2025 Conference on Accounting and Finance Research and Education in the Era of Rapid Technological Advances

September 3rd – 4th, 2025

Xi'an Jiaotong-Liverpool University (XJTLU)

Venue:
BS542/BS548/BS550/BS560
International Business School Suzhou (IBSS), South campus
Xi'an Jiaotong-Liverpool University (XJTLU)
Suzhou, China

Organising Committee
Stephen Gong, Professor, IBSS, XJTLU
Chris Florakis, Professor, University of Liverpool
Peng Cheng, Senior Associate Professor, IBSS, XJTLU
Haiyan Zhou, Professor, University of Texas Rio Grande Valley

Conference Supplier
McGraw-Hill

Conference Programme Agenda

The programme consists of six sessions, three on 3rd (Wednesday) and three on 4th (Thursday) of September. Since all sessions are equally important, attendance by participants in all sessions is strongly encouraged. We would very much appreciate your cooperation. Each paper is allocated within 45 minutes. The presentation is expected not to exceed 30 minutes and the rest 15 minutes is for discussion.

Pre-Conference Day 2 September 2025, Tuesday

17:00-18:00	**Registration & Tea Break** **(IBSS Building, outside BS542)**

Day One: 3 September 2025, Wednesday

08:30-11:00	**Opening Session** **Venue: BS542** **Chairperson: Stephen Gong, Xi'an Jiaotong-Liverpool University**
08:30-09:00	**Registration** **(Outside BS542)**
09:00-09:15	**Opening Remarks** Prof. Zhoulin Ruan, Vice President, Xi'an Jiaotong-Liverpool University (XJTLU)
09:15-10:15	**Keynote Speech I** **Professor Lin William Cong**, Cornell University; Director of the FinTech Initiative at Cornell; Finance Editor, *Management Science.* (Online) **Speech Title:** AI for Economics: Causal Human+ Machine Learning
10:15-10:30	Group Photo
10:30-11:00	Tea Break (Outside BS550)

iBSS International Business School Suzhou at XJTLU 西浦国际商学院

SESSION I (11:00-12:30)	11:00-11:45	11:45-12:30
1A: Human Capital and Technology **Venue: BS548** **Chairperson: Xian Gu, Durham University**	**Paper 1:** How Employees' Perceptions of Gender Equality Affect Firm Innovation: Evidence from Online Textual Reviews **Presenter:** Fujing Xue (online), Sun Yat-sen University **Discussant:** Chunbo Liu, Shanghai International Studies University	**Paper 2:** Global Minds, Local Gains: A Tale of US-China AI Talent Migration **Presenter:** Xian Gu, Durham University **Discussant:** Sichen Shen, Wuhan University
1B: Risk and Return 1 **Venue: BS550** **Chairperson: Tony He, Xi'an Jiaotong-Liverpool University**	**Paper 1:** A discrete Dynamic Decision Model of Bank Lending in Continuous Time **Presenter:** Ming Pu, Southwestern University of Finance and Economics **Discussant:** Tony He, Xi'an Jiaotong-Liverpool University	**Paper 2:** Corporate Greenwashing: How It Shapes Systemic Risk **Presenter:** Xinhui Yang, Jining University **Discussant:** Zihua Liu, Xi'an Jiaotong-Liverpool University
1C: Forensic Finance and Corporate Misconduct **Venue: BS560** **Chairperson: Karen Lai, Shenzhen University**	**Paper 1:** Code-Washing: Evidence from Open-Source Blockchain Startups **Presenter:** Che Zhang (online), Tsinghua University **Discussant:** Shimeng Shi, Xi'an Jiaotong-Liverpool University	**Paper 2:** The Spillover Effect of Peer Litigation Risk on Corporate Misconduct **Presenter:** Karen Lai, Shenzhen University **Discussant:** Ziyu Kong, The Chinese University of Hong Kong, Shenzhen
12:30-13:50	Lunch	Lunch

SESSION II (14:00-15:45)	14:00-14:45	14:45-15:45
2A: Machine Learning **Venue: BS548** **Chairperson: Jia Zhai, Xi'an Jiaotong-Liverpool University**	**Paper 1:** Can Machines Learn from Trading Data? **Presenter:** Tongyang Kong (online), City University of Hong Kong **Discussant:** Jia Zhai, Xi'an Jiaotong-Liverpool University	**Paper 2:** The Relationship Between Board Faultlines and Performance: The Moderating Effect of National Culture **Presenter:** Lin Luo (online), University of Liverpool **Discussant:** Fangfang Hou (online), Xiamen University
2B: ESG and Sustainability **Venue: BS550** **Chairperson: Ao Shu, Hunan University**	**Paper 1:** Rating the Unrated: How Institutional Investors Game ESG Metrics in China **Presenter:** Ao Shu, Hunan University **Discussant:** Shuai Fang, Soochow University	**Paper 2:** Firm-Level Climate Transition Risk and Labor Investment Efficiency **Presenter:** Shuai Fang, Soochow University **Discussant:** Wenquan Li, Xi'an Jiaotong-Liverpool University

2C: Corporate Disclosure 1 **Venue: BS560** **Chairperson: Wentao Ma, Xi'an Jiaotong-Liverpool University**	**Paper 1:** Does Corporate Culture Influence Selective Disclosure? Evidence from Carbon Greenwashing **Presenter:** Ziyu Kong, The Chinese University of Hong Kong, Shenzhen **Discussant:** Wentao Ma, Xi'an Jiaotong-Liverpool University	**Paper 2:** Public Scrutiny and Earnings Management **Presenter:** Wentao Ma, Xi'an Jiaotong-Liverpool University **Discussant:** Karen Lai, Shenzhen University
14:45-16:15	Tea Breaks	

SESSION III (16:15-17:45)	16:15-17:00	17:00-17:45
JIAAT Workshop Session A: ESG **Venue: BS548** **Chairperson: Mohamed Omran, Xi'an Jiaotong-Liverpool University**	**Paper 1:** Sustainable Regulation, Stronger Currencies: Evidence from Capital Flow Dynamics **Presenter:** Sining Liu, Soochow University **Discussant:** Zhiyong Li (online), Southwestern University of Finance and Economics	**Paper 2:** Board Attributes and Banks' ESG Performance in G-20 Countries **Presenter:** Mohamed Omran, Xi'an Jiaotong-Liverpool University **Discussant:** Ao Shu, Hunan University
JIAAT Workshop Session B: Corporate Disclosure 2 **Venue: BS550** **Chairperson: Shan Wu, Xi'an Jiaotong-Liverpool University**	**Paper 1:** Transportation infrastructure development and accounting information quality: Evidence from China **Presenter:** Weijie Luo, Beijing International Studies University **Discussant:** Shan Wu, Xi'an Jiaotong-Liverpool University	**Paper 2:** Strategic Cryptocurrency Disclosures and Insider Trading **Presenter:** Lanying Gao, The Chinese University of Hong Kong, Shenzhen **Discussant:** Sining Liu, Soochow University
JIAAT Workshop Session C: ESG and AI **Venue: BS560** **Chairperson: Chunbo Liu, Shanghai International Studies University**	**Paper 1:** Are firms socially responsibile like what they say: evidence from China **Presenter:** Xin Feng, School of Economics and Finance, Changzhou Institute of Technology **Discussant:** Li Yu, Nankai University	**Paper 2:** Artificial Intelligence Investments and Bank Loan Contracting **Presenter:** Chunbo Liu, Shanghai International Studies University **Discussant:** Xiaomeng Shi, Xi'an Jiaotong-Liverpool University

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Day Two: 4 September, Thursday

09:00-10:00	**Keynote Speech II** **Venue: BS542** **Prof. Nancy Lixin Su**, Hong Kong Polytechnic University; Co-Editor, *Journal of Contemporary Accounting & Economics*. (Online) **Speech Title:** Embracing Digital Technologies in Accounting Research: A Review	
10:00-11:00	Tea Break & Trading Floor Tour	
SESSION IV (11:00-12:30)	11:00-11:45	11:45-12:30
3A Advances in Information and Data 1 **Venue: BS548** **Chairperson: Zihua Liu, Xi'an Jiaotong-Liverpool University**	**Paper 1:** AI Exposure without Labor Data: Measuring AI's Impact through Firms **Presenter:** Jiacheng Liu (online), Purdue University **Discussant:** Che Zhang (online), Tsinghua University	**Paper 2**: Credit information sharing among lenders and the debt contracting value of borrowers' accounting information **Presenter:** Fangfang Hou (online), Xiamen University **Discussant:** Chia-Feng Yu (online), Xi'an Jiaotong-Liverpool University
3B Corporate Disclosure 3 **Venue: BS550** **Chairperson: Morris Liu, University of Macau**	**Paper 1:** Social Trust, Big-4 Auditors, and Tax Evasion: Evidence from Contemporary China **Presenter:** Morris Liu, University of Macau **Discussant:** Ferdinand Gul (online), University of the Sunshine Coast	**Paper 2:** Stock Price Crash Risk, Accounting Opacity, and CEO/CFO Turnover **Presenter:** Karen Lai, Shenzhen university **Discussant:** Zhaoran Gong, Xi'an Jiaotong-Liverpool University
3C Policy Impact and Corporate Governance 1 **Venue: BS560** **Chairperson: Han Ma, Shanghai University of Finance and Economics**	**Paper 1:** Credit Rating Agencies' Expectation Management and Dynamic Adjustments: Evidence from China's Judicial Independence Reform **Presenter:** Pian Li, Business School, Hunan University **Discussant:** Yihan Li, Xi'an Jiaotong-Liverpool University	**Paper 2:** Unemployment Insurance, Corporate Innovation and Knowledge Spillover: Evidence from China **Presenter:** Han Ma, Shanghai University of Finance and Economics **Discussant:** Weijie Luo, Beijing International Studies University
3D Policy Impact and Corporate Governance 2 **Venue: BS542** **Chairperson: Yuxiang Zhong, Huazhong University of Science and Technology**	**Paper 1:** Does Trade Secrets Protection Spur Human Capital Investment? Evidence From the Inevitable Disclosure Doctrine **Presenter:** Zhangfan Cao, University of Nottingham Ningbo China **Discussant:** Yuxiang Zhong, Huazhong University of Science and Technology	**Paper 2:** Debt Enforcement and Cash Dividend Policy: Chinese Evidence from the Establishment of Bankruptcy Courts **Presenter:** Yuxiang Zhong, Huazhong University of Science and Technology **Discussant:** Ran Guo, Shanghai Jiaotong University
12:30-13:50	**Lunch**	**Lunch**

SESSION V (14:00-15:00)	**Meet The Editors session (BS542)** **Chairperson: Stephen Gong, Xi'an Jiaotong-Liverpool University**	
14:00-15:00	Shantanu Banerjee (University of Liverpool) Editor, *Journal of Business Finance & Accounting* Steven Dellaportas (Xi'an Jiaotong-Liverpool University) Section Editor, *Journal of Business Ethics* Nancy Su (The Hong Kong Polytechnic University), Chief Editor*, Journal of Contemporary Accounting & Economics* Qiang Wu (The Hong Kong Polytechnic University), Editor-in-Chief, *China Accounting and Finance Review* Wenfeng Wu (Shanghai Jiao Tong University), Executive Editor, *China Finance Review International* Stephen Gong (Xi'an Jiaotong-Liverpool University), Co-Editor, *Journal of International Accounting, Auditing and Taxation*	
15:00-15:30	**Tea Break**	
SESSION VI (15:30-17:00)	15:30-16:15	16:15-17:00
4A: Policy Impact and Corporate Governance 3 **Venue: BS548** **Chairperson: Zuben Jin, Xi'an Jiaotong-Liverpool University**	**Paper 1:** The Side Spillover Effect of One-Lot Shares Governance **Presenter:** Kai Wu (online), Central University of Finance and Economics **Discussant:** Zuben Jin, Xi'an Jiaotong-Liverpool University	**Paper 2:** Assessing the Role of Crypto Analysts on Market Outcomes: Insights from Analyst Reports **Presenter:** Shijie Yang (online), Southern University of Science and Technology **Discussant:** Kai Wu (online), Central University of Finance and Economics
4B: Risk and Return 2 **Venue: BS550** **Chairperson: Dong Yan, Shanghai Jiaotong University**	**Paper 1:** The Economics of Financial and Operational Hedging: Insights from U.S. Power Plants **Presenter:** Dong Yan, Shanghai Jiaotong University **Discussant:** Ming Pu, Southwestern University of Finance and Economics	**Paper 2:** Ranking Factors with News **Presenter:** Halis Sak, Shenzhen University **Discussant:** Michael Chng, Xi'an Jiaotong-Liverpool University
4C: Advances in Information and Data 2 **Venue: BS560** **Chairperson: Ning Zhang, Xi'an Jiaotong-Liverpool University**	**Paper 1:** Pathways to Tenure: How Collaboration Patterns, Research Focus, and Career Background Shape Academic Promotion **Presenter:** Sichen Shen, Wuhan University **Discussant:** Han Ma, Shanghai University of Finance and Economics	**Paper 2:** Telescoping Loans from Space: A Remote Sensing Analysis **Presenter:** Zhiyong Li (online), Southwestern University of Finance and Economics **Discussant:** Xian Gu, Durham University Business School
4D: Household Entrepreneurship **Venue: BS542** **Chairperson: Yihan Li, Xi'an Jiaotong-Liverpool University**	**Paper 1:** Does commercial health insurance foster household entrepreneurship? Evidence from the China Household Financial Survey **Presenter:** Fang Guo, Guangdong University of Finance **Discussant:** Zhehao Zhang, Xi'an Jiaotong-Liverpool University	
17:00-17:15	**Concluding Remarks** **Venue: BS542** Prof. Hefei Wang, Deputy Dean of IBSS, Xi’an Jiaotong-Liverpool University (XJTLU)	
18:30-20:30	**Gala Dinner and Best Paper Award**	

Abstract

- **1A: Human Capital and Technology**

Paper 1: How Employees' Perceptions of Gender Equality Affect Firm Innovation: Evidence from Online Textual Reviews
Author: Xiaoyu Li, Xi'an Jiaotong University; Fujing Xue, Sun Yat-sen University; Ting Zhang, Nanjing University of Information Science and Technology; and Nan Hu, Singapore Management University
Abstract: This study empirically investigates the influence of employees' subjective perceptions of gender equality in the workplace on firm innovation. By utilizing a dataset comprising 716,541 online reviews from the global job platform Glassdoor, we construct a novel perceived gender equality index through textual analysis and the Word2Vec machine learning algorithm. Initial findings reveal a strong positive relationship between employees' perceptions of gender equality and firm innovation. Through mediation analyses, we investigate the psychological mechanisms driving this influence, identifying employee satisfaction and mental health as key mediators. Moreover, this positive relationship is especially prominent in firms characterized by high levels of organizational complexity and market competition. Our research enriches the existing literature by offering a novel measurement approach and illuminating the gender equality–innovation nexus, with significant implications for firms' strategic endeavors towards genuine gender equality.

Paper 2: Global Minds, Local Gains: A Tale of US-China AI Talent Migration
Author: Hanming Fang, University of Pennsylvania & NBER; Xian Gu, Durham University; Hanyin Yan, Tsinghua University; Wu Zhu, Tsinghua University
Abstract: We fine-tune a suite of Large Language Models (LLMs) to identify AI patents with remarkable high precision and recall and examine the AI inventor migration between the US and China from 2010 to 2023. Our analysis suggests a significant increase in US-to-China migration, particularly towards Chinese research institutions and technology firms. These migrants increase patent output and exploratory innovation, with the largest gains observed among those joining research institutions, having greater experience, and maintaining consistent research focus. In contrast, China-to-US migrants show declines in patent quantity but gains in originality. Our findings highlight China's growing ability to attract top AI talent and suggest that US policy shifts may have accelerated the reallocation of innovation capacity.

- **1B: Risk and Return 1**

Paper 1: A discrete Dynamic Decision Model of Bank Lending in Continuous Time
Author: Ming Pu, Southwestern University of Finance and Economics; Jiaqiang Yang, Southwestern University of Finance and Economics; Li Yu, Nankai University

Abstract: This paper proposes a recursive method for analyzing the bank credit crunch problem by solving an integral equation. We assume that an enterprise's asset follows geometric Brownian motion and that banks make credit crunch decisions only at discrete time intervals, consistent with real-world banking practices. Based on the dynamic programming principle, we demonstrate that the lender's value function satisfies an integral equation. We first use the contraction mapping theorem to prove the existence and uniqueness of the solution to this equation. By discretizing the integral, we develop a recursive method to solve it. Our results indicate that banks are more likely to support credit expansion to firms with higher growth rates or lower volatilities. In addition, we empirically examine the effects of the corporate growth rate and volatility on banks' credit crunch decisions. Our findings generally show that higher growth is significantly associated with credit expansion, while higher earnings volatility is strongly correlated with credit crunch. Collectively, our results suggest that corporate growth rate and volatility play significant roles in lenders' decisions, thus offering new insights into banks' credit crunch decisions.

Paper 2: Corporate Greenwashing: How It Shapes Systemic Risk

Author: Xinhui Yang, Jining University; Jie Zhang, Xi'an Jiaotong-Liverpool University; Qing Ye, Xi'an Jiaotong-Liverpool University

Abstract: Growing societal emphasis on corporate ESG performance has led many firms to adopt greenwashing—a low-cost strategy to bolster environmental reputations without substantive action. Although prior research has examined the drivers of greenwashing, its economic consequences remain unclear, particularly whether it offers firms any financial benefits. Using data from Chinese listed firms (2015–2023), we identify a U-shaped relationship between greenwashing and firm systematic risk: moderate levels initially reduce risk, but excessive greenwashing heightens it. A similar non-linear pattern holds for greenwashing and firm value. Further analysis reveals that market share and media attention weaken this U-shaped effect. These findings extend legitimacy theory and information asymmetry theory to ESG-related hypocrisy. The results remain robust after addressing endogeneity concerns. Our study establishes the necessity of distinguishing between detected and undetected greenwashing in future research. It also provides both theoretical and practical implications for curbing greenwashing and promoting ESG performance.

- **1C: Forensic Finance and Corporate Misconduct.**

Paper 1: Code-Washing: Evidence from Open-Source Blockchain Startups

Author: Ofir Gefen, National University of Singapore; Daniel Rabetti, National University of Singapore; Yannan Sun, The University of Hong Kong; Che Zhang, Tsinghua University

Abstract: This study examines startups' management of source code repositories, distinguishing authentic developers ("code-producers") from those inflating activity to mislead investors ("code-washers"). Using global blockchain startup and GitHub data, we find that code-producers and code-washers achieve greater fundraising success during hot markets than startups without repositories, indicating that investors struggle to evaluate open-source innovation accurately. However, while code-washers experience poorer outcomes post-fundraising, a portfolio of code-producers generates substantial

long-term returns. Our study introduces the novel phenomenon of “code-washing,” offering insights into how early ventures navigate (or exploit) information asymmetries during the fundraising phase.

Paper 2: The Spillover Effect of Peer Litigation Risk on Corporate Misconduct
Author: Yolanda Yulong Wang, Shenzhen University; Ziling Liu, Shenzhen University; Karen M.Y. Lai, Shenzhen University
Abstract: This study examines how industry peer firms’ litigation risk influences a focal firm’s propensity to engage in misconduct. Using data on China's A-share listed firms from 2007 to 2022, we find that peer firms’ litigation intensity is negatively associated with corporate misconduct, suggesting a disciplinary spillover effect. The effect strengthens after the staggered implementation of the judicial reform that streamlined the civil litigation process, which we exploit as a plausibly exogenous shock to the transmission of peer litigation risk. Further analyses suggest that institutional enforcement and social capital are key channels through which peer litigation risk constrains firm behavior. Moreover, the negative relationship is attenuated for firms that are more frequently visited by financial analysts, located in regions with greater law firm presence, or covered by directors and officers (D&O) insurance. These findings underscore the spillover effects of litigation risk and its role in shaping peer firms' behavior.

- **2A: Machine Learning**

Paper 1: Can Machines Learn from Trading Data?
Author: Tongyang Kong, City University of Hong Kong; Chishen Wei, Hong Kong Polytechnic University; Lei Zhang, City University of Hong Kong
Abstract: Can machine learning (ML) extract profitable trading signals from publicly available trading data? Machine learning (ML) has advanced our understanding of asset return dynamics and price factors. Researchers apply new ML techniques to extract latent factors, address issues related to the curse of dimensionality, and mitigate concerns of data snooping (Gu, Kelly, and Xiu, 2020; Cong, Tang, Wang, and Zhang, 2021; Leippold, Wang, and Zhou, 2022; Chen, Pelger, and Zhu, 2024). For investment applications, ML methods can optimally select from thousands of mutual fund and hedge fund offerings (Giglio, Liao, and Xiu, 2020; DeMiguel, Gil-Bazo, Nogales, and Santos, 2023). However, finance differs from other domains where machine learning has excelled because finance has relatively small data, low signal-to-noise ratios, and evolving market competition (Israel et al., 2020). Gu et al. (2020) posit that “Machine learning methods on their own do not identify deep fundamental associations among asset prices and conditioning variables.”

Paper 2: The Relationship Between Board Faultlines and Performance: The Moderating Effect of National Culture
Author: Lin Luo, University of Liverpool; Jannine Poletti-Hughes, University of Liverpool; Steven Xianglong Chen, University of Liverpool
Abstract: Board diversity initiatives risk fracturing governance effectiveness when demographic attributes (e.g., age, gender) align with human capital profiles (e.g., tenure, financial expertise and independent status), creating latent faultlines. Integrating faultline theory (Lau and Murnighan 1998) with Hofstede’s cultural framework, we analyse 34,097 firm-year observations (5,107 firms across 51 countries) using high-dimensional fixed effects (HDFE) and two-step system GMM estimators. Results demonstrate robust negative associations between board faultlines and accounting performance (ROA,

ROE) across econometric specifications. For market valuations, we observe a temporal asymmetry: Tobin's Q and MTB exhibit short-term positive associations under static models (HDFE) but insignificant effects in dynamic frameworks, suggesting investors initially reward visible diversity while underestimating its latent governance costs culturally, authoritarian collectivism (high power distance (PDI), low individualism (IDV), and low indulgence (IVR)) mitigates faultline penalties through centralised authority, whereas individualistic contexts amplify inefficiencies. We advance governance theory by (1) demonstrating how cultural architectures reconfigure faultline impacts and (2) exposing methodological tensions in assessing market perceptions of board cohesion. Practitioners must balance diversity mandates with director profile alignment, prioritising tenure/functional overlaps in individualistic regimes while leveraging hierarchical controls in authoritarian-collectivist settings.

- **2B: ESG and Sustainability**

Paper 1: Rating the Unrated: How Institutional Investors Game ESG Metrics in China

Author: Ao Shu, Hunan University; Kuo Wang, Hunan University; Yue Zhou, Hunan University

Abstract: As ESG-driven capital inflates asset prices and compresses expected returns, ESG-oriented institutional investors face the dual challenge of reconciling strong ESG performance with satisfactory risk-adjusted returns. To enhance financial returns and market appeal, ESG-oriented institutions may resort to unethical strategies designed to mitigate the costs associated with genuine ESG investments. However, such strategies fail to meet the ethical expectations of ultimate investors, potentially eroding investor trust and raising serious concerns regarding the true sustainability preferences of green institutional investors. Using a dataset comprising 12,481 firm-year observations from Chinese listed companies between 2017 and 2021, this study investigates the tangible impact of ESG-oriented institutional investors on corporate ESG performance. Our findings reveal that higher ownership by ESG-oriented institutions significantly enhances corporate ESG scores. However, further analysis indicates that these improvements are predominantly driven by low-cost, symbolic ESG activities rather than substantive operational changes. This selective investment strategy allows firms and ESG-oriented institutions to improve their risk-adjusted returns by avoiding the substantial expenses associated with fully implementing genuine ESG practices. Compared to traditional greenwashing, these selective ESG investment tactics provide a more discreet but similarly ethically problematic alternative. The resulting opacity regarding actual ESG impacts further exemplifies the principal-agent dilemma inherent in ESG investing. These findings highlight critical ethical issues associated with ESG strategies employed by institutional investors, contributing important insights to the broader discourse on sustainable investment practices.

Paper 2: Firm-Level Climate Transition Risk and Labor Investment Efficiency

Author: Shuai Fang, Soochow University; Zihao Su, Soochow University; Rui Xue, La Trobe University; Wei Zhao, Beijing Foreign Studies University

Abstract: This paper examines the effect of firm-level climate transition risk on labor investment efficiency. Using a sample of Chinese listed firms from 2017 to 2022, we find that transition risk leads to inefficient labor investment, for both over- and under-investment. Additionally, we find that the effect varies with CEO tenure, duality, state ownership, accounting quality, institutional ownership, and analyst coverage. Our findings can be explained by the

agency cost channels where overinvestment (underinvestment) in labor is attributed to managerial empire-building (preference for a quiet life). This paper adds to the literature on the management effects of firm-level climate risk.

- **2C: Corporate Disclosure 1**

Paper 1: Does Corporate Culture Influence Selective Disclosure? Evidence from Carbon Greenwashing

Author: Khadija S. Almaghrabi, King Abdulaziz University; Walid Ben-Amar, University of Ottawa; Ziyu Kong, The Chinese University of Hong Kong, Shenzhen

Abstract: Firms are increasingly engaging in greenwashing by selectively disclosing environmental information to create a positive market perception of their environmental performance. By employing a domain-specific language model (FinBERT) to capture carbon greenwashing in 10-K filings, this study provides the first firm-level evidence on the role of corporate culture in mitigating carbon greenwashing. We find that the cultural value of integrity is the primary driver behind this effect. Our results remain robust when employing a staggered difference-in-differences (DiD) analysis to address the endogeneity issue, as well as across multiple sensitivity tests. Our channel analysis reveals that corporate culture deters carbon greenwashing primarily by reducing information asymmetry and alleviating financial constraints. Further analysis indicates that the effect of corporate culture on carbon greenwashing is more pronounced among firms operating in industries with higher exposure to climate change and those with stronger corporate governance. Our study offers valuable insights into the role of corporate culture in combating greenwashing in the absence of mandatory disclosure requirements and enforcement.

Paper 2: Public Scrutiny and Earnings Management

Author: Ka Wai (Stanley) Choi, Queensland University of Technology; Wanyun Li, Xiamen University; Wentao Ma, Xi'an Jiaotong-Liverpool University; Silu Wang, University of Queensland

Abstract: Samuels, Taylor, and Verrecchia (2020, Journal of Accounting and Economics) find that the effect of public scrutiny on corporate misreporting is not linear but displays an inverted U-shaped relation due to two countervailing forces: monitoring and valuation. This study extends Samuels et al. (2020) to examine how public scrutiny influences a much more pervasive reporting practice among firms, namely earnings management. Using a sample of 65,875 U.S. firm-year observations, quadratic regressions, supplemented by piecewise estimations and the Lind-and-Mehlum U-tests, reveal a pronounced U-shaped relationship, which contrasts with the inverted U pattern observed in misreporting. That is, public scrutiny helps curb accrual-based earnings management up to the third quantile of public scrutiny, beyond which further scrutiny amplifies manipulation. Results are robust to entropy balancing, Oster tests, alternative scrutiny measures based on EDGAR downloads, and three abnormal-accrual models. We further employ a difference-in-differences design, exploiting the 2003 SEC EDGAR dissemination mandate, and find that scrutiny reduces earnings management among firms subject to very low scrutiny ex ante, yet increases it for those already exposed to very high scrutiny, reinforcing causal inferences. In addition, we find real-activity based earnings management largely mirrors the U-shaped relation. Collectively, the evidence demonstrates that public scrutiny is a

double-edged sword. While moderate monitoring can enhance reporting quality, excessive attention and the valuation effect it entails may pressure managers to exploit permissible accounting flexibility, thereby eroding earnings quality. Reconciling our findings with those of Samuels et al. (2020), misreporting is not simply an extreme form of earnings management, in the case of public scrutiny, they could be substitutes. These findings contribute to the theory of external governance, reconcile prior mixed results, and inform regulators and investors seeking an optimal balance between transparency and unintended distortions in financial reporting.

- **JIAAT Workshop Session A: ESG**

Paper 1: Sustainable Regulation, Stronger Currencies: Evidence from Capital Flow Dynamics
Author: Sining Liu, Soochow University; Wendi Huang, Manchester University
Abstract: Using a staggered Difference-in-Difference approach across 48 countries, we find that currencies of nations with more stringent Environment, Social, and Governance (ESG) regulations yield higher returns. The increase in currency return stems from growth in net capital flow, which is primarily driven by a significant reduction in capital outflow, especially in portfolio investments. While changes in the ESG regulatory environment introduce uncertainty to the economy, investors value the alleviation of information opacity and, more significantly, the mitigation of ESG-related risks. Our findings highlight the potential of ESG regulation as an effective policy tool to enhance financial stability and attract capital by reducing perceived risk and information asymmetry in international currency markets.

Paper 2: Board Attributes and Banks' ESG Performance in G-20 Countries
Author: Mohamed Omran, Xi'an Jiaotong-Liverpool University; Dineshwar Ramdhony, University of Mauritius; Xinyu Zhao, Soochow University
Abstract: This study examines the complex relationship between the attributes of bank boards and their performance in Environmental, Social, and Governance (ESG) criteria. To conduct this comprehensive analysis, we compiled a robust dataset that encompasses scores reflecting ESG performance across various metrics, as well as essential characteristics of the boards, specific variables related to each bank, and contextual factors pertinent to different countries. The data was sourced from reputable platforms, including the Thomson Reuters EIKON database, detailed reports from SolAbility, and information provided by the International Monetary Fund. Our examination spans an extensive timeframe from 2014 to 2023, focusing on a substantial sample of 2,455 firm-year observations drawn from the banking sectors of 19 G-20 nations. To effectively address endogeneity concerns, which encompass issues such as reverse causality and the potential omission of critical variables, we employed the two-stage least squares method. The results of our analysis indicate that several board characteristics have a significant influence on banks' ESG performance. Specifically, factors such as board independence, the presence of gender diversity, and the establishment of corporate social responsibility committees emerge as crucial contributors to enhancing ESG outcomes. Conversely, we observe that the size of the board itself appears to have little to no measurable impact on ESG performance. This research provides valuable insights that may have been previously overlooked, shedding new light on how board attributes play a pivotal role in shaping the ESG performance of banks operating within G-20 countries.

- **JIAAT Workshop Session B: Corporate Disclosure 2**

Paper 1: Strategic Cryptocurrency Disclosures and Insider Trading

Author: Lanying Gao, The Chinese University of Hong Kong, Shenzhen; Yi Huang, University of Bristol

Abstract: Despite widespread investor overreaction and regulatory concerns regarding strategic cryptocurrency disclosures, the underlying managerial incentives behind such disclosures remain unclear. This study investigates whether managers opportunistically disclose cryptocurrency-related information in 10-K filings to achieve personal financial gains. Using generative AI models, we identify and analyze cryptocurrency disclosures from 10-K filings by firms without any engagement in crypto-related business between 2013 and 2023. Our analysis reveals that insiders strategically time their share purchases ahead of these disclosures, achieving significantly higher returns and larger trade volumes. These trades are more likely to be opportunistic, characterized by substantially greater profitability and increased trade size compared to routine transactions. Although post-disclosure insider trading volume remains unchanged, trades continue to yield higher profitability. Furthermore, repeated speculative cryptocurrency disclosures can enhance investor perceptions, potentially misleading investors to interpret sustained disclosures as credible indicators of genuine managerial commitment. These effects are especially pronounced when disclosures appear in Item 1 of the 10-K or during periods of elevated cryptocurrency market sentiment. Our findings provide novel insights into the opportunistic motivations driving strategic cryptocurrency disclosures by firms lacking substantive crypto-related activities.

Paper 2: Transportation infrastructure development and accounting information quality: Evidence from China

Author: Weijie Luo, Beijing International Studies University

Abstract: This study relies on the launch of high-speed railway services in China to examine the role of transportation infrastructure development in shaping firm accounting information quality. Utilizing a listed firm-level panel dataset over 2007–2019 in a difference-in-differences framework, we discovered that the timeliness, reliability, and earnings management of listed firm accounting information improved after the launch of a high-speed rail route to the city where the firm is located. This relationship holds under extensive sensitivity analysis, including when the city trend or industry trend effects are excluded, when the endogeneity of firm location is considered, or when the method of propensity score matching is utilized in the difference-in-differences estimation. Our results revealed the heterogeneous effects of high-speed railways on firm accounting information quality attributed to firm characteristics, such as firm size, ownership, and financial condition, and city characteristics, such as the level of marketization, Internet penetration rate, top accounting firm location, and economic development. Moreover, this study indicates that the connection to high-speed railway networks generates a realignment of the auditor–client relationship and attracts the attention of investigation reports and analysts, leading to an improvement in firm accounting information quality. This study elucidates the benefits of transportation infrastructure development for the improvement of market order in developing countries through the transmission of information.

- **JIAAT Workshop Session C: ESG and AI**

Paper 1: Are firms socially responsibile like what they say: evidence from China
Author: Xin Feng, Changzhou Institute of Technology; Xudong Ji, Xi'an Jiaotong-Liverpool University; Juan Tao, Xi'an Jiaotong-Liverpool University
Abstract: This study examines the relationship between substantive Corporate Social Responsibility (CSR) (CSR spending) and symbolic CSR (CSR disclosure) to provide insights regarding whether firms use CSR disclosure for signalling or greenwashing. The sample includes 3,890 firms listed in the Shanghai Stock Exchange (SSE) and Shenzhen Stock Exchange (SZSE) from 2010 to 2020. The results indicate a positive association between CSR spending and CSR disclosure, and that adopting Global Reporting Initiative (GRI) standards and third-party assurance for CSR reports enhances this relationship. Further analysis reveals that the positive association between CSR spending and CSR disclosure is mainly driven by CSR spending committed to primary and definitive stakeholder groups such as shareholders, government agencies and staff members. It is not driven by creditors and general public stakeholders such as social and environmental advocators.

Paper 2: Artificial Intelligence Investments and Bank Loan Contracting
Author: Chunbo Liu, Shanghai International Studies University; Xi Xiong, University of Sussex; Yongxin Xu, Monash University
Abstract: Measuring firm-level artificial intelligence (AI) investments based on employee resumes, we find robust evidence that firms’ investments in AI are associated with significantly higher interest rates of bank loans. To mitigate omitted variable concerns, we use the initiation of the ImageNet contest as a quasi-natural experiment. The impact of AI investments is stronger when banks lack expertise in lending to AI firms and for firms with more information uncertainty, suggesting that information frictions contribute to the higher cost of debt. Firms’ investments in AI are also accompanied by a more prevalent use of contingencies in debt contracts (i.e., more covenants and performance pricing provisions). Lastly, AI investments are associated with a contraction in debt issuing activities. Overall, our study highlights the credit market frictions in promoting transformative technologies.

- **3A Advances in Information and Data 1**

Paper 1: AI Exposure without Labor Data: Measuring AI's Impact through Firms
Author: Jiacheng Liu, Purdue University
Abstract: I present a new framework for investigating AI’s impact by analyzing managerial discussions with LLMs. This forward-looking approach captures firm-specific exposure to AI while relatively invariant to the development of AI. To validate the framework, I show that identified AI-exposed firms subsequently increase their investments in AI-related labor, suggesting that textual information accurately reflects real resource allocation on average. The framework accommodates a range of topics and can estimate many otherwise hard-to-quantify variables of societal importance. I focus on two foundational agendas: namely, AI’s impact on firms and GDP growth. In the cross-section of US firms, AI-exposed firms exhibit higher valuations, greater efficiency, and lower leverage relative to firms in the same industry. However, many firm characteristics pre-date the adoption of AI, suggesting that

entrenched firm-level qualities influence the adoption of new technologies. Using a difference-in-differences design, I demonstrate that changes in the cost of capital and leverage are more likely linked to the adoption of AI. On the impact of AI on GDP, guided by a theoretical model, I document that AI is currently most likely to increase GDP growth by complementing human workers and raising their productivity. Towards understanding the labor impacts, I identify early signs of both labor displacement and productivity gains. Finally, I showcase the generalizability of this measure by assessing current progress toward AGI. This paper highlights that managerial information can contribute towards understanding and aligning the economic aspects of AI.

Paper 2: Credit information sharing among lenders and the debt contracting value of borrowers' accounting information

Author: Fangfang Hou, Xiamen University; Yingshuang Ma, Hong Kong Baptist University; Byron Y Song, Hong Kong Baptist University; Janus Jian Zhang, Hong Kong Baptist University

Abstract: Credit information sharing among lenders disciplines borrower behaviors and enables lenders to better screen and monitor borrowers. Using staggered reforms to European countries' public credit registries as a shock to credit information sharing, we examine the impact of such sharing on borrowers' financial reporting quality. Specifically, we focus on accounting information's debt contracting value, which captures the extent to which a firm's accounting information reflects its credit quality. We hypothesize and find a positive effect of credit information sharing on the debt contracting value of borrowing firms' accounting information. This finding suggests that credit information sharing incentivizes borrowers to provide higher financial reporting quality for debt contracting purposes. We further document that the effect is stronger for firms that rely more on bank debt, those with a relatively weaker debt environment, and for firms that are more opaque to outsiders. Overall, our study provides novel evidence that credit information sharing generates disciplinary effect on firms' financial reporting quality.

- **3B Corporate Disclosure 3**

Paper 1: Social Trust, Big-4 Auditors, and Tax Evasion: Evidence from Contemporary China

Author: Brian M. LAM, Beijing Normal-Hong Kong Baptist University; Morris Ming LIU, University of Macau; Gladie LUI, ESCP Business School; Ding Xuan Zhou, University of Sydney

Abstract: Firms pay taxes to appear socially responsible, but managers may evade taxes if it maximizes firm value. This study examines the link between social trust and corporate tax evasion in China, particularly focusing on firms audited by Big-4 vs. non-Big-4 auditors. Findings indicate that higher regional social trust reduces tax evasion, yet paradoxically, Big-4-audited firms in high-trust areas are more prone to evasion. To combat significant revenue losses from corporate tax evasion, Chinese tax authorities should employ forensic accountants to detect such practices.

Paper 2: Stock Price Crash Risk, Accounting Opacity, and CEO/CFO Turnover

Author: Ferdinand A. Gul, University of Sunshine Coast; Karen M. Y. Lai, Shenzhen University; Mei Yee Lee, Monash University Malaysia; Kwok Tong Samuel Cheung, Deakin University; Michael Wu, Creative Asset Management Ltd, Hong Kong; Vickneswaran Anojan, University of Jaffna

Abstract: This study, based on various agency theory, signaling theory and prospect theory, investigates whether corporate boards fire the Chief Executive Officer/Chief Financial Officer (CEO/CFO) or both as a result of a stock price crash (SPC), particularly when compounded by accounting information opacity. Using a sample of 27,604 U.S. firm-year observations, we employ logistic regression and ordinary least-squares regressions to estimate the research models. We also use various techniques to address endogeneity concerns. This study reveals a positive correlation between firms hoarding negative accounting information and experiencing an SPC – a proxy for poor market performance – with CEO and CFO turnovers in the subsequent year (t+1). This suggests that post an organizational setback, dismissing CEOs/CFOs enhances top management's authority and control over organizational performance. The correlation strengthens when considering CEO and CFO turnover jointly, indicating boards decisively remove leaders responsible for financial reporting. Moreover, the link between SPC and CEO/CFO turnover intensifies for firms demonstrating negative accounting information hoarding or high opacity, emphasizing the significance of financial transparency. These firms showcase authority and control by firing CEOs/CFOs exhibit reduced negative accounting information and improved performance post-SPC.

- **3C Policy Impact and Corporate Governance 1**

Paper 1: Credit Rating Agencies' Expectation Management and Dynamic Adjustments: Evidence from China's Judicial Independence Reform
Author: Pian Li, Hunan University; Xiasi Kuang, Hunan University; Jiayi Shao, Hunan University; Ao Shu, Hunan University; Yue Zhou, Hunan University
Abstract: This paper uses China's judicial independence reform in 2013 as a natural experiment to study the expectation management behavior of rating agencies under policy shocks and their dynamic adjustment mechanism. The study finds that judicial reform significantly changed the risk assessment logic of rating agencies for enterprises of different ownership structures by weakening local protectionism: for private enterprises, rating agencies initially over-upgraded their credit ratings based on the expectation of strengthening property rights protection ("optimistic over-adjustment"); while for state-owned enterprises (SOE) and local urban investment platforms (LGFV), they systematically downgraded their ratings due to the expectation of implicit guarantee withdrawal ("pessimistic bias"). Further analysis shows that this asymmetric reaction stems from the over-interpretation of policy signals by rating agencies rather than immediate changes in corporate fundamentals. However, as the effects of the reform gradually emerged, rating agencies corrected their initial biases. This study reveals the two-stage characteristics of rating agency behavior in institutional change (expectation-driven bias and learning-driven correction), providing a new perspective for understanding the information content of credit ratings under policy shocks.

Paper 2: Unemployment Insurance, Corporate Innovation and Knowledge Spillover: Evidence from China
Author: Han Ma, Shanghai University of Finance and Economics; Xinran Wang, Shanghai University of Finance and Economics; Jinqiang Yang, Shanghai University of Finance and Economics
Abstract: This paper examines how unemployment insurance benefits (UIB) affect corporate innovation. Exploiting China's 2017 policy reform as a quasi-natural experiment, we find that higher UIB levels significantly reduce innovation activities in publicly listed firms, with patent applications and grants declining by 16.8% and 13.7%, respectively. We identify two mechanisms driving these effects: (1) risk redistribution that enables riskier firms to attract

talent, and (2) entrepreneurship incentives that divert skilled workers from established firms. At the provincial level, however, UIB enhances aggregate innovation through non-listed firms. These results demonstrate UIB's dual role in reshaping labor markets and innovation ecosystems, offering critical insights for social welfare policy design.

- **3D Policy Impact and Corporate Governance 2**

Paper 1: Does Trade Secrets Protection Spur Human Capital Investment? Evidence From the Inevitable Disclosure Doctrine
Author: Zhangfan Cao, University of Nottingham Ningbo China; Steven Xianglong Chen, University of Liverpool; Xiaolan Zheng, University of Nottingham Ningbo China
Abstract: This study investigates the impact of trade secret protection on corporate investment in human capital. By exploiting the staggered adoption of the Inevitable Disclosure Doctrine (IDD) by the U.S. state as an exogenous shock that significantly reduces talent mobility, we find that the adoption of IDD leads to firms' over-investment in human capital, suggesting that firms strategically engage in precautionary human capital hoarding in response to the reduced talent supply in the labor market and higher labor adjustment costs. Our cross-sectional analyses show that the impact of IDD adoptions on human capital investment is more pronounced for (1) firms in high-skill industries and (2) firms facing high levels of product market competition. Finally, further analyses reveal that high-skill firms with human capital reserves do enjoy superior performance in the context of limited talent supply under IDD restrictions. Overall, our study reveals an unintended consequence of growing trade secret protection in shifting the focus of firms' human capital investment from "head-hunting" talent from rivals towards "internal cultivation" within firms and has implications for both managers and policymakers amid the increasingly knowledge-intensive economic environment.

Paper 2: Debt Enforcement and Cash Dividend Policy: Chinese Evidence from the Establishment of Bankruptcy Courts
Author: Yueying Yuan, Huazhong University of Science and Technology; Yuxiang Zhong, Huazhong University of Science and Technology
Abstract: Using the introduction of specialized bankruptcy courts (hereafter SBCs) as an exogenous shock, this study investigates the effect of law enforcement on cash dividends. We find that firms significantly reduce cash dividends after the establishment of SBCs, consistent with the outcome model rather than the substitute model. The negative effect is driven by the lower creditor protection before SBCs and enhanced enforcement of dividend-related covenants after SBCs. Cross-sectional analyses indicate that the negative effect of law enforcement on cash dividend can be attenuated by stronger debt repayment capability, higher accounting conservatism and more powerful shareholders. Additional tests indicate that strengthened law enforcement is found to mitigate excessive dividends. Overall, this research offers valuable insights into the function of law enforcement in alleviating agency conflicts between creditors and shareholders in emerging markets.

- **4A Policy Impact and Corporate Governance 3**

Paper 1: The Side Spillover Effect of One-Lot Shares Governance
Author: Donghui Li, Shenzhen University; Zishen Tang, Beijing Normal University; Jiancheng (Duncan) Liu, University of Macau; Xinyue Fan, Shenzhen University; Lin Xie, Shenzhen University; Kai Wu, Central University of Finance and Economics
Abstract: Using a sample of Chinese A-share listed firms from 2010 to 2021 and employing a quasi-natural experiment on the basis of the establishment of the China Securities Investor Services Center (CSISC), this study finds that CSISC interventions for target firms significantly increase the narrative disclosure complexity of peer firms' management discussion and analysis (MD&A) sections. Decomposition analysis indicates that nonprofit minority activism among peer firms primarily increases obfuscation without altering informational content. The benchmark positive effect is more pronounced among target firms with stronger bargaining power, higher market concentration, better external financing capacity, and greater professional attention. The findings further demonstrate that CSISC interventions deteriorate the internal control quality of peer firms and simultaneously increase attention from less sophisticated information users. Although peer firms strategically enhance disclosure complexity as a defensive response to heightened regulatory exposure, dynamic analyses reveal that such practices do not provide sustainable protection. All the results remain robust after a comprehensive set of robustness checks.

Paper 2: Assessing the Role of Crypto Analysts on Market Outcomes: Insights from Analyst Reports
Author: Janja Brendel, The Chinese University of Hong Kong; Xiaoqiao Wang, The Chinese University of Hong Kong, Shenzhen; Shijie Yang, The Southern University of Science and Technology
Abstract: We investigate the role of crypto analysts on market outcomes, utilizing more than 6,000 analyst reports from the data provider Messari. The release of these reports correlates with significant short-term market reactions, averaging a 1.7% increase in absolute abnormal returns and a 19.2% rise in trading volumes. Initial coverage by professional analysts is associated with substantial increases in market capitalization and trading volume, along with reductions in volatility and crash risk. Following the Terra Luna crash, the sensitivity to absolute abnormal returns to the release of reports rises by 0.6%, and trading volume increases by 25.2%, indicating a greater reliance on reports. Negative tones in reports lead to stronger adverse responses, while positive tones elicit favorable market reactions and reports from professional analysts yield higher abnormal returns than those from non-professionals, especially for platform tokens. Conversely, tokens lacking financial data, like profit numbers, display higher volatility and crash risk.

- **4B Risk and Return 2**

Paper 1: The Economics of Financial and Operational Hedging: Insights from U.S. Power Plants
Author: Alvin Chen, Stockholm School of Economics; Ran Guo, Erasmus University Rotterdam and Stockholm University; Haohang Wu, Stockholm School of Economic; Dong Yan, Erasmus University Rotterdam and CEPR

Abstract: We study how firms adapt hedging policies to manage increased weather-related risks due to climate change. We introduce a parsimonious model of financial and operational hedging, and financing frictions. Financial hedging reduces the firm's exposure to weather risk, lowering the firm's subsequent incentive to hedge operationally. However, financial hedging also makes the firm's debt safer and reduces borrowing costs, mitigating the conventional debt overhang problem that typically discourages operational hedging investments. The two types of hedging policies are strategic complements when financing frictions are sufficiently severe; otherwise, they are substitutes. We test the model's predictions using the U.S. electric power industry as an empirical setting. We document a financial hedging overhang: firms that hedge via financial contracts subsequently engage in less operational hedging, such as maintaining gas inventories.

Paper 2: Ranking Factors with News

Author: Kai Li, Peking University; George Panayotov, Hong Kong University of Science and Technology; Halis Sak, Shenzhen University

Abstract: Recent literature determines feature importance by ranking the decline in the achieved variance explanation of the machine learning model through systematically assigning firm characteristics to zero, one at a time. Alongside annually updated machine learning models, this ranking procedure identifies most monthly-updated firm characteristics as dominant over those updated quarterly and annually. Our novel approach levels the playing field among characteristics by finding substitute monthly-updated news content for each firm characteristic and ranks the performance of machine learning models in the absence of a focal firm characteristic. We find that a subset of firm characteristics related to trading volume, volatility, and asset growth are replaceable with firm-level news, exhibiting time variation. Another subset of firm characteristics, including short-term momentum, momentum reversal, asset turnover, employment, and R&D, cannot be replaced with firm-level news when financial conditions are not too relaxed for too long. The update frequency of firm characteristics does not determine this distinction. Our numerical analysis demonstrates that by removing the identified substitutable characteristics using historical data each year, the Sharpe ratio of the machine learning long-short portfolio can be boosted to 0.89 for the period 2007 to 2019. Furthermore, it can be further improved to 0.94 by incorporating the identified most impactful words to replace the substitutable characteristics.

- **4C Advances in Information and Data 2**

Paper 1: Pathways to Tenure: How Collaboration Patterns, Research Focus, and Career Background Shape Academic Promotion

Author: Sichen Shen, Wuhan University; Jingpeng Qiu, Wuhan University

Abstract: This study examines factors that accelerate tenure attainment among early-career scholars. Using curriculum vitae data from tenured faculty in the top 40 U.S. economics departments, we find that stable collaborations, same-gender collaborations, external research funding, postdoctoral experience, and a focused research agenda are associated with shorter time to tenure. In contrast, broad coauthor networks, intra-departmental collaborations, and prior industry experience are linked to slower promotion. Collaborations with industry or government entities show no significant effect on tenure timing. To understand the delaying effect of broad collaboration, we show that diffuse coauthor networks encourage high-volume but

lower-quality publication strategies, which in turn hinder promotion. In additional analysis, we find that the benefits of stable collaboration are more pronounced under heightened competitive pressure, suggesting that reliable coauthoring relationships become especially valuable in more demanding environments. Article-level evidence further reveals that stable collaborations, same-gender collaborations, and external funding support increase the likelihood of publishing in top-tier journals. These results highlight the importance of collaboration patterns, research focus, and career continuity in shaping academic promotion. Together, our findings offer new insights into how early-career scholars navigate the tenure process and provide implications for research institutions seeking to design effective support mechanisms for junior faculty.

Paper 2: Telescoping Loans from Space: A Remote Sensing Analysis

Author: Zhiyong Li, Southwestern University of Finance and Economics; Mingyan Leng, Southwestern University of Finance and Economics; Zhicheng Li, Southwestern University of Finance and Economics; Yanlin Liu, Southwestern University of Finance and Economics; Guanlan Liu, Southwestern University of Finance and Economics

Abstract: Climate risk has emerged as a significant global challenge, with far-reaching implications for financial stability. This study examines the integration of satellite imagery into credit risk assessment, focusing on acute physical climate risks such as extreme temperature, wildfires, drought, floods, extreme rainfall, and snowfall. We extract these climate factors at the zip code level, where borrowers are located, to enhance the prediction of individual loan defaults. Based on a dataset of 9,000,076 individual loans from Lending Club, and 983.6 Gigabytes of satellite imagery raster data, we find that acute physical climate risks significantly improve the predictive accuracy of the credit assessment models. In addition, we find that acute physical risk satellite imagery plays a significant role in predicting personal consumer credit defaults across different stages of the loan lifecycle, with an analysis of the temporal effects of risk factors. Furthermore, examining the impact of acute physical risk factors on zip code-level default rates effectively extends credit default assessment to the regional level. Our study provides key insights into the power of satellite remote sensing imagery in credit management for practitioners and finance scholars alike.

- **4D Household Entrepreneurship**

Paper 1: Does commercial health insurance foster household entrepreneurship? Evidence from the China Household Financial Survey

Author: Fang Guo, Guangdong University of Finance; Xiaoyan Wang, Suzhou University of Science and Technology; Liya Zheng, Ningbo University of Finance and Economics; Zicun Wang, Renmin University of China

Abstract: The research on insurance and household entrepreneurship has garnered increasing attention from both researchers and policymakers. While previous studies have focused on the impact of social insurance on household entrepreneurship, little attention has been given to commercial health insurance in this context. Based on data from the China Household Finance Survey, we analyze the impact of commercial health insurance on household entrepreneurship. Our findings suggest that commercial health insurance has a positive influence on both the decision to pursue household entrepreneurship and the venture's survival, and the findings remain robust despite the potential issue of endogeneity. The mechanisms are derived

from risk hedging and precautionary saving theory, and include lowering household health risk, enhancing household risk preference, reducing household financial fragility, and decreasing household deposits. Our study finds that all of these mechanisms are valid. Regarding the heterogeneity analysis, the promotion effect is more evident for entrepreneurs who live in rural areas and in central and western regions, those who benefit from digital accessibility, those who engage in necessity-based entrepreneurship, and those who pursue self-employed entrepreneurship.