

Professor Gregory C CHOW

Citation

Gregory C Chow has one unique ability: He can make you feel dizzy. He does so with the seemingly unending list of his accomplishments. Even a laconic man like Ben Bernanke, the current Chairman of the US Federal Reserve, needed over one thousand words to sing his praises.

Prof Chow deserves every word of praise the Federal Reserve Chairman heaps on him. Ladies and gentlemen, fasten your seat belts, here comes a partial list of the achievements of this hyper-achieving economist.

Prof Chow has been elected a member of the American Philosophical Society and a fellow of the Econometric Society and of the American Statistical Association. In 1979, Prof Chow was elected the first president of the Society for Economic Dynamics and Control. He was Chairman of the American Economic Association's Committee on Exchanges in Economics with the People's Republic of China from 1981 to 1994 and Co-chairman of the U.S. Committee on Economics Education and Research in China from 1985 to 1994. And from 1987 to 1991 he was a member of the US-Hong Kong Economic Co-operation Committee. Prof Chow has served as consultant to IBM, Data General Corporation and the World Bank. He is often called as an expert witness in anti-trust and US-China economic relations cases.

Other figures of historic importance have monuments built in their honor, but Prof Chow has something more immortal than bricks and mortar. As a Director of the Econometric Research Program at Princeton University for 27 years, he already has this program renamed after him. But perhaps even longer lasting is the "Chow test" which every beginning student of econometrics learns by heart.

Doctoral dissertations, by their tens of thousands, usually die an obscure death, never to see the light of day. But Prof Chow's at the University of Chicago in 1955 has become a standard reference in empirical economics. His dissertation was not only published, it formed the basis for an extended study from which emerged a statistical test for the stability of a regression over time. This was the birth of the famous "Chow test" which has stood the test of time over the last half century.

Prof Chow is no ivory tower academic in love with his own esoteric theories. If there is one operative word about his work, it is "applicability". He resigned his tenured professorship at Cornell to join IBM. At that time, it was considered a highly unconventional move. But Prof Chow loves the world of applied economics. At IBM, he did highly seminal work in studying the demand for money, the demand for computers, and dynamic economics generally. With his superb economic analysis skills, he was invited to advise IBM on corporate planning problems. Later, he was invited to advise top government officials in Taiwan. What is amazing is that he was able to straddle the treacherous Taiwan Strait, also advising the top leaders in Beijing on economic policies. He may thus be the only man to master the inexplicable art of dispensing economic advice apolitically, making himself welcome in the inner sanctums of power on both sides of the Taiwan Strait.

Here in Hong Kong, Prof Chow is no stranger. He has studied and influenced our remarkable economic performance in the past, winning him an honorary professorship from the City University of Hong Kong and an honorary doctorate from Lingnan University. In fact, if we stretch it a bit, we can even claim him as one of our own, considering that he

attended primary school in Hong Kong until the Japanese occupied the city and served as adjunct professor of our University in 1993-1994.

But now, Prof Chow belongs to a much bigger stage: China, the world's newest major economic power. He has earned his place of honor there, having played a role in the historic transformation of the Chinese economy from a planned economy to a market economy. For his contribution to the Chinese economy, Prof Chow is revered by mainland decision-makers and educators alike. He has done much in bringing the US and China together in academic partnership in his capacity as Chairman of the American Economic Association's Committee on Exchanges in Economics with the People's Republic of China from 1981 to 1994 and as Co-Chairman of the US Committee on Economic Education and Research in China from 1985 to 1994. With greater impact, he served as adviser to the Chinese Premier and the Commission on Restructuring the Economic System of the People's Republic. These are influences other scholars can only dream of.

Prof Chow's influence has filtered down to other government organs and provincial seats of power in China. He is adviser to the Natural Science Foundation and an economic adviser to the Shandong Provincial Government. Across the strait, he is a member of the Academia Sinica.

But his next big contribution to China may be in education. At Princeton, he has taught a popular undergraduate course on the Chinese economy. Back in the mid-1980's, he also organized a three-year program to teach modern economics in China under the auspices of the Chinese State Education Commission. He helped organize graduate economics training centers in Renmin University (1985-1995) and in Fudan University (1987-1992) and place Chinese graduate students to pursue a PhD degree in economics at major US and Canadian universities (1985-1988). Both programs resulted in several hundred PhDs with many now working as

leading economists in China and in North America. He has legions of admirers in Chinese academia, having garnered honorary professorships from Fudan, Shandong, Renmin, Guangxi, Hainan, Huazhong Science and Technology, Nankai and Zhongshan Universities as well as the Chinese Academy of Sciences. Lingnan College paid him the ultimate honor of making him their Honorary President. Some of his books, of which there are fourteen, are widely read in China, including *"The Chinese Economy"* (1985) and *"China's Economic Transformation"* (2002, 2007) in both the Chinese and English editions.

As Ben Bernanke points out, Prof Chow champions a new solution to dynamic economic problems. His interest in the dynamic economy may be a secret of his appeal, as government leaders seek him out to meet the challenges of a global economy. In the years to come, as his popular textbooks reach a wider readership, his influence will grow further. The names of his books alone will tell you how big his shadow is likely to be: *"Analysis and Control of Dynamic Economic Systems"* (1975), *"Econometrics"* (1983), *"Understanding China's Economy"* (1994), *"Dynamic Economics"* (1997), *"Knowing China"* (2004), as well as *"China's Economics Education and Economic Reform"* (2007, in Chinese).

Prof Chow may have retired from Princeton in 2001, but he continues to teach in Princeton and the power of his knowledge never wanes. It continues to fertilize the minds of those who heed his advice and read his analyses. His biggest living monument may be the biggest economic change in China's contemporary history.

Mr Chancellor, on behalf of the Council of the Hong Kong University of Science and Technology, I have the high honor of presenting to you Prof Gregory C Chow, professor emeritus of Princeton University, for the award of Doctor of Business Administration *honoris causa*.