

Introduction to Empirical Law and Economics (30 Sept 2024)

In recent years, the importance of empirical law in legal research has been increasingly recognized as it adapts to meet emerging societal needs. By integrating empirical methods into legal studies, researchers can gain a clearer understanding of how laws function in practice and assess their impact on society. This development highlights the growing emphasis on data-driven analysis in shaping legal frameworks and influencing policy decisions.

To address this pressing issue, Professor Wang Jiangyu, Director of the Centre for Chinese and Comparative Law (CCCL) at City University of Hong Kong, organized and hosted this seminar, with Professor Martin Lai serving as the keynote speaker.

Professor Martin Lai is currently an Assistant Professor at the School of Law at City University of Hong Kong. His research interests are competition law and law & economics. During the seminar, he focused on the necessity of empirical methods in understanding legal phenomena and combined this with knowledge from economics, providing attendees with fresh perspectives through his engaging narrative style.

At the outset, Professor Lai emphasized the growing importance of empirical work in legal research. He explained that empirical research involves the systematic collection and analysis of data to understand and evaluate legal principles and practices. This approach stands in stark contrast to traditional legal analysis, which often relies on theoretical frameworks and doctrinal interpretations. By incorporating empirical methods, researchers can uncover insights that traditional legal analysis may overlook, thereby addressing real-world issues more effectively.

Some empirical studies try to examine the relationships between different variables. However, identifying a correlation between two variables does not indicate the presence of a causal relationship between them. To tackle this issue, Professor Lai introduced the method of difference-in-differences analysis. He described it as a powerful research tool used to evaluate, for example, the impact of policy changes by comparing the outcomes of two groups over time—one that experienced the change and another that did not. By analyzing the differences between these groups before and after the intervention, researchers can infer causal relationships with greater confidence. Professor Lai provided examples from recent studies that employed this method, illustrating its effectiveness in evaluating the impact of legal reforms on economic indicators. Furthermore, Professor Lai has highlighted common errors in the application of the difference-in-differences research method. As such, the audience can not only avoid these problems when employing such a method in their own research but also recognize them when assessing the work of others.

As the seminar progressed, the audience engaged in a lively discussion surrounding the relevance of empirical methods in various legal contexts. Participants shared their experiences and insights, raising questions about the applicability of empirical research in different areas. Professor Lai encouraged attendees to think critically about how empirical methods can enhance their own research and practice, underscoring the transformative potential of data-driven approaches in the legal field.

The Q&A session that followed the presentation was particularly dynamic. Audience members expressed appreciation for Professor Lai's clear explanations and the practical implications of empirical law and economics.

As the seminar drew to a close, Professor Wang thanked Professor Lai for his insightful contributions and the audience for their enthusiastic engagement. He reiterated CCCL's commitment to fostering interdisciplinary dialogue and advancing legal scholarship. The seminar not only deepened participants' knowledge of empirical law and economics but also reinforced the Centre's mission to bridge the gap between theory and practice in the legal field.

Overall, the seminar was a resounding success, fostering a rich discourse on the intersection of empirical research and legal studies. It underscored CCCL's commitment to promoting innovative research methodologies and enhancing the understanding of contemporary legal issues. As the field continues to evolve, events like this will play a crucial role in shaping the future of legal scholarship, empowering researchers and practitioners to navigate the complexities of the legal landscape with greater confidence and insight.



Prof. Martin LAI



Prof. Jiangyu WANG