, continually discussing research interests and directions in order to support coordination, cooperation and mission focus. There has also been an important element of interacting with third parties as well as securing administrative resources and support necessary for the team to focus on their core skills of research.

7. Awards and Recognition

7.1 Have any research grants been awarded that are directly attributable to the results obtained from this project?

We are in the process of seeking additional funding to take the results achieved forward but have not yet been successful, though several have been applied for, including TRS and AoE proposals led by Chen and CRF and RIF proposals led by Arner.

7.2 Have any project team members participated as invited speakers in or organisers of international conferences as a result of this project?

Yes: in addition to the major project conferences, PIs have been planning committee members of a range of international conferences in Hong Kong and elsewhere. We have provided details in earlier project reports of the majority of these which took place during the project period.

7.3 Have any project team members taken leadership positions in editorial boards, scientific and professional organisations?

Yes: as reflected in previous project reports, Co-PIs have received invitations to join a range of editorial boards and academic organisations during the course of the project.

7.4 Any documentary proof of the application of technologies arising directly from this project?

N/A

7.5 Other awards and recognitions as a result of this project (please specify):

Of most note, Chenggang Xu was one of the first recipients of the China Economics Prize for contributions in understanding incentive mechanisms applicable to government and enterprises in China's transition economy – a core focus of development under the project.

8. Impacts

8.1 What are the current and expected impacts of the project on the long-term development of Hong Kong (social or economic development, e.g. patent, technology transfer, collaboration with external organisations, etc.)?

Our multi-disciplinary project has helped provide academically rigorous – and practicably useful – ways of understanding how international financial centres like Hong Kong grow and evolve.

One thread of that work focused on understanding the past conditions which helped cities like Hong Kong, London and New York become financial centres in the first place. The project tested specific rules, and showed how some empirically work better than others, provided directly useful recommendations and analysis for policymakers.

Another thread of work focused on evaluating present policies. The 2008 global financial crisis changed the way governments manage banking and securities sectors world-wide. In one study, we looked at the ways that country-specific accounting could improve transparency for investors and help managers overcome their incentives to keep their books private by showing how such information helps their firms run better. Several studies looked at the way shadow banking and informal finance helps firms – something hitherto seen as blasphemy in conventional policymaker circles. Similarly, several others studies' findings show how governments helped their banks and broker-dealers compete globally with cheap credit, turning a blind eye on prudential regulation and well-timed monetary policy. Studies like these help add important caveats and conditions to advice which academic advisors and finance ministers have clung to for decades. The tread of research with the largest impact, though, must be focused on China's financial centres – and the way they impact other financial centres world-wide. These studies showed how Hong Kong will complement,

as well as compete with, Chinese financial centres in securities, debt and even securitization markets. They documented the important rise of local government debt, and the effect such debt has played in helping fuel a building spree across China. These findings of studies have documented how Chinese government ownership of firms usually helps in private hands in the West helps these firms in some ways (by providing money, know-how, and even contacts abroad) while hurting them (by warping managers' incentives, politicizing commerce and misdirecting scarce money and talent). Until now, few scholars paid much attention to Chinese financial centres. Our project helped ignite global interest in the subject – as measured by academic citations and popular media interest in many of our findings.

More prosaically, the numbers reflect our project's impact. Scores of publications in top journals, in books from prestigious university publishers, and the thousands of hours of presentations in the world's intellectual capitals show some impact. Yet, 'new generation' impacts also count for something. The project generated over 20 databases, files and stores of data for use by number crunchers. Tens of thousands of online viewers and listeners from over 80 countries have heard lectures from our project. Over 300 policy recommendations and even suggested legal redrafting has led to an estimated US\$1.2 trillion in extra growth coming from the top 20 financial centres world-wide. A cadre of over 25 post-graduate students will continue where this project leaves off.

Most importantly, our research has provided a model for working across borders and academic disciplines. About one-quarter of our studies involved more than one type of analysis – focusing economists to confront political theorists, and geographers to work with lawyers. Several law review articles have taken into account the way space and place affect financial policy (as distance affects the extent to which credit policy needs tightening or loosening). Economists have run regressions looking at bureaucrats' behaviour – something only political scientists or historians have done until now. Most works have confronted the heavy hand of history – something discouraged in conventional law, economics, and political sciences faculties. Interest in these works shows that – despite pessimistic predictions to the contrary -- scholars will respond to multi-disciplinary work – and adopt such methods if given incentives to do so.

Other numbers illustrate the nature of our outreach. We had a monthly column in the SCMP, reporting on our research results. We have YouTube and Soundcloud summaries of much of our research – reaching up to 5,000 viewers and listeners when first announced. Research summaries and abstracts have appeared in fora from the New York Times to Malta Times to the China Economic Review and the Financial Times. Of the visitors of webpages highlighting our research, roughly 20% belong to URLs from visitors from international organisations and almost half from academic institutions (from Harvard to local educational establishments in Africa).

8.2 Others (please specify):

If implemented, our recommendations have very significant potential for impact. Based on the tools developed during the course of the project, we estimate that over 30 corporate governance recommendations, if applied, have estimated increased in share valuations (increase market capitalizations by over \$500 million in Hong Kong and another \$4-\$5 billion affecting Mainland companies listed at home and abroad. Recommendations aimed at encouraging investment in sunrise technologies (like solar securitizations) have estimated effects of increasing assets under management by Hong Kong asset managers – to the tune of over \$5-\$12 billion. Recommendations aimed at facilitating access to online securities investments and bonds should produce an extra \$20-\$40 billion in funds previously unavailable. Recommendations related to employment in financial services should increase employment in Hong Kong’s sector by around 12,000 specialists, with another 15,000 around the ASEAN region. Changes in the way Mainland regulators deal with managing demand for property-related securities at home and abroad should reduce over \$90 billion at risk. These seem like numbers on a page – but could represent real money if implemented.

Finally, long-term, one of the greatest potential impacts of the project is in the context of the range of research postgraduate students trained and developed during the course of the project. This has been a real matter of pride in the project and among our team and is something that we have spent significant time and effort in developing, including large numbers of publications involving such students. Going forward, as these students continue to spread around the world to academic institutions, governments, private firms and international organisations, so will the impact achieved under this project through the development of methodologies, knowledge, expertise and networks.

9. Sustainability of the Project

9.1 Whether there are new ideas evolved directly from this project?

Perhaps the most important new idea and area of research to emerge from the project has been financial technology (FinTech) and its relative regulatory technology (RegTech). These were probably the most unanticipated trend in the aftermath of the 2008 Global Financial Crisis, with the most dramatic transformations taking place in the context of China. Researchers (particularly Arner, Donald and Lin) as a result of the project have developed significant research agendas in the area as well as track records of publications which would not have been possible with the TRS funding in place.

9.2 Whether there are new projects evolved directly from this project?

Arner, Donald and Lin have all developed projects relating to FinTech and RegTech, with support from both their universities as well as from outside collaborators (including in particular the Hong Kong Financial Services Development Council, the Financial Stability Board, and the Alliance for Financial Inclusion). All are also seeking related research funding from the RGC under various grant schemes.

9.3 Whether there are new collaborations developed directly from this project?

This project was most significant in reinforcing and building on existing collaborations (particularly

with UNSW and Berkeley). It was also central in developing the collaboration with the FSDC. In addition, it was central in supporting new collaborations with University of Luxembourg, the Financial Stability Board, and the Alliance for Financial Inclusion.

9.4 Please give details on how much money and from which sources has been obtained/requested for the specific purpose of continuing the work started under this project.

An RGC RIF is currently pending (HK\$4.3m) (with Arner as PC and involving Lin, Donald and Buckley). Unsuccessful applications have been made under the RGC CRF (led by Arner), the TRS (led by Lin) and the AoE (led by Lin). Lin is currently working with Arner, Buckley, Levine, Donald and others on a proposal under the next round of the TRS.

10. Statistics on Research Outputs

(Please ensure the statistics in this section are consistent with the information presented in other sections of this report.)

	Peer-reviewed journal publications (published or accepted for publication, excluding work papers and papers under review but not yet accepted)	Conference papers	Scholarly books, monographs and chapters	Patents awarded	Other research outputs (please specify)	
No. of outputs arising directly from this research project	61 (see Appendix I)	72 (see Appendix II)	Books: 8 (details below) Book chapters: 10 (details in Appendix III) (excluding chapters in books listed below)	0	Type	No.
					Contributions to FSDC policy papers (details below)	6

Scholarly books arising directly from the project:

Ali, S. (2013). *Consumer Financial Dispute Resolution in a Comparative Context: Principles, Systems and Practice* (Cambridge University Press).

Donald, D. (2014). *A Financial Centre for Two Empires: Hong Kong's Corporate, Securities and Tax Laws in its Transition from Britain to China*, 292 pp., Cambridge University Press.

Huang, R. & Schoenmaker, D. (eds) (2014). *Institutional Structure of Financial Regulation: Theories and International Experiences* (Routledge), 262 pp.

R. Buckley, E. Avgouleas & D. Arner (eds) (2016). *Reconceptualising Global Finance and its Regulation* (Cambridge University Press) (484 pages)

12. The Layman's Summary

Article 109 of the Hong Kong Basic Law imposes on the Hong Kong Government an obligation “to provide an appropriate economic and legal environment for the maintenance of the status of Hong Kong as an international financial centre.” Yet, few scholars or policymakers know exactly how to do that. From its launch in 2012, our multi-disciplinary project has helped provide academically rigorous – and practicably useful – ways of understanding how international financial centres like Hong Kong grow and evolve.

One thread of that work focused on understanding the past conditions which helped cities like Hong Kong, London and New York become financial centres in the first place. We found that the best laws balance bankers and businesspersons’ own self-interest with maintaining stable markets. Credit rules need to punish over-lending, while keeping the best lending profitable. Rules on stock market listings need to encourage foreign corporations to list, while managing the self-dealing that often occurs in these kinds of firms.

Another thread of work focused on evaluating present policies. The 2008 Global Financial Crisis changed the way governments manage banking and securities sectors world-wide and analysis of many of these changes was a central focus of the project.

The tread of research with the largest impact, though, must be focused on China’s financial centres – and the way they impact other financial centres world-wide. These studies showed how Hong Kong will complement, as well as compete with, Chinese financial centres in securities, debt and even securitization markets. Until now, few scholars paid much attention to Chinese financial centres. Our project helped ignite global interest in the subject – as measured by academic citations and popular media interest in many of our findings.

Among the major outputs of the project were a series of major books focusing on Hong Kong and international financial regulation and dozens of international journal articles as well as input into policy recommendations and collaboration with the Hong Kong Financial Services Development Council. All in all, our research has helped to increase understanding of financial centres, particularly Hong Kong, and the many policy issues and challenges facing them around the world.

Importantly, our research has provided a model for working across borders and academic disciplines. About one-quarter of our studies involved more than one type of analysis – focusing economists to confront political theorists, and geographers to work with lawyers. Several papers have taken into account the way space and place affect financial policy (as distance affects the extent to which credit policy needs tightening or loosening). Economists have run regressions looking at bureaucrats’ behaviour – something only political scientists or historians have done until now. Most works have confronted the heavy hand of history – something discouraged in conventional law, economics, and political sciences faculties. Interest in these works shows that – despite pessimistic predictions to the contrary – scholars will respond to multi-disciplinary work – and adopt such methods if given incentives to do so.