

# ***2023 Fall NCU FN Mini-workshop***

*December 8, 2023*



**國立中央大學財務金融學系**  
**Department of Finance**  
**National Central University**



2023 Fall NCU FN Mini-workshop

Chair

**Professor S. Ghon Rhee**

University of Hawaii, USA

***Academic Positions (at University of Hawaii)***

2000–Present

Executive Director Asia-Pacific Financial Markets Research Center

Shidler College of Business, University of Hawai'i

2015–Present

K. J. Luke Distinguished Professor of International Banking and Finance

Shidler College of Business, University of Hawai'i

2012–2015

Shidler Distinguished Professor of Finance

Shidler College of Business, University of Hawai'i

1999–2012

K. J. Luke Distinguished Professor of International Banking and Finance

College of Business, University of Hawai'i

***Education***

Ph.D., Finance, Graduate School, The Ohio State University

M.B.A., Graduate School of Business Administration, Rutgers University

B.A., College of Law, Seoul National University

For detailed information, please see the referred link or scan the QR code.

*More Info*



<https://reurl.cc/gQnkxp>

**2023 Fall NCU FN Mini-workshop**  
**Chair: Professor S. Ghon Rhee, University of Hawaii, USA**

Date: Friday December 8, 2023 (Taiwan) & Thursday December 7, 2023 (Texas)

**Agenda**

<b>Time</b>	<b>Session Information</b>
Invited speech 1 10:00-11:40(Taiwan) 20:00-21:40 (Texas) (On-line)	<b>Topic:</b> The Economic Effects of Political Polarization: Evidence from the Real Asset Market <b>Invited Speaker: Prof. Tarun D. Patel, Southern Methodist University, TX</b> Paper link: <a href="https://reurl.cc/7MvRvD">https://reurl.cc/7MvRvD</a> Webex link: <a href="https://reurl.cc/Rygrrz">https://reurl.cc/Rygrrz</a>
11:40-13:30 <b>Lunch Time</b>	
Afternoon Webex link	<a href="https://ncu-edu.webex.com/meet/ncu66250">https://ncu-edu.webex.com/meet/ncu66250</a> *Afternoon speech and sessions will use the same meeting link, and the online meeting room will open 10 minutes in advance
Invited speech 2 13:30-14:30	<b>Topic:</b> <b>Invited Speaker: Prof. I-Hsuan Ethan Chiang, University of North Carolina at Charlotte</b> Paper link: <a href="https://reurl.cc/4W7o6X">https://reurl.cc/4W7o6X</a>
14:30-14:40 <b>Tea &amp; Coffee Time</b>	
Session 1 14:40-15:15	<b>Research Title:</b> Corporate Leverage and Leverage Speed of Adjustment: Does Environmental Policy Stringency Matter? <b>Presenter: Bui Tien Thinh, National Central University, Taiwan</b> <b>Discussant: Prof. I-Hsuan Ethan Chiang, University of North Carolina at Charlotte</b> Paper link: <a href="https://reurl.cc/dmjD9k">https://reurl.cc/dmjD9k</a>
Session 2 15:15-15:50	<b>Research Title:</b> Labor investment efficiency and cybersecurity risk <b>Presenter: Yang Zheng, National Central University, Taiwan</b> <b>Discussant: Prof. Chih-Wei Wang, National Central University, Taiwan</b> Paper link: <a href="https://reurl.cc/Myxy8v">https://reurl.cc/Myxy8v</a>
15:50-16:00 <b>Break Time</b>	
Session 3 16:00-16:35	<b>Research Title:</b> Digitalization and Firms' Debt Maturity: Do Financial Constraints and Uncertainty Matter? <b>Presenter: Yusuf Indra Purnama, National Central University, Taiwan</b> <b>Discussant: Prof. Wei-Hsien Li, National Central University, Taiwan</b> Paper link: <a href="https://reurl.cc/9RY7XV">https://reurl.cc/9RY7XV</a>

**Afternoon sessions:**

Presentation: 20 minutes    Discussion: 10 minutes    Q&A: 5 minutes

Co-Organizers: Wei-Hsien Li (NCU)

<p><b>Invited speech 1</b>  <b>10:00-11:40(Taiwan)</b>  <b>20:00-21:40 (Texas)</b>  <b>(On-line)</b></p>	<b>Invited Speaker 1</b>	
	Prof. Tarun D. Patel, Southern Methodist University, TX	
	Paper Link	<a href="https://reurl.cc/7MvRvD">https://reurl.cc/7MvRvD</a>
	<p><b>The Economic Effects of Political Polarization: Evidence from the Real Asset Market</b></p> <p style="text-align: center;">Abstract</p> <p>The rise of political polarization in the United States affected the landscape of the real asset market for mergers and acquisitions. Mergers between politically divergent firms became less common over time, and those between firms from politically divergent states have virtually disappeared in recent years. We provide estimates from deal-level data to investigate the mechanisms underlying these dramatic trends. We find that the likelihood of merger announcement is considerably lower for politically divergent firms. This effect is concentrated in periods when political polarization is high, when firms plan to integrate their operations, and outside economic recessions. If announced, mergers between divergent firms are less likely to be completed, more likely to be hostile, and generate lower announcement returns and poorer post-merger operating performance. These findings hold in specifications that include industry-by-year and deal fixed effects, and after controlling for geographical distance, product similarity, and existing measures of corporate cultural differences between firms. Collectively, our findings provide some of the first evidence on the real economic effects of the rise in political and affective polarization.</p> <p>JEL Classification: G34, D72</p> <p>Keywords: political polarization, campaign contributions, mergers and acquisitions.</p>	



2023 Fall NCU FN Mini-workshop

Invited Speaker

**Professor Tarun D. Patel**

Southern Methodist University, TX

### ***Positions***

Assistant Professor of Finance, Cox School of Business, Southern Methodist University, Dallas, TX

### ***Education***

2014–2020 Ph.D., Finance, University of Washington, Foster School of Business, Seattle, WA

2010–2014 B.B.A., Finance and Economics, University of Georgia, Terry College of Business Athens, GA

### ***Research Interest***

Empirical Corporate Finance, Financial Advisors, Mergers and Acquisitions, IPOs

### ***Working Papers***

- Do Commissions Cause Investment Adviser Misconduct? (Job Market Paper)
- Shareholder Taxes and Corporate Payout Policy: Evidence from SALT Deductibility (solo-authored)
- Political Alignment, Partisanship, and M&A (with Ran Duchin, Karim Farroukh, and Jarrad Harford)
- Equity Ownership in IPO Issuers by Brokerage Firms and Analyst Recommendations (with Qiang Kang, Xi Li, and Ronald W. Masulis)
- Does a cocktail to-go come with a free lunch? (with Yufeng Mao)

For detailed information, please see the referred link or scan the QR code.

*More Info*



<https://reurl.cc/6QMEEEd>

<b>Invited speech 2</b> <b>13:30-14:30</b>	<b>Invited Speaker 2</b>	
	Prof. I-Hsuan Ethan Chiang, University of North Carolina at Charlotte	
	Paper Link	<a href="https://reurl.cc/4W7o6X">https://reurl.cc/4W7o6X</a>
	<b>What Drives Cryptocurrency Prices?</b>	
Abstract		
<p>The driver of cryptocurrency prices is still unclear in the literature. To investigate the driver of cryptocurrency prices, this paper introduces a new present value model based on the framework of the Campbell-Shiller variance decomposition. By utilizing the model, we decompose the variation of transaction-to-market ratios into return predictability and transaction growth predictability. This paper finds that, at the infinite horizon, both of the two kinds of predictability exist, and that the share of transaction growth predictability is larger than the share of return predictability. The results are corroborated in bootstrap simulations and are robust to a panel VAR analysis, a multivariate VAR analysis, and different frequencies of data. Cross-sectional analyses indicate that return predictability tends to emerge in cryptocurrencies that have large sizes. Additional analyses show that return predictability vanishes in the second half of the sample and tends to emerge when attention on cryptocurrency is low. (JEL: G12, G17)</p>		
<p><b>Keywords:</b> Cryptocurrency, Predictability, Variance Decomposition, Present Value Model</p>		





2023 Fall NCU FN Mini-workshop

**Invited Speaker 2**

**Prof. I-Hsuan Ethan Chiang**

University of North Carolina at Charlotte

***Positions***

Professor, Chair, Department of Finance, University of North Carolina at Charlotte

***Education***

2009 Ph.D., Finance, Boston College

2000 M.B.A., Finance, National Chengchi University

1998 B.A., Economics, National Taiwan University

***Research Interest***

Empirical Asset Pricing, Portfolio Management and Performance Evaluation, Fixed Income Securities, International Finance, FinTech, and Quantitative Methods.

***Publications***

Professor Chiang has published scholarly articles in leading financial economics and asset pricing journals, such as Journal of Finance, Review of Asset Pricing Studies, Journal of Banking & Finance, and Journal of Empirical Finance.

For detailed information, please see the referred link or scan the QR code.

*More Info*



<https://reurl.cc/4W7o6X>

<b>Session 1</b> <b>14:40-15:15</b>	<b>Presenter</b>	
	Bui Tien Thinh, National Central University, Taiwan	
	<b>Discussant</b>	
	Prof. I-Hsuan Ethan Chiang University of North Carolina at Charlotte	
	Paper Link	<a href="https://reurl.cc/dmjD9k">https://reurl.cc/dmjD9k</a>
	Corporate Leverage and Leverage Speed of Adjustment: Does Environmental Policy Stringency Matter?	
	<p>Abstract</p> <p>This study examines the effects of environmental policy stringency on corporate leverage and speed of adjustment across 39 countries and time period spans from 1994 to 2016. Our primary empirical findings illustrate that environmental policy stringency are negatively related to both leverage and leverage adjustment speed. Additionally, such effects are prominent with financial constraints, in countries with significant climate-risk exposure and corruption, or in Asia. Based on our main findings, when policy makers implement environmental policies, corporate decisions regarding leverage and debt financing should be taken into account, as these policies can discourage firms from increasing leverage and slow down speed of adjustment toward optimal leverage.</p> <p><b>Keywords:</b> Leverage; speed of adjustment; environmental policy stringency</p> <p><b>JEL Classifications:</b> G30, H23</p>	



## Session 1

2023 Fall NCU FN Mini-workshop

**Presenter**

**Bui Tien Thinh**

National Central University, Taiwan

### *Education*

2020–present    PhD., Candidate, Finance, National Central University

2015-2016      Master of Science in Applied Economics, University of Strathclyde,  
Glasgow, United Kingdom

### *Research Interests*

Investment decisions; financing decisions

### *Published papers*

- CC Lee, CW Wang, BT Thinh, ZT Xu; Climate risk and bank liquidity creation: International evidence; *International Review of Financial Analysis*.
- CC Lee, CW Wang, BT Thinh; Green development, climate risks, and cash flow: International evidence; *Pacific-Basin Finance Journal*.
- CC Lee, CW Wang, BT Thinh, MYI Purnama; Cash holdings and cash flows: Do oil price uncertainty and geopolitical risk matter?; *Economic Analysis and Policy*.

For detailed information, please see the referred link or scan the QR code.

*More Info*



<https://reurl.cc/QZkEao>

## Session 1



2023 Fall NCU FN Mini-workshop

**Discussant**

**Prof. I-Hsuan Ethan Chiang**

University of North Carolina at Charlotte

### *Positions*

Professor, Chair, Department of Finance, University of North Carolina at Charlotte

### *Education*

- 2009 Ph.D., Finance, Boston College
- 2000 M.B.A., Finance, National Chengchi University
- 1998 B.A., Economics, National Taiwan University

### *Research Interest*

Asset Pricing, Portfolio Management, Portfolio Performance Evaluation, Fixed Income Securities, Financial Econometrics

### *Publications*

Professor Chiang has published several papers in leading academic journals, including Journal of Finance, Journal of Banking & Finance, Journal of Empirical Finance, Journal of Financial Research, etc.

For detailed information, please see the referred link or scan the QR code.

*More Info*



<https://reurl.cc/4W7o6X>

<b>Session 2</b> <b>15:15-15:50</b>	<b>Presenter</b>	
	Yang Zheng, National Central University, Taiwan	
	<b>Discussant</b>	
	Prof. Chih-Wei Wang, National Central University, Taiwan	
	Paper Link	<a href="https://reurl.cc/Myxy8v">https://reurl.cc/Myxy8v</a>
	<p>Research Title: Labor investment efficiency and cybersecurity risk</p> <p style="text-align: center;"><b>Abstract</b></p> <p>This study shows a positive association between labor investment efficiency and cybersecurity risk and explores how cybersecurity risk influences labor investment efficiency for U.S.-listed firms. Using a sample of U.S. firms from 2009 to 2018, we document that higher cybersecurity risk leads to higher labor investment efficiency measured by abnormal net hiring. Further tests suggest that higher cybersecurity risk results in lower labor overinvestment and over-hiring. Overall, our study highlights an unintended consequence of cybersecurity risk in reducing corporate labor investment efficiency. This finding should help managers better understand human capital implications of cyber vulnerabilities.</p>	

## Session 2

2023 Fall NCU FN Mini-workshop

**Presenter**

**Yang Zheng**

National Central University, Taiwan

### *Education*

2021-present Ph.D. Candidate in Finance, National Central University, Taiwan  
2020-2021 M.A. in Finance, Providence University, Taiwan  
2016-2020 B.B.A. in Finance, Providence University, Taiwan

### *Research Interests*

Corporate Finance

### *Working Papers*

1. “Cybersecurity Risk and Dividend Payout Policy” with Henry H. Huang, Hsiao-Wei Ho
2. “Labor investment efficiency and cybersecurity risk”with Henry H. Huang

### *International Conference*

Zheng Yang, Henry H. Huang, 2023, Cyber Risk and Dividend Policy, 2023  
International Conference of Taiwan Finance Association (TFA), Taichung, Taiwan

*More Info*



<https://reurl.cc/Myxy8v>

## Session 2



2023 Fall NCU FN Mini-workshop

**Discussant**

**Prof. Chih-Wei Wang**

National Central University, Taiwan

### *Positions*

Professor, Department of finance, National Central University, Taiwan

### *Education*

2012-2014 PhD in Finance., Universidad Carlos III de Madrid, Spain

2010-2012 MSc. in Business Administration and Quantitative Methods., Universidad Carlos III de Madrid, Spain

### *Research Interest*

Green Finance, Banking, Credit Risk and R&D Innovation, Financial Inclusion and International Finance, Debt Structure

### *Publications*

Professor Wang has published several papers in leading academic journals, including Journal of Banking and Finance, Journal of Corporate Finance, Pacific Basin Finance Journal, International Review of Financial Analysis and Energy Economics, etc.

For detailed information, please see the referred link or scan the QR code.

*More Info*



<https://reurl.cc/Myxy8v>

<b>Session 3</b> <b>16:00-16:35</b>	<b>Presenter</b>	
	Yusuf Indra Purnama, National Central University, Taiwan	
	<b>Discussant</b>	
	Prof. Wei-Hsien Li, National Central University, Taiwan	
	Paper Link	<a href="https://reurl.cc/9RY7XV">https://reurl.cc/9RY7XV</a>
	<p>Digitalization and Firms' Debt Maturity: Do Financial Constraints and Uncertainty Matter?</p> <p style="text-align: center;"><b>Abstract</b></p> <p>Despite the significant growth of information and communication technology adoption in industrial activity, there is still limited evidence discussing the role of industrial digitalization in firms' debt structures. Therefore, the purpose of this study is to examine the effect of digitalization on debt maturity by employing a sample of Chinese manufacturing companies from 2001 to 2019. The results show that firms with a substantial level of industrial information and communication technology (ICT) experience greater advantages of digitalization through the extension of their debt maturity. We consider this finding as the effect of ICT adoption by firms on reducing asymmetric information to their counterparts in the debt market, ceteris paribus. Additionally, we also find that higher financially constrained and uncertainty risks alleviate the positive effect of ICT adoption relative to the less financially constrained and less uncertainty risk.</p> <p>Keywords: Debt Maturity; Digitalization; Financial Constraint; Uncertainty risk</p> <p>JEL Classifications:</p>	



## Session 3

2023 Fall NCU FN Mini-workshop

**Presenter**

**Yusuf Indra Purnama**

National Central University, Taiwan

### *Education*

2020-present Ph.D. Candidate in Finance, National Central University, Taiwan 2010-2012 Master in Finance and Banking, University of Limoges, France

### *Research Interests*

Corporate Finance

### *Working Papers*

1. Digitalization and firms' debt maturity: Do financial constraints and uncertainty matter?
2. Corporate leverage and leverage speed of adjustment: Does environmental policy stringency matter?

### *International Conference*

1. International Conference of Economics, Business and Government Challenges (ICEBGC), Indonesia, 2023
2. The 9th International Conference on The Chinese Economy: Past, Present and Future, Beijing China, 2022

For detailed information, please see the referred link or scan the QR code.

*More Info*



<https://reurl.cc/9RY7XV>

## Session 3



2023 Fall NCU FN Mini-workshop

**Discussant**

**Prof. Wei-Hsien Li**

National Central University, Taiwan

### *Positions*

Professor, Department of finance, National Central University, Taiwan

### *Education*

2006-2012 Ph.D. in Finance, Pamplin College of Business, Virginia Tech, U.S.A.

2003-2006 M.S. in Finance, M.S. in Mathematics with concentration in Finance, Louisiana State University, U.S.A.

1997-2001 B.B.A. in Finance, National Taiwan University, Taipei, Taiwan

### *Research Interest*

Mergers and Acquisitions, Payout Policy, ESG, Cultural Finance

### *Publications*

Professor Li has published several papers in leading academic journals, including European Financial Management, Journal of Business, Finance and Accounting, Review of Quantitative Finance and Accounting, Finance Research Letters, etc.

For detailed information, please see the referred link or scan the QR code.

*More Info*



<https://reurl.cc/9RY7XV>