

Research Assessment Exercise 2020
Impact Overview Statement

University: The Chinese University of Hong Kong

Unit of Assessment (UoA): 21 economics and finance

Total number of eligible staff of the university in the UoA: 41

(1) Context

The study of the Mainland and Hong Kong economies has been the UoA's strategic focus for over two decades. China and Hong Kong's amazing economic growth and gradual transformation into the world's major economies and financial centers have long attracted and sustained international attention. Despite these remarkable achievements, there have been many challenges and unusual experiences during the courses of their economic and financial development. How China and Hong Kong confronted the various difficulties and searched for new opportunities is an important research topic in economic inquiry and financial innovations. The UoA had contributed to the understanding of and policy suggestions for the many economic and financial policy issues that surfaced during last few decades. The three case studies that accompanied this statement demonstrate the impacts and policy implications, which include: (i) steering the directions of major change in national policy for policymakers (Case Study A); (ii) refining the estimation/interpretation of important economic statistics for all kinds of users (Case Study B); and (iii) advising policymakers and the general public on retirement issues in Hong Kong (Case Study C).

(2) Approach to impact

The UoA's approach to generate social impact of research includes the following:

a) *Collaborated with policy units in the Mainland and Hong Kong:* The UoA was very active in engaging non-academic stakeholders during the assessment period of this RAE exercise. Notable examples are Research Centre of China Securities Regulatory Commission, the Hong Kong Food and Health Bureau, Hong Kong Monetary Authority, Central Policy Unit, Elderly Commission, and the Legislative Council. We collaborated on specific joint research and consulting services with some of the above organizations. In addition, many staff members were advisors/speakers/guests in different public events organized by these stakeholders.

b) *Organized conferences with policy relevance, and inviting policymakers to attend:* The UoA organized several prominent conferences. For example, the Asian Meeting of the Econometric Society, the most prestigious economics conference in Asia, was held in the summer of 2017. The UoA also organized several discussion sessions on Chinese policies research, aiming to set new policy research agenda of public and social importance.

c) *Engaged major media outlets in the Mainland and Hong Kong:* Staff members increased the reach of their research impact by disseminating through the media (e.g. *The Wall Street Journal*).

d) *Used of social media:* The UoA encouraged staff members to use social media as another platform to disseminate their major research findings.

e) *Increased support for impactful research within the UoA:* We regularly reminded our staff at various internal meetings of the importance of social impact in their research impact, emphasizing how that would benefit their career development. The UoA also provided our staff members with regular updates on the opportunities to disseminate research results to the public, as well as opportunities for collaboration on research of high social impact particularly with non-academic stakeholders. The UoA also provided sponsorship to conference trips and organization of relevant conferences and workshops.

(3) Strategy and plans

The UoA's major strategy is to appropriately allocate funds to develop cutting-edge and meaningful research with academic and non-academic impacts and to enhance the reach of such impacts. We have devoted significant financial resources to enhance the research capability of our research

environment. For example, staff members can access many software packages and leading global research databases. The UoA's Trading Laboratory also offers access to important data feeds. These measures contributed to the development of the case studies. The UoA will further encourage its staff members to actively participate in policy discussion and deepen research collaboration with newly identified non-academic stakeholders, which include major business units (e.g., chambers of commerce), international organizations (e.g., the International Monetary Fund and the World Bank) and central banks. The UoA particularly welcomes and will incentivize international media exposure that will significantly extend the reach of its research. We will also review and learn from the experiences of academic units that have been successful in generating impact, share the best practice across the UoA, and use this learning to refine and improve our current strategies.

(4) Relationship to case studies

Case Study A: "The Relaxation of the Birth Control Policy in China" by Junsen ZHANG

China implemented the controversial One-Child Policy (OCP) in 1979. Yet the policy's impacts on the Chinese population were not well understood. The research reported in this case study provided Chinese policymakers with strong empirical foundations and policy directions for their recent relaxation of the OCP in 2016. This case study exemplifies the UoA's approach to generating impact through influencing policymakers' opinion on significant national policies. Following the UoA's approach described above, ZHANG presented his research in policy conferences and workshops in various policymaking units. ZHANG's research in this area is also a landmark in the new research on the current Two-Child Policy. He was invited to present his research findings and suggestions on policy direction in national and international media (e.g., BBC and National Public Radio).

Case Study B: "Quantitative Analysis of China's Economic Growth" by Michael SONG

This case study features economic research on several topics of critical importance to China's future economic development. They include the sustainability of the current pension system, consequences of the fiscal stimulus program, and new methods to estimate China's GDP. Using modern quantitative approaches in economics, SONG had constructed useful economic indicators for many academic and non-academic institutions. Following the UoA's approach to impact, his work has attracted policymakers' general attention through conferences and has also stimulated further research in related areas with policy implications (e.g., changes in methods of national income statistics). A number of important policy departments have invited SONG to conduct relevant policy research, setting a new public research agenda and establishing new institutional collaborations.

Case Study C: "Population Ageing in Hong Kong: Implications for Planning, Health Services and Financing Retirement Security" by Wai-Sum CHAN

Population ageing is a global problem. Hong Kong is no exception and needs policy changes and reforms of health care and social security programmes. In line with the UoA's approach to impact, research findings in this case study were used to influence policies within the Food and Health Bureau, the Elderly Commission, the Central Policy Unit, the Legislative Council and the general public, and in particular the Hong Kong government's long-term planning for ageing population. Major impacts of this study include (a) stimulating policy debates on retirement income protection in Hong Kong within the government, political parties and general public; (b) instigating the development of Reverse Mortgage Programmes in Hong Kong; (c) urging the government to offer public annuities; (d) providing an actuarial model for projecting health care utilizations and expenditure and (e) offering the basis for private insurance companies to design long-term care benefits. CHAN's team has secured more than HK\$2 million research funding on Hong Kong ageing related policy research in the past five years.