

Coles Seminar Series

Fall 2019



AUGUST 23RD, 2019

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Professor of Accounting

Ernst & Young Chair in Accounting

Merrick School of Business, University of Baltimore

Topic: *Audit Partners' Political Beliefs and Financial Reporting Outcomes*

SEPTEMBER 6TH, 2019

Ling Lisic

Director of the Ph.D. Program in

Accounting and Information Systems

Associate Professor & L. Mahlon Harrell Junior Faculty Fellow

Pamplin College of Business, Virginia Tech

Topic: *SEC Comment Letters on Form S-4 and M&A Accounting Quality*

SEPTEMBER 20TH, 2019

Abhra Roy

Associate Professor of Economics

Coles College of Business, Kennesaw State University

Topic: *The Effect of Foreign Aid on Corruption, Freedom of Speech and Counter-terrorism*

OCTOBER 4TH, 2019

Nicholas Baigent

Professor Emeritus

Institute of Public Economics, University of Graz

Topic: *Total Violence: Concept and Measurement*

OCTOBER 18TH, 2019

Birton Cowden

Assistant Professor

Leven School of Management, Entrepreneurship and Hospitality

Coles College of Business, Kennesaw State University

Topic: *Entrepreneurship: A Cure for Death Anxiety?*

NOVEMBER 1ST, 2019

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Topic:

AUGUST 23RD, 2019

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Audit Partners' Political Beliefs and Financial Reporting Outcomes

ABSTRACT

We examine the relation between audit partner political ideology and firms' financial reporting outcomes. Using manually collected data from the Federal Election Commission database, we find that audit partners' liberal political ideology is associated with higher financial reporting quality. While we cannot attribute our results to a single personal trait, our findings suggest that several personal traits associated with liberal political ideology (e.g., broader stakeholder orientation, lower individualism, greater openness to change, and stronger propensity for complex analytical thinking) contribute to greater audit effectiveness of more politically liberal audit partners. Overall, the results lend empirical support to the notion that personal characteristics of audit partners matter to financial reporting outcomes and audit quality.

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SEPTEMBER 6TH, 2019

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SEC Comment Letters on Form S-4 and M&A Accounting Quality

ABSTRACT

Prior research on SEC comment letters has almost exclusively focused on reviews of periodic filings, such as 10-Ks, which are selectively reviewed by the SEC. Transactional filing reviews, such as those related to mergers and acquisitions (M&A), are all scrutinized by the SEC and are a top priority to the SEC and to the executives of the filing companies, yet have received little attention from the literature. We examine the impact of SEC comment letters on one type of transactional filing, Form S-4, on the accounting quality of the newly merged entity. We find that S-4s that receive an SEC comment letter are less likely to have a restatement or a goodwill impairment after the M&A deal is completed. Our inferences remain the same using either an entropy-balanced sample or a propensity-score-matched sample based on firm and deal characteristics. These results are stronger for S-4 comment letters with higher intensity and M&A specific comments. Using path analysis, we find some evidence that the improved future accounting quality is driven by S-4 amendments filed during the comment letter process. Overall, our findings provide evidence on the impact of SEC disclosure regulation over M&A deals.

SEPTEMBER 20TH, 2019

Abhra Roy

Associate Professor of Economics

Coles College of Business, Kennesaw State
University

The Effect of Foreign Aid on Corruption, Freedom of Speech and Counter-terrorism

ABSTRACT

We analyze a model of counter-terrorism with three types of agents; a government, a terrorist and a corrupt, domestic anti-terrorist unit. The government exerts effort to reduce the probability of an attack and receives aid from a foreign entity to destroy terrorist strongholds and networks. Further, the domestic government may impose restrictions on civic liberties to counter the threat of a terrorist attack. In this context, we investigate how foreign aid affects the incidence of corruption, restrictions on civic liberties and the probability of an attack. We find that an exogenous increase in foreign aid reduces corruption, increases restrictions on civic liberties and decreases the probability of a terrorist attack. Further, we also find that a reduction in the incumbent governments electability following a terrorist attack increases both defense expenditures and restrictions on civic liberties but reduces corruption.

KEY WORDS: Foreign Aid; Free Speech; Terrorism; Corruption.

JEL Classification: H56; J15; D73; D74.

MOCTOBER 4TH, 2019

Nicholas Baigent

Professor Emeritus

Institute of Public Economics, University of Graz

Total Violence: Concept and Measurement

ABSTRACT

This paper addresses three questions: (i) How should violence for policy purposes be defined? (ii) Why total violence? (iii) How should total violence be measured in practice? Some properties of indexes of total violence are presented and then used to critique indexes used by some public agencies. Applications include Violence Prevention and/or Peace Keeping (on Battlefields and elsewhere); Gang and Gender violence; Violent Crime; Prison Violence and the Effect on Violent Behaviour of Exposing Children to Violent Media. Some experimental work is also reported. Finally, the following question is discussed: Has 'honour' violence declined as a result of duels replacing blood feuds and then Marquis of Queensbury Rules (boxing for English Gentlemen) replacing duels?

OCTOBER 18TH, 2019

Birton Cowden

Assistant Professor

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Entrepreneurship: A Cure for Death Anxiety?

ABSTRACT

The ultimate goal for most entrepreneurs is to build a sustaining business that persists. With this comes many benefits, such as personal wealth. However, this also shapes one's identity and personal brand that extends past the entrepreneur's lifetime. Through this lens, this exploratory study tests to see if entrepreneurs in the quest to build something bigger and longer lasting than themselves have a lower death anxiety than non-entrepreneurs. This piece contributes to Terror Management Theory, and how death motivates entrepreneurial behavior.

NOVEMBER 1ST, 2019

Ann Mirabito

Professor of Strategic Management

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TBA

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