Does Trade Policy Uncertainty Affect Corporate Financialization: From the Perspective of Corporate Uncertainty Perception

Jingling Wang[a]

International Business College, Dongbei University of Finance and Economics, Dalian, China

[a]wangjingling_2005@163.com

Abstract

In the current period of "growing uncertain and unpredictable factors" in China, corporate financialization is regarded as one of the major challenges to "consolidating and expanding the foundation of the real economy". Therefore, based on the sample of Chinese A-share listed companies from 2007 to 2024, this study uses the text analysis method to measure the enterprise-level trade policy uncertainty perception index, and identifies its impact on corporate financialization and the underlying mechanism. The empirical results show that corporate perception of trade policy uncertainty significantly inhibits the allocation of financial assets. Mechanism analysis indicates that it exerts its effect by exacerbating managerial short-termism and amplifying cash flow volatility. Extended analysis reveals that the aforementioned inhibitory effect is more prominent in enterprises with a lower degree of market competition or stronger external supervision. The conclusions of this paper have enlightening significance for policymakers to understand the law of how uncertainty affects corporate financialization behavior and to "consolidate and expand the foundation of the real economy".

Keywords

Corporate Perception of Trade Policy Uncertainty, Financialization, Portfolio Allocation.

1. Introduction

The 15th Five-Year Plan of the Communist Party of China Central Committee regards "consolidating and expanding the foundation of the real economy" as the strategic core of building a modern industrial system. The plan clearly states that we should adhere to focusing the development of the economy on the real economy, optimize and upgrade traditional industries, and cultivate and expand emerging industries and future industries. This policy arrangement guides enterprises to adhere to their main businesses, strengthen the real economy, and consolidate and expand the foundation of the real economy. However, in recent years, the focus of enterprises' asset allocation has gradually shifted from production and operation activities to financial channels (Si et al., 2023), and corporate financialization has become an important constraint on China's "consolidation and expansion of the foundation of the real economy". Financialization not only increases corporate financial risks (Huang et al., 2018) and exacerbates systemic financial risks (Lu et al., 2022), but also may crowd out corporate R&D and innovation (Wan et al., 2020) and real investment (Orhangazi, 2008), exerting an impact on the foundation of the real economy. Therefore, against the macro background of the introduction of the 15th Five-Year Plan, an in-depth exploration of the influencing factors of corporate financialization is helpful to provide empirical evidence for guiding China's economic development back to the real economy.

The 15th Five-Year Plan also points out that China's economic development has now entered a "period of growing uncertain and unpredictable factors", with unilateralism and protectionism

on the rise, the threat of hegemonism increasing, and the international economic and trade order facing severe challenges. For enterprises, such macro uncertainty will further affect their subjective perception and judgment of the trend of trade policies. This paper adopts the text analysis method to construct an index of corporate perception of trade policy uncertainty. Combined with existing literature, it is found that, on the one hand, the intensification of trade policy uncertainty (TPU) reduces the stability of corporate cash flow (Peng et al., 2018) and increases financing constraints (Li et al., 2024), inducing a rise in enterprises' perception of TPU. According to the real option theory, enterprises tend to reduce investment in real assets and increase holdings of more liquid financial assets at this time (Opler et al., 1999); on the other hand, the improvement of uncertainty perception will exacerbate managerial short-termism (Yu, 2022) and cash flow volatility (Handley & Limão, 2017), making enterprises more inclined to hold the safest and most liquid cash assets or sell financial assets to withdraw funds, so as to ensure the stability of operating performance (Wei & Liu, 2021). Therefore, understanding and exploring whether corporate perception of trade policy uncertainty leads to corporate financialization behavior under the current changes in the international economic and trade landscape is crucial to "consolidating and expanding the foundation of the real economy".

Based on the above issues, this paper takes Chinese A-share non-financial listed companies from 2007 to 2024 as the sample, and draws on the research method of Yang and Xie (2024) to construct an enterprise-year level index of trade policy uncertainty perception through text analysis. First, the study finds that the rise in enterprises' perception of trade policy uncertainty will significantly inhibit the level of corporate financialization. Second, mechanism tests show that this inhibitory effect exerts its role through two paths: exacerbating managerial short-termism and cash flow volatility. In addition, through sub-sample tests, this paper finds that the inhibitory effect is more obvious in enterprises with a lower degree of market competition or stronger external supervision.

The research contributions of this paper are mainly reflected in the following three aspects. First, it expands the research on the economic consequences of TPU (Trade Policy Uncertainty). Previous research has mostly focused on the impact of TPU on real activities such as import and export and investment (Mao, 2020; Shu et al., 2024). This paper, from the perspective of financial asset allocation, reveals how TPU perception changes corporate financial investment behavior, enriching the micro research perspective of the economic effects of TPU. Second, it deepens the understanding of the influencing factors of corporate financialization. Existing research on the causes of financialization mostly focuses on the level of corporate governance structure or macro policies (Huang et al., 2022). This paper measures enterprises' perception of TPU at the micro level through text analysis, which provides a new micro perspective for understanding the decision-making mechanism of corporate financialization. Third, in terms of empirical design, the index of corporate trade policy uncertainty perception constructed by the text analysis method in this paper is more helpful to depict enterprises' real feelings about changes in trade policies, and to a certain extent, alleviates the measurement error caused by macro indicators.

2. Theoretical Analysis and Research Hypotheses

Enterprises will increase the degree of financialization to alleviate financing constraints and prevent capital chain rupture. On the one hand, from the perspective of operational risk, TPU triggers enterprises' precautionary savings motivation by deteriorating their operational conditions. The rise of TPU exacerbates the volatility of the external operating environment, weakens the stability and predictability of corporate cash flow, and leads to a tightening of disposable resources (Peng et al., 2018). At the same time, uncertainty pushes up trade barriers,

increases the transaction costs and risks of enterprises' cross-border operations, and prompts some enterprises to withdraw from the global division of labor system, weakening the economies of scale effect (Yu et al., 2025). According to the real option theory, risk-averse managers tend to reduce long-term real investment and instead increase holdings of cash and highly liquid financial assets when facing the above difficulties. Such assets can be quickly liquidated when enterprises face liquidity shocks, improve their risk resistance capacity, and play a buffering role in preventing capital chain rupture (Opler et al., 1999).

On the other hand, from the perspective of external financing, TPU exacerbates corporate financing constraints by disrupting financial market signals. The turbulence of the trade policy environment will significantly change the risk expectations of financial institutions (Chen & Wang, 2025). Specifically, the assessability of corporate credit ratings decreases and the risk of debt default rises; to avoid such risks, financial institutions will tighten credit scale and raise financing thresholds, resulting in a decline in the availability of external financing for enterprises and a rise in financing costs (Li et al., 2024). To alleviate external financing constraints and ensure the availability of internal funds, enterprises have a stronger motivation to increase holdings of financial assets and build an internal capital reservoir to cope with the negative impact of the tightening of the external financing environment.

Based on the above analysis, this paper proposes:

H1: The rise in corporate perception of trade policy uncertainty will significantly promote corporate financialization.

The rise in corporate perception of trade policy uncertainty will also stimulate managers' short-sighted tendency and exacerbate cash flow volatility, thereby inhibiting corporate financialization. On the one hand, TPU intensifies the unpredictability of the operating environment and blurs the expected returns of long-term investment (Hu et al., 2021). Since managers' compensation assessment is still linked to short-term performance (Ozkan, 2007), to cope with the risk of performance fluctuations, managers tend to pursue current deterministic returns, forming a short-sighted tendency (Yu, 2022), which makes them more cautious about financial investment. The reason is that high-yield financial assets (such as equity investments) themselves contain price fluctuation risks, and their returns have inter-temporal uncertainty; even low-risk wealth management products are difficult to be accepted by managers if their return cycle is longer than the managers' assessment period. Short-sighted managers are more inclined to keep funds in the safest and most liquid cash form to ensure the stability of short-term financial performance.

On the other hand, TPU deteriorates the external operating environment of enterprises. Changes in tariffs and adjustments to import and export policies (Mao, 2020; Shu et al., 2024) will impact the stability of enterprises' orders and the continuity of supply chains, leading to increased cash flow volatility and weakening the fundamental performance of enterprises (Handley & Limão, 2017). This not only sends negative signals to external investors of enterprises, but also pushes up the risks of liquidity and financial distress. To cope with the above pressures, enterprises will prefer to hold the most liquid cash assets, or when facing liquidity shocks, they are forced to sell their held financial assets to withdraw funds, reducing the level of corporate financialization (Wei & Liu, 2021).

Based on the above views, this paper proposes:

H2: The rise in corporate perception of trade policy uncertainty will significantly inhibit corporate financialization.

3. Research Design

3.1. Sample Selection and Data Sources

Since the newly formulated *Accounting Standards for Business Enterprises* was implemented in 2007, to avoid the impact of differences in accounting treatment before and after 2007, this paper selects Chinese A-share listed companies from 2007 to 2024 as the sample, and processes the data as follows: (1) Excluding samples from the financial and real estate industries; (2) Excluding samples of ST and *ST companies; (3) Excluding samples with missing main variables. To weaken the impact of outliers, this paper winsorizes the continuous variables in the model at the 1% and 99% levels. The MD&A text data are from the CNRDS database, the annual reports of Shanghai and Shenzhen A-share listed companies are from East Money Information Co., Ltd., and the remaining data are from the CSMAR database.

3.2. Variable Definition

3.2.1. Dependent Variable: Corporate Financialization (Fin_{it})

This paper measures the corporate financialization index by the proportion of financial assets to total assets. Referring to the research of Demir (2009) and Zhang and Zhang (2016), financial assets in this paper are defined as monetary funds, trading financial assets, available-for-sale financial assets, held-to-maturity investments, investment real estate, dividend receivable, interest receivable and long-term equity investments, denoted as Fin_{it}, where i and t represent enterprise and year respectively.

3.2.2. Core Independent Variable: Trade Policy Uncertainty ($TPU_{i,t-1}$)

The trade policy uncertainty index used in this paper mainly refers to the measurement method of trade policy uncertainty perception by Yang and Xie (2024), and constructs an enterprise-year level index of trade policy uncertainty perception by using the annual reports of Shanghai and Shenzhen A-share listed companies from 2007 to 2024 through text analysis.

In the subsequent empirical analysis, to avoid endogenous interference caused by two-way causality, this paper takes the lagged one-period value of the trade policy uncertainty index after adding one and taking the logarithm as the core independent variable, denoted as $TPU_{i,t-1}$, where *i* and *t* represent enterprise and year respectively.

3.2.3. Mechanism Variables

This paper selects managerial short-termism (*Myopia*) and cash flow volatility (*CFV*) as mechanism variables.

(1) Managerial Short-termism

This paper draws on the method of Hu et al. (2021) to construct a measure of managerial short-termism using MD&A text data. A larger value indicates that managers are more short-sighted.

(2) Cash Flow Volatility

The cash flow volatility index in this paper is equal to the standard deviation of the ratio of cash flow to total assets from t-2 to t. A larger value indicates greater cash flow volatility.

3.2.4. Control Variables

To weaken the interference of omitted variables, this paper draws on previous relevant research (Hu et al., 2017; Peng et al., 2018) and sets the following control variables. Among them, the control variables at the corporate financial level include: firm size (*Size*), asset-liability ratio (*Lev*), and operating income growth rate (*Growth*); the control variables at the corporate governance level include: firm age (Age), CEO duality (*Dual*), and board size (*Board*); the control variables at the macro level include: economic growth rate (*GDPgrowth*) and money supply growth rate (*M2growth*).

The definitions of the main variables in this paper are shown in Table 1.

Table 1. Definition of Main Variables

	Variable Symbol	Variable Name	Variable Definition
Dependent variable	Fin_{it}	Corporate Financialization	Financial Assets/Total Assets
Independent variable	$TPU_{i,t-1}$	Corporate Perception of Trade Policy Uncertainty	Lagged one-period value of ln(Trade Policy Uncertainty Index+1)
Mechanism variables	*Myopia*	Managerial Short-termism	See the text
	CFV	Cash Flow Volatility	Standard deviation of the ratio of cash flow to total assets from t-2 to t
Control variables	*Size*	Firm Size	*ln*(Total Assets)
	Lev	Asset-Liability Ratio	Total Liabilities/Total Assets
	Age	Firm Age	ln(Current Year -Year of Establishment+1)
	Growth	Operating Income Growth Rate	(Current Year Operating Income/Previous Year Operating Income) -1
	Board	Board Size	ln(Number of Directors+1)
	Dual	CEO Duality	If the chairman and general manager are the same person, 0 otherwise
	GDPgrowth	Economic Growth Rate	Annual month-on-month growth rate of national GDP
	M2growth	Money Supply Growth Rate	Annual month-on-month growth rate of national broad money M2

3.3. Model Design

To investigate the relationship between corporate perception of trade policy uncertainty and corporate financialization, this paper constructs the following model:

$$Fin_{it} = \alpha+\beta TPU_{i,\,t-1}+\rho X_{it} +\mu_I +\mu_t +\varepsilon_{it} \quad (1)$$

Where the subscripts i, t and I represent enterprise, year and industry respectively; Finit represents the degree of corporate financialization of enterprise i in year t; $TPU_{i,\,t-1}$ measures the perception of enterprise i on the trade policy uncertainty shock in year t-1; X_{it} is all control variables in this paper; μ_I represents industry fixed effects; μt represents year fixed effects; ε_{it} is the random disturbance term.

4. Empirical Results and Analysis

4.1. Descriptive Statistics

This paper conducts descriptive statistics on the main variables, and the results are summarized in Table 2.

It can be seen from Table 2 that the mean value of the corporate financialization level is 0.238, the median is 0.209, the minimum value is 0.014, the maximum value is 0.844, and the standard deviation is 0.137, which indicates that this index has a certain variability and provides a certain explanatory space for the subsequent analysis of benchmark regression results.

Table 2. Descriptive Statistics

	N	Mean	Std. Dev.	Median	Min	Max
Fin	14015	0.238	0.137	0.209	0.014	0.844
TPU	14015	0.002	0.003	0.001	0	0.015
Size	14015	22.391	1.270	22.167	20.256	26.501
Lev	14015	0.407	0.189	0.404	0.059	0.85
Age	14015	3.248	0.217	3.258	2.565	3.738
Growth	14015	0.127	0.292	0.089	-0.48	1.445
Board	14015	2.223	0.171	2.303	1.792	2.708
Dual	14015	0.322	0.467	0	0	1
GDPgrowth	14015	0.078	0.035	0.07	0.027	0.184
M2growth	14015	0.101	0.025	0.097	0.073	0.197

4.2. Benchmark Regression Analysis

This paper first needs to verify the impact of corporate perception of trade policy uncertainty on the level of corporate financialization. To verify this issue, this paper conducts a regression analysis on the above model (1), and the results are reported in Table 3.

Table 3. Benchmark Regression Results

	(1)	(2)	(3)
	Fin	Fin	Fin
TPU	-2.6707***	-2.6268***	-1.6676**
	(-3.372)	(-3.384)	(-2.124)
Size		0.0157***	0.0147***
		(7.114)	(6.101)
Lev		-0.3205***	-0.3171***
		(-18.403)	(-16.865)
Age		0.0770***	0.0634***
		(5.510)	(4.297)
Growth		0.0025	-0.0042
		(0.291)	(-0.473)
Board		-0.0625***	-0.0548***
		(-3.883)	(-3.448)
Dual		-0.0039	-0.0070
		(-0.663)	(-1.176)
GDPgrowth		0.3703***	0.1864
		(4.372)	(0.353)
M2growth		0.2194**	-0.0248
		(1.994)	(-0.036)
Constant	0.2436***	-0.1463*	-0.0227
	(75.372)	(-1.954)	(-0.239)
Industry Fixed Effects	NO	NO	YES
Year Fixed Effects	NO	NO	YES
N	14015	14015	13863
R^2	0.0034	0.1713	0.2514

t statistics in parentheses

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

It can be seen from Columns (1), (2) and (3) of Table 3 that the coefficient of TPU on Fin is significantly negative, indicating that the rise in corporate perception of trade policy uncertainty will significantly inhibit the level of corporate financialization, and this result supports Hypothesis H2. Specifically, the improvement of enterprises' perception of trade policy uncertainty will make them reduce the allocation of financial assets and increase cash holdings to cope with operational risks.

4.3. Robustness Tests

4.3.1. Propensity Score Matching

This paper uses the propensity score matching method to alleviate the endogenous problem caused by sample selection bias. First, the trade policy uncertainty perception variable is divided into a treatment group with high TPU and a control group with low TPU (taking the value of 1 when the trade policy uncertainty perception index is higher than the median, 0 otherwise); second, select firm size, asset-liability ratio, operating income growth rate, the ratio of financial to real yield, firm age, CEO duality, board size, economic growth rate and money supply growth rate as covariates; third, use the Logit model to evaluate the propensity score of the sample and adopt the one-to-four nearest neighbor matching method for matching; finally, conduct regression analysis based on the matched sample.

It can be seen from Columns (1) and (2) of Table 4 that the coefficient of TPU on Fin is still significantly negative, indicating that the research conclusion is robust.

Table 4. Regression Results of Propensity Score Matching

	(1)	(2)
	Fin	Fin
TPU	-2.6623***	-1.6920**
	(-3.428)	(-2.153)
Constant	-0.1469*	-0.0201
	(-1.954)	(-0.211)
Control Variables	YES	YES
Industry Fixed Effects	NO	YES
Year Fixed Effects	NO	YES
R^2	0.1716	0.2507

t statistics in parentheses

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

4.3.2. Placebo Test

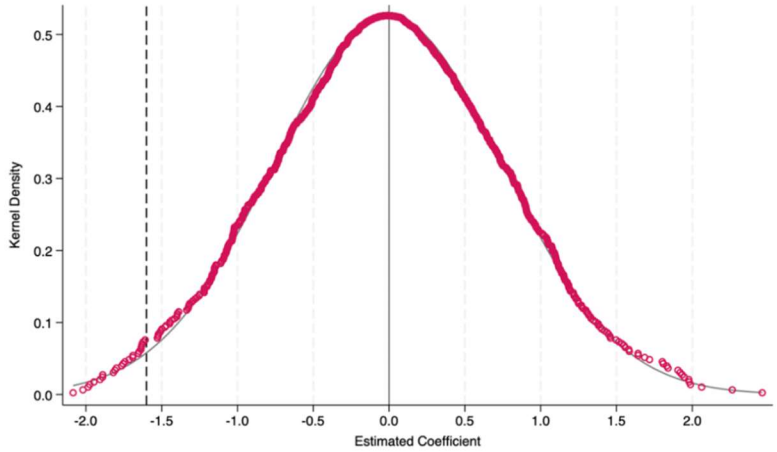

Figure 1. Placebo Test

This paper randomly simulates the core independent variable ($TPU_{i,t-1}$) in model (1) to generate a new core independent variable ($TPU\_simulation_{i,t-1}$), and substitutes it into model (1) for re-estimation; the above operation is simulated 1000 times, and the coefficient of the core independent variable ($TPU\_simulation_{i,t-1}$) obtained from each simulation is plotted as shown in Figure 1.

It can be seen from Figure 1 that most of the estimated coefficients are close to 0, which is quite different from the coefficients of the benchmark regression, indicating that the research conclusion of this paper is unlikely to be driven by random disturbance factors.

4.3.3. Excluding Samples of Extreme Years

To further demonstrate the robustness of the benchmark regression conclusion, considering that there were many confusing policy shocks in 2008 (such as the financial crisis), this paper refers to the practice of Lai and Li (2023), excludes the samples of 2008, and re-estimates and calculates model (1). The relevant results are summarized in Table 5.

Table 5. Robustness Test Results after Excluding Samples of Extreme Years

	(1)	(2)	(3)
	Fin	Fin	Fin
TPU	-2.3828***	-2.3654***	-1.5023*
	(-2.964)	(-2.994)	(-1.875)
Size		0.0167***	0.0155***
		(7.391)	(6.261)
Lev		-0.3238***	-0.3198***
		(-18.092)	(-16.467)
Age		0.0758***	0.0628***
		(5.388)	(4.231)
Growth		0.0039	-0.0038
		(0.442)	(-0.416)
Board		-0.0621***	-0.0546***
		(-3.779)	(-3.363)
Dual		-0.0043	-0.0073
		(-0.725)	(-1.208)
GDPgrowth		0.3606***	0.4635
		(4.079)	(0.488)
M2growth		0.2292**	0.2388
		(2.080)	(0.758)
Constant	0.2423***	-0.1641**	-0.0762
	(74.021)	(-2.147)	(-0.779)
Industry Fixed Effects	NO	NO	YES
Year Fixed Effects	NO	NO	YES
R^2	0.0026	0.1698	0.2477

t statistics in parentheses

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

It can be seen from Columns (1), (2) and (3) of Table 5 that the coefficient of TPU on Fin is still significantly negative, indicating that the conclusion of this paper is robust.

4.4. Mechanism Tests

According to the previous theoretical analysis, the increase in corporate perception of TPU inhibits corporate financialization by strengthening managerial short-termism and cash flow volatility. This paper designs the following model:

$$Fin_{it} = \alpha_2 + \beta_2 M_{it} + \rho_2 X_{it} + \mu_I + \mu_t + \varepsilon_{it} \quad (2)$$

Where M_{it} is the mechanism variable, including managerial short-termism and cash flow volatility. The selection and definition of other variables are the same as those mentioned above. The mechanism tests are as follows:

4.4.1. Managerial Short-termism

It can be seen from Columns (1) and (2) of Table 6 that the coefficient of TPU on Myopia is significantly positive at the 1% significance level, which indicates that the rise in corporate perception of trade policy uncertainty exerts a negative effect on corporate financialization by enhancing managerial short-termism (see Hypothesis H_2).

4.4.2. Cash Flow Volatility

It can be seen from Column (3) of Table 6 that the coefficient of TPU on CFV is significantly positive at the 1% significance level, which indicates that the increase in corporate perception of trade policy uncertainty inhibits the level of corporate financialization by exacerbating corporate cash flow volatility (see Hypothesis H_2).

Table 6. Mechanism Test Results

	Myopia		CFV
	(1)	(2)	(3)
TPU	0.0428***	0.1129***	0.3138***
	(3.489)	(3.123)	(3.652)
Constant	0.0120***	0.0131***	0.1219***
	(9.818)	(3.543)	(13.037)
Control Variables	YES	YES	YES
Industry Fixed Effects	YES	YES	YES
Year Fixed Effects	YES	YES	YES
R^2	0.0763	0.0531	0.0343

t statistics in parentheses

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

4.5. Heterogeneity Analysis

4.5.1. Characteristics of the Degree of Market Competition

In a market with a lower degree of competition, enterprises are more likely to earn high profits and have strong risk avoidance capabilities (Yi et al., 2010), and do not need to maintain survival through financial speculation due to the lack of competitive pressure. Therefore, the inhibitory effect of corporate perception of trade policy uncertainty on corporate financialization will be more significant in such an environment.

4.5.2. Characteristics of External Supervision

The stronger the external supervision, the greater the information transparency and accountability pressure faced by managers (Zhang & Zhao, 2022). The reduction of information asymmetry makes it difficult for managers to whitewash short-term corporate performance

through financial investment. Therefore, the inhibitory effect of TPU on corporate financialization will be significantly strengthened.

Based on this, this paper conducts sub-sample regression on model (1), and the relevant results are reported in Table 7.

Table 7. Heterogeneity Analysis Results

	(1)	(2)	(3)	(4)
	Low Market Competition	High Market Competition	Strong External Supervision	Weak External Supervision
TPU	-2.3141**	-1.2106	-5.2483**	-0.9925
	(-2.457)	(-1.078)	(-2.302)	(-1.318)
Constant	0.0413	-0.3622*	-0.2135	-0.1053
	(0.347)	(-1.942)	(-0.509)	(-1.049)
Control Variable	YES	YES	YES	YES
Industry Fixed Effects	YES	YES	YES	YES
Year Fixed Effects	YES	YES	YES	YES
R^2	0.2201	0.2832	0.4276	0.2477

t statistics in parentheses

* $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

It can be seen from Table 7 that, first of all, the impact of TPU shocks on the financialization of enterprises with less fierce market competition is significantly negative, while the impact on enterprises with fierce market competition is not significant; second, the impact of TPU on the financialization of enterprises with strong external supervision is significantly negative, while the effect on enterprises with weak external supervision is not significant.

5. Conclusion

In the "period of growing uncertain and unpredictable factors", great power games have intensified and the international economic and trade rules are facing restructuring. How to effectively alleviate the tendency of corporate financialization under this macro background, guide enterprises to base themselves on the real economy, and implement the strategic deployment of "consolidating and expanding the foundation of the real economy" in the 15th Five-Year Plan is related to the overall construction of a modern industrial system. Therefore, combining with existing literature, this paper evaluates the impact of corporate perception of TPU on corporate financialization. Based on the data of Chinese A-share listed companies from 2007 to 2024, this paper uses the text analysis method to measure the index of corporate trade policy uncertainty perception, and explores its impact on corporate financialization and the underlying mechanism. The empirical results show that the rise in corporate perception of trade policy uncertainty significantly inhibits the level of corporate financialization by exacerbating managerial short-termism and cash flow volatility.

References

[1] Demir, F. (2009). Capital market imperfections and financialization of real sectors in emerging markets: Private investment and cash flow relationship revisited. *World Development*, *37*(5), 953–964. https://doi.org/10.1016/j.worlddev.2008.12.005

[2] Handley, K., & Limão, N. (2017). Policy uncertainty, trade, and welfare: Theory and evidence for China and the United States. *American Economic Review*, *107*(9), 2731–2783. https://doi.org/10.1257/aer.20151518

[3] Opler, T., Pinkowitz, L., Stulz, R., & Williamson, R. (1999). The determinants and implications of corporate cash holdings. *Journal of Financial Economics*, *52*(1), 3–46. https://doi.org/10.1016/S0304-405X(98)00047-7

[4] Orhangazi, O. (2008). Financialisation and capital accumulation in the non-financial corporate sector: A theoretical and empirical investigation on the US economy: 1973–2003. *Cambridge Journal of Economics*, *32*(6), 863–886. https://doi.org/10.1093/cje/ben009

[5] Ozkan, N. (2007). Do corporate governance mechanisms influence CEO compensation? An empirical investigation of UK companies. *Journal of Multinational Financial Management*, *17*(5), 349–364. https://doi.org/10.1016/j.mulfin.2006.12.003

[6] Chen, F., & Wang, Z. (2025). Trade policy uncertainty, ESG ratings, and corporate green innovation. *Journal of Anhui University (Philosophy and Social Sciences Edition)*, *49*(2), 143–153.

[7] Hu, N., Xue, F., & Wang, H. (2021). Does managerial short-termism affect long-term corporate investment? Evidence based on text analysis and machine learning. *Management World*, *37*(5), 139–156.

[8] Hu, Y., Wang, X., & Zhang, J. (2017). Motivations for financial asset allocation: "Reservoir" or "substitution"? Evidence from Chinese listed companies. *Economic Research Journal*, *52*(1), 181–194.

[9] Huang, X., Wu, Q., & Wang, Y. (2018). Financial asset allocation and corporate financial risk: "Precautionary saving" or "abandoning the main business"? *Journal of Finance and Economics*, *44*(12), 100–112.

[10] Huang, X., Lin, Z., & Luo, C. (2022). Does trade policy uncertainty trigger corporate financialization? Micro-level evidence from Chinese manufacturing listed companies. *China Economic Quarterly*, *22*(5), 1659–1678.

[11] Lai, F., & Li, S. (2023). Common shareholder networks and innovation knowledge spillovers in state-owned enterprises: Empirical evidence based on changes in SOE evaluation systems. *Economic Research Journal*, *58*(6), 119–136.

[12] Li, X., Zhang, Z., Xue, W., & Wang, D. (2024). The impact of trade policy uncertainty on corporate financing costs under credit and investment constraints. *Operations Research and Management Science*, *33*(8), 199–205.

[13] Lu, R., Zhu, S., & Xu, T. (2022). Inflation expectations and corporate financialization: Evidence from the perspective of "inflation illusion". *Finance & Trade Economics*, *43*(12), 97–112.

[14] Mao, Q. (2020). Does trade policy uncertainty affect Chinese firms' imports? *Economic Research Journal*, *55*(2), 148–164.

[15] Peng, Y., Han, X., & Li, J. (2018). Economic policy uncertainty and corporate financialization. *China Industrial Economics*, (1), 137–155.

[16] Shu, L., Wang, W., & Cao, X. (2024). Trade policy uncertainty, corporate exports, and outward foreign direct investment. *Journal of International Trade*, (8), 123–139.

[17] Si, D., Li, X., Kong, D., & Jiang, C. (2023). Can interest rate liberalization reduce corporate operational risk? Evidence from the dual perspectives of financing constraints and corporate financialization. *Journal of Financial Research*, (1), 113–130.

[18] Wan, L., Zha, Y., & Rao, J. (2020). Corporate financialization and innovation output: A moderated mediation effect. *Accounting Research*, (11), 98–111.

[19] Wei, M., & Liu, X. (2021). Trade environment uncertainty and corporate innovation: Empirical evidence from Chinese listed companies. *Nankai Business Review*, *24*(5), 16–27.

[20] Yang, H., & Xie, J. (2024). Trade policy uncertainty and breakthrough innovation: Evidence from text analysis of Chinese listed companies. *Journal of International Trade*, (9), 87–102.

[21] Yi, Z., Jiang, F., & Qin, Y. (2010). Product market competition, corporate governance, and information disclosure quality. *Management World*, (1), 133–141.

[22] Yu, D., Li, X., & Yu, J. (2025). Trade policy uncertainty and new quality productive forces: Evidence from corporate green total factor productivity. *Journal of Systems Science and Mathematical Sciences*, *45*(9), 2859–2881.

[23] Yu, H. (2022). Corporate financialization: A new explanation from the perspective of managerial myopia. *Business and Management Journal*, *44*(3), 55–71.

[24] Zhang, C., & Zhang, B. (2016). The mystery of declining real investment in China: A perspective of economic financialization. *Economic Research Journal*, *51*(12), 32–46.

[25] Zhang, D., & Zhao, S. (2022). Managerial behavior, internal and external supervision, and corporate financialization. *Research on Financial and Economic Issues*, (4), 121–128.