

Conferment of the Degree of Doctor of Social Science, *honoris causa*
A Citation

**Professor Dale W. Jorgenson, BA, AM, PhD, Doctor of Economics (Hon),
Doctor of Business and Commerce (Hon), Laurea Honoris Causa**

In a paper published in 1963 a young economist first outlined the powerful and original concept of the cost of capital and investment, which enabled his contemporaries to model future asset prices against past accumulations of capital in a wholly new way. The economist was Dale W. Jorgenson, now Samuel W. Morris University Professor at Harvard, who stands before us this morning. This groundbreaking approach of the 1960s became the underlying theme of Professor Jorgenson's many important contributions to economic theory and practice for the next forty years or so. In those years, he has published over 240 articles and over 30 books, all with the very highest level of impact. One of these books, called *Lifting the Burden: Tax Reform, the Cost of Capital, and US Economic Growth* (2001), formulates a new approach to taxation called Efficient Taxation of Income. This approach differentiates between property-type income and income derived from work, the latter to be taxed at 10%, the former at 30%, with the incentive for saving and new investment of a credit against taxes on business income. The tax system Professor Jorgenson advocates to the US Federal Government would not only generate tax gains for the Government, it would be socially fairer to low-income families. In a testimony before the US Congress in 1997 Professor Jorgenson also advocated a carbon tax on greenhouse gas emissions as a means of reducing global warming.

Among Professor Jorgenson's best-known and most important research has been his work on the economics of the new technology. His books *Information Technology in the Information Age* (2002) and *Information Technology and the American Growth Resurgence*, published in 2005 (co-authored with Mun Ho and Kevin Stiroh), represent a major effort to quantify the impact of information technology on the US and world economies. Among other things, Professor Jorgenson showed that the spectacular global economic growth of advanced economies between 1989 and 2004 was a factor of greatly increased investment in IT equipment and software rather than a factor of increased productivity.

Such is the importance of his work in many areas of economic theory and practice that Professor Jorgenson's papers have been collected and re-published in 10 volumes by the MIT Press, beginning in 1995. In the year 2000, thirteen of his distinguished former students and collaborators honoured the many significant phases of his life's work in a volume called *Econometrics and the Cost of Capital*, edited by the (now) Vice-Chancellor of The Chinese University of Hong Kong, Professor Lawrence J. Lau. Part of his influence

in contemporary economics is mediated through the work of his former students at Berkeley and Harvard, many of whom are now professors in distinguished endowed chairs at leading institutions around the world.

Professor Jorgenson has received many honours. In 1971, he was awarded the prestigious John Bates Clark Medal of the American Economic Association. The Medal is awarded every two years to an economist under forty for excellence in economic research. According to the citation, Professor Jorgenson "has left his mark with great distinction on pure economic theory (with, for example, his work on the growth of a dual economy); and equally on statistical method (with, for example, his development of estimation methods for rational distributed lags). But he is preeminently a master of the territory between economics and statistics, where both have to be applied to the study of concrete problems. His prolonged exploration of the determinants of investment spending, whatever its ultimate lessons, will certainly long stand as one of the finest examples in the marriage of theory and practice in economics."

Professor Jorgenson has received honorary doctorates from Uppsala University, Sweden (1991), the University of Oslo, Norway (1991), Keio University, Japan (2003), the University of Mannheim, Germany (2004), the University of Rome, Italy (2006) and the Stockholm School of Economics, Sweden (2007). He has won many awards, including the John R. Commons Award, Omicron Delta Epsilon, International Honor Society in Economics (1983), the Outstanding Contribution Award, International Association of Energy Economists (1994), as well as the Adam Smith Award, National Association for Business Economics (2005). He has been elected to many fellowships of academic societies, including the Econometric Society (1964), the American Statistical Association (1965), the American Academy of Arts and Sciences (1969), the Center for Advanced Study in the Behavioral Sciences (1975), the United States National Academy of Sciences (1978), the American Association for the Advancement of Science (1982), the Royal Swedish Academy of Sciences (1989), the American Philosophical Society (1998) and the American Economic Association (Distinguished Fellow, 2001).

Professor Jorgenson has held many prestigious academic positions: he was a Ford Foundation Research Professor of Economics, University of Chicago (1962-63), a Visiting Professor of Economics, Hebrew University, Israel (1967) and Stanford University (1973), and a Visiting Professor of Statistics of Oxford University (1968); at University of California, Berkeley he was an Assistant Professor of Economics, (1959-61), Associate Professor of Economics (1961-63) and Professor of Economics (1963-69). At Harvard University he was Professor of Economics (1969-80), Fredric Eaton Abbe Professor of Economics (1980-2002), Director, Programme on Technology and Economic Policy, Kennedy School of Government (1984-2005), Frank William Taussig Research Professor of Economics (1992-94), Chairman of the Department of Economics (1994-97) and now

Samuel W. Morris University Professor, since 2002.

Among the many professional positions he has held he has been President of the American Economic Association (2000) and President of the Econometric Society (1987).

Professor Jorgenson has served as the Director of The Chinese University of Hong Kong Foundation, Inc. (USA), since 2005. The Foundation has solicited donations and contributions from alumni and other benefactors in the USA and elsewhere to provide support for the University's educational and cultural programmes. Over the years he has been generous in offering the University his expertise and advice.

Mr. Chancellor, it is my pleasure to present to you Professor Dale W. Jorgenson, originator of the concept of the cost of capital and its many fruitful applications to different fields of economic analysis, for the award of the degree of Doctor of Social Science, *honoris causa*.

This citation is written by Professor David Parker

Conferment of the Degree of Doctor of Social Science, *honoris causa* A Citation

The Most Reverend Dr. Peter Kwong Kong-kit, GBS, DD (Hon), BD, MTh

It is recorded in Chapter 16 of the Gospel of Matthew that Jesus said this to the Apostle Peter: "You are Peter, and on this rock I will build my Church." The Most Reverend Kwong Kong-kit, christened Peter, has led a pastoral career for over 40 years. Under his leadership the Anglican Church in Hong Kong has evolved from a diocese into a province, thus ushering in a new era in local church history. He is the first Chinese bishop of the Diocese of Hong Kong and Macao of the Sheng Kung Hui, as well as the first Archbishop and Primate of the Province of Hong Kong Sheng Kung Hui. As a pillar of both his church and the community at large, he preaches a gospel that is inseparable from the welfare of society. He proactively participates in the construction of a benevolent society in the spirit of Christian love, and his many efforts in developing a better Hong Kong have borne abundant fruit.

Archbishop Kwong was born in Hong Kong in 1936. In 1962 he graduated from Chung Chi College where he pursued a major programme of Chinese literature. He obtained his Bachelor of Divinity degree from Kenyon College, Ohio, in 1965 and the Master of Theology from Bexley Hall, Colgate Rochester, New York, in 1971. He was ordained as a deacon in 1965 and his priestly ordination followed in 1966. He saw parish service at St. James' and St. Paul's Churches, and was raised to the episcopate in 1981 as the Bishop of the Diocese of Hong Kong and Macao. In 1998 the Province of Hong Kong Sheng Kung Hui came into being, and he was elected as the first Archbishop. The Hong Kong Province is a self-governing part of the worldwide Anglican Communion. Heavy was the burden of its Archbishop and illustrious were his achievements, which came to be respected and admired both within and outside the Church. Archbishop Kwong retired from his ecclesiastical office in 2007.

When he was engaged in parish work, Archbishop Kwong saw to it that he participated in all facets of evangelization and pastoral activities. He understands his flocks by being in their midst, and has had a special concern for the underprivileged. Over the many years of his pastoral career he dedicated much of his effort towards helping poor children and youngsters to gain the opportunity for education, and financially challenged patients to obtain proper medication. Below his clerical collar lies a heart of commiseration and sanctity, and underneath his pectoral cross is an enthusiastic zeal for benevolence and charity. After his elevation to the Archbishop's throne he had attended to the matters of the Dioceses of Hong Kong Island, Kowloon East and Kowloon West, as well as the Macao Missionary Region within his ambit, and

heavy indeed was the onus of running these entities. He was also a member of the Anglican-Roman Catholic Commission for Unity and Mission, being the only Asian on that reputable body. In these capacities he has made substantial contribution to the promotion of the Christian cause.

Archbishop Kwong was very active in educational enterprises. He was the chairman of dozens of school management boards, with all of which he worked closely and arduously. With genuine passion comes high expectations, it is not without regrets that Archbishop Kwong reviews the development of education in Hong Kong in recent years. He laments that many educational institutions nowadays have oriented themselves towards market reactions, with the secondary schools pegging their objectives to students' success at entering universities, and the universities measuring their achievements in marketing terms. He questions whether an educational ideology with foresight has gone out of fashion, and is worried about the influence of shortsighted and market-oriented educational efforts on our future generations. He warns that negative competition among educational institutions is pushing the entire community into a grim crisis. Archbishop Kwong also points out that the secondary school should be an institution at which the pupils are exposed to a comprehensive range of knowledge and learning. Hence the introduction of academic streaming at this early stage, and in some extreme cases the abolition of subjects like history, are undesirable policies of dubious validity to the psychological and intellectual growth of youngsters. He holds the opinion that the overall development of a community should be based on the humanist spirit and that education should have the humanities at its core. An interest in culture, history and ethics should be cultivated among the students so that they may develop self-knowledge as well as a concern for the world around them. On the other hand, professional knowledge in science, technology and business administration should be the superstructure built upon the rock-base of the humanities. If the foundation is at stake, then the superstructure, in all its magnificence and splendour, cannot evade the fate of collapse.

The Christian religion was founded 2000 years ago and the Anglican Church in Hong Kong, in obedience of the apostolic traditions of charity and selflessness, has gone into the masses for evangelization work. Archbishop Kwong held that "the Church has always to be alert and take up a timely and realistic role, so that the true meaning of life can be introduced to society". As a native Hong Kong person born and bred here, he has a strong affection for this land, and it thus follows that social issues, especially those that touch on people's livelihood, have always caused him concern. He is a critic of the Mandatory Provident Fund Scheme because, with the over-commercialized stance taken by its management, it is unlikely to provide senior citizens with the protection they need. He is a strong upholder of monogamy in marriage, but he sympathizes with homosexuals when they meet with discrimination. He is worried about the excessive

frenzy among Hong Kong citizens in the stock market. In his many pastoral letters he has given his opinions on social ills and misfortunes, and provided his flock with encouragement and refreshed their hope through messages of comfort and exhortation.

Archbishop Kwong sees no incompatibility between religion and politics. He is of the view that the participation of citizens from the religious communities in constitutional and legislative affairs can only lend wisdom and knowledge to such undertakings, and add to their credibility in the eyes of the public. In the 1980's he took part, as a clergyman, in the Consultative Committee for the Basic Law of Hong Kong and the Basic Law Drafting Committee, and assisted in the incorporation of clauses on religious beliefs into the Basic Law, thereby giving due protection to the practice of religion in Hong Kong. He was also a member of the Preparatory Committee of the HKSAR and the Selection Committee for the election of the Chief Executive. He has been a member of the Chinese People's Political Consultative Conference since 1998, in which capacity he continues to serve his country and his community.

Archbishop Kwong has a very long association with The Chinese University of Hong Kong. He was a student of Chung Chi College in its early days, and after the Chinese University was established he taught theology at Chung Chi College. He was at one time the Chaplain of the College, and a Trustee of the College Board from 1981 to 1990. In June 2007 he was appointed an Honorary Fellow of Chung Chi College. Archbishop Kwong is a staunch supporter of the spirit of Chung Chi in the old days, when on the verdant lawn outside the chapel, teachers and students would gather together in study, research, and learning from each other. He has high expectations for the Chinese University's future development, and it has always been his hope that the University would continue to develop a humanistic education, in which new generations of leaders may be nurtured in both advanced learning and moral values.

Harbouring purity and benevolence in his heart, Archbishop Kwong, with the Bible in one hand and the Cross held high in the other, has led his flock towards the vision of blessedness. His courage in voicing his mind, and his personality and bearing, have won him the respect from all walks of life. In October 2007 the Hong Kong Government presented him with the Gold Bauhinia Star in recognition of his contribution to the community. In accepting the honour Archbishop Kwong ascribed his success to "all members of the Church, and those who have gone before us will also share in this glory." Such is the modesty and humility of the man. Archbishop Kwong has a happy family life, and he and Mrs. Kwong have two daughters and a son who have all completed their education and are now offering their services to society. In the Sermon on the Mount Christ speaks of the Beatitudes, and says that those who are pure of heart and merciful are blessed because theirs is the kingdom of heaven. Archbishop Kwong has worked hard for his country, his community, his religion, and for justice.

He is steadfast in upholding righteousness, and his conviction is exalted and unswerving. He has seen abundant grace and enjoys the love and respect of both society and family, and is a truly blessed vessel of God. And Hong Kong is blessed too in having him for a spiritual leader. Mr. Chancellor, it is my honour to present to you the Most Reverend Dr. Peter Kwong Kong-kit for the award of the degree of Doctor of Social Science, *honoris causa*.

Conferment of the Degree of Doctor of Laws, *honoris causa*
A Citation

Dr. the Honourable Tung Chee Hwa, GBM, LLD (Hon), DSSc (Hon), BSc

When Dr. Tung Chee Hwa was born on 7 July 1937, his father, the shipping magnate Mr. Tung Chao Yung, wrote in his diary: "I wish that this new life given by God would be lived to the fullest." The elder Mr. Tung had high hopes for his first-born: to bring prosperity to the family business and honour to the family name; and to serve society and contribute to the nation. How gratified would the elder Mr. Tung have been had he lived to see, some sixty years later, his son being elected the first Chief Executive of the Hong Kong Special Administrative Region, leading Hong Kong in the transition back into the fold of the motherland, to realize the vision of "One Country, Two Systems" and "Hong Kong People Ruling Hong Kong with a High Degree of Autonomy".

Born in Shanghai, Dr. Tung moved to Hong Kong in 1947 with his parents. During his secondary schooling in Hong Kong, he went to the United Kingdom in 1954 for secondary and university education, obtaining a Bachelor of Science degree in Marine Engineering at the University of Liverpool in 1960. After a sojourn in the United States, he returned to Hong Kong in 1969 to help his father manage his family shipping business. In the 1980s, the shipping industry was in recession, but the Tung family boldly restructured its business model and finance, seizing the opportunity to consolidate its leading position in shipping and transportation.

As his father had wished, Dr. Tung not only expanded the family business but also took on public duties in service to the community. He had served on the Executive Council of Hong Kong, was Vice-Chairman of the Preparatory Committee for the HKSAR, a member of the Basic Law Consultative Committee, and a Hong Kong Affairs Adviser. His participation in Hong Kong's public life and in the development of the nation had paved the way for his leading role in the initial years of the HKSAR.

The innovative concept of "One Country, Two Systems" was unprecedented, so the burden of the first Chief Executive of the HKSAR was inevitably heavy. Dr. Tung boldly committed himself to the challenging and historic mission of leading the administration in its governance on the basis of the Basic Law. With a "High Degree of Autonomy", the legal and judicial systems have been maintained, the common law continues to apply, and the freedom and lifestyles enjoyed by Hong Kong citizens have been safeguarded. Since reunification, Hong Kong, in its different capacities, has assumed an active role in the international arena by concluding bilateral agreements

with various countries, joining international organizations and participating in international conferences, thereby increasing Hong Kong's influence as a major metropolis. Many multilateral treaties that applied to Hong Kong before reunification continue to apply; many major international bodies continue to set up key offices in Hong Kong. All in all, these point to the leadership of Dr. Tung Chee Hwa in successfully leading a smooth transition into a new era of governance under the Basic Law.

Dr. Tung realized that the future of Hong Kong rests on two factors: leveraging on the mainland and engaging ourselves globally. So during his terms as Chief Executive, he promoted trade and economic cooperation between Hong Kong and the Mainland in order to facilitate Hong Kong's transition to a new economy and to create job opportunities.

With its accession to the World Trade Organization (WTO) in 2001, China entered a new era of opening up to the rest of the world, and the domestic economy of China grew in leaps and bounds. Against this backdrop, Dr. Tung realized that if Hong Kong is to consolidate its position as a financial centre and further develop on that basis, we must cooperate and integrate with the Mainland, strategically leveraging and complementing each other. Thus, he negotiated the Closer Economic Partnership Arrangement (CEPA) with the Mainland, which enables the service sector in Hong Kong to reach Mainland markets and helps high value-added enterprises to settle in Hong Kong. These developments draw Hong Kong and the Mainland closer, offer a unique opportunity and point the way for the future development of Hong Kong's economy. The economic recovery and the period of steady growth that we now witness have been made possible by the solid foundation laid during Dr. Tung's administration.

During his terms as Chief Executive, Dr. Tung led the administration through many challenges. He spearheaded many reforms and put into place measures to alleviate hardships among the population. In particular, he gave top priority to education and the nurturing of talent.

With the extensive experience and insights he gained through years of studying and working in Shanghai, Hong Kong, the United Kingdom and the United States, Dr. Tung came to appreciate that education is a long-term investment and the path to social equality. He also realized that Hong Kong, lacking natural resources, must depend on its human resources if it is to become a world city and a serious player in the knowledge economy. The visionary education policy of his administration is testimony to this ideal. Even in times of fiscal stringency, Dr. Tung still insisted on investing substantially in education.

In the early years during Dr. Tung's terms of office, less than 20% of senior

secondary school graduates in Hong Kong had access to further education, hardly commensurate with the needs of a knowledge economy. He therefore instituted a massive expansion of post-secondary places, and gave further impetus to the development of higher education. As a result, over 60% of the age cohort in Hong Kong now receive some form of post-secondary education, a number comparable to that in many developed countries. He encouraged life-long learning, so that the citizens of Hong Kong would continuously improve their knowledge and skills. He also initiated a scheme of matching grants to encourage support of higher education from the community. This policy has widened the sources of university revenues and started a new culture of giving to higher education.

Dr. Tung realized that a four-year undergraduate degree was very much the international mainstream. He therefore devoted substantial resources to lengthening the undergraduate curriculum from three years to four and to improving the school-university interface in a 3-3-4 structure. For the Chinese University this represents a long-awaited reversion to the cherished tradition that had worked so well in the past – for this we are especially grateful to Dr. Tung, our former Chancellor. These are but a few examples of the acorns that Dr. Tung had planted. They will grow into the great oaks that will support our society and its continuous development.

Dr. Tung was born and grew up in the middle of war and a period of great suffering for the Chinese people. During his election campaign, he came into contact with the grassroots, thereby deepening his understanding of the hardships some people faced. During his terms of office as Chief Executive of the HKSAR, he always put the rights and welfare of the disadvantaged uppermost on his mind. In his Policy Address, he said, "Caring for those in need, supporting the elderly and helping the disadvantaged are fundamental to the quality of our society." Such kindness and benevolence characterized and permeated the policies of his administration.

Dr. Tung continues to exert his mind and efforts for the welfare of Hong Kong and the entire nation, and for better mutual understanding between China and other countries in the world. In March 2005, he was elected Vice-Chairman of the Tenth National Committee of the Chinese People's Political Consultative Conference.

Mr. Chancellor, for his contribution to the smooth transition that established Hong Kong as a Special Administrative Region under "One Country, Two Systems" as spelt out in the Basic Law, and for his outstanding contributions to Hong Kong's education, it is my honour to present to you Dr. the Honourable Tung Chee Hwa, for the award of the degree of Doctor of Laws, *honoris causa*.

Conferment of the Degree of Doctor of Social Science, *honoris causa* A Citation

Mr. Alex K. Yasumoto

Mr. Alex Yasumoto left his native Japan for the first time at the age of 40 to expand his family's business. He quickly came to see that in other cultures people took quite different approaches to business and to life, and he soon discovered the benefits of alternative ways of thinking. The experience had a profound effect on Mr. Yasumoto. By crossing cultural boundaries, he learned something unexpected about others; he also learned something unexpected about himself. He came to see internationalization as a keystone of education.

In this he was partly following in the footsteps of his father, Kamenori Yasumoto. Born the second son to a Confucian scholar in Jeju Island, Korea, Kamenori Yasumoto made the challenging journey to Japan in 1927. There, at the age of 18, he had to negotiate cultural differences and overcome language difficulties. These early experiences were lessons that stayed with him. Once he had successfully transplanted himself, he first engaged in rubber production, then in property development and started to donate the profits of his companies to society. A firm believer in giving back to the community much of what the community had given to him, Mr. Yasumoto senior left a significant legacy to support youth education.

Alex Yasumoto continued his father's work, expanding the property business into Hong Kong and Australia. He also set up the Kamenori Foundation, following the terms of his father's will. The Foundation aims "to advance the mutual understanding and friendship between Japan and the countries of Asia and Oceania, particularly through the exchange of the younger generation." It supports Asian students for overseas exchange, as well as the teaching of Japanese language and culture. Mr. Yasumoto's own dream is to see closer relations between China and Japan as well as within the region, led by business cooperation of the kind that has produced peaceful economic partnerships in Western Europe.

Mr. Yasumoto is highly appreciative of the business system and culture in Hong Kong. He sees Hong Kong as a great model of an international city, whose destiny is to become not just the business and financial centre of China but of East Asia as a whole. Mr. Yasumoto's business has prospered here, and like his father he believes in giving back to the community much of what he has earned here.

At The Chinese University of Hong Kong, Mr. Yasumoto found an international ethos and aspirations that matched his own educational ideals. In 2005, he made a magnanimous donation to enhance opportunities for our students to undertake international academic and cultural exchanges. The Yasumoto International Exchange Scholarship Scheme is the largest ever established at the Chinese University. In the past

two academic years, more than 500 students of the University have been sponsored to study for up to a year at prestigious universities in 25 countries and regions around the world. The scheme will support generations of CUHK students in the years to come. It will be complemented by Yasumoto International Academic Park, which will provide an on-campus space where international and local students can congregate, bond and share their dreams and aspirations about the world of the future.

At the colourful Inaugural Ceremony for the Scholarship Scheme last June, Mr. Yasumoto explained how keen he was to provide students with opportunities of the kind he did not have himself until the age of 40. He inspired the gathering with his vision of an education without borders. "Internationalization," he said, "provides the stepping stones to understanding different cultures." It "means not just understanding others but also accepting others." It "means not just accepting others but also understanding oneself."

Mr. Yasumoto has a distinctive business philosophy, based on getting the best out of himself and his employees. His personal motto is, "Think positively." A critic of micromanagement and a fear-driven ethos, he believes in creating an affirming corporate environment in which employees are given freedom and scope to realize the goals of the business in their own way. In this way he builds on the strengths his staff possess, who in turn willingly work hard for him.

For his own part, Mr. Yasumoto would rather "work smart" than work too hard. When things do not work out as planned, he believes in what he calls "feedback to base", which means returning to basic principles, and especially to the question, "Why did I start the business?" With a renewed focus on his core vision, he is empowered to consider alternative approaches to the question in hand.

A believer in a balanced life, Mr. Yasumoto wants enough time to spend with his wife and young children, as well as his leisure interests. Although he could retire altogether, he believes in continuing to work partly because the business supports his staff as well as himself.

We too can learn from Mr. Yasumoto's approach to work, life and experience. We can learn from him that education has no borders. In fact sometimes the most valuable lessons come to us when we take the risk to cross borders. We can learn also that education does not end in the classroom; it is a lifelong process.

Mr. Chancellor, it is my honour to present to you Mr. Alex K. Yasumoto, entrepreneur, philanthropist and committed supporter of internationalization, for the award of the degree of Doctor of Social Science, *honoris causa*.

This citation is written by Professor David Parker