

PAUL WOHLFARTH

Solbridge International School of Business ◊ Woosong University, Daejeon, South Korea

Daejeon, South Korea

pwohlfarth@solbridge.ac.kr ◊ website ◊ ResearchGate

last update: 14 February 2022

ACADEMIC APPOINTMENTS

Solbridge Int. School of Business <i>Assistant Professor of Economics and Finance</i>	Sep 2020 -
Brighton Business School, University of Brighton <i>Lecturer of Economics</i>	March 2020 - Aug 2020
Dept. of EMS, Birkbeck, University of London <i>Graduate Teaching Assistant</i>	Oct 2016 - Sep 2019

NON-ACADEMIC WORK EXPERIENCE

SPE Courses, London, UK <i>Tutor</i>	Jan 2020 -
Capital Market Daily Ltd., London, UK <i>Fixed Income Analyst</i>	Feb 2014 - Mar 2015
L-Bank, Karlsruhe, Germany <i>Internship in Payments and Settlement</i>	Jul 2011 - Dec 2011

EDUCATION

Birkbeck, University of London, UK, PhD in Finance and Economics Thesis Title: International Channels of Monetary Policy Transmission Supervisors: Professor Ron Smith and Professor Yunus Aksoy	Jan 2016 - May 2020
University of Warwick, UK, MSc in Economics Thesis Title: Central Bank Communication on Sovereign Bond Markets	Sept 2012 - Sept 2013
University of Goettingen, Germany, BA in Economics ERASMUS Transfer year at University of Nottingham (2009/10)	Oct 2007 - Sept 2012

RESEARCH

Research Interests: Macro-Finance, Monetary Economics, Applied Econometrics, Financial Frictions, Chinese Financial Development

Job Market Paper: Preferred Habitat, Policy, and the CIP Puzzle

Journal Publications

Li, D., Chen, X., Wohlfarth, P. (2022): Public participation, investment networks, and China's outward FDI: Evidence from 58 countries along the belt and road, *Emerging Markets Review* (forthcoming)
<https://doi.org/10.1016/j.ememar.2022.100887>

Chen, X., Wohlfarth, P., Smith, R.P. (2021): China's Money Demand in a Cointegrating Vector Error Correction Model, *Journal of Asian Economics* (Vol. 75), August 2021
<https://doi.org/10.1016/j.asieco.2021.101338>

Wohlfarth (2018): Measuring the Impact of Monetary Policy Attention on Global Asset Volatility Using Search Data, *Economics Letters*, Volume 173 (December 2018)
<https://doi.org/10.1016/j.econlet.2018.08.009>

Working Papers

Li, X., Chen, X., Wohlfarth, P. (2021): Determinants and Spatial Dependencies of Financial Inclusion along the Silk Road Economic Belt. 2nd International Conference on Uncertainties and Financial Markets in the Asia-Pacific Countries. *Pacific Basin Finance Journal* (under review)

Chen and Wohlfarth (2019), Drivers of Bank Loan Growth in China: Government or Market?

Wohlfarth and Chen (2018), The Effect of Monetary Policy on Global Fixed Income Covariances, *BWPEF* 1801

Wohlfarth (2012), Replication in the Narrow Sense of Banzhaf/ Walsh 2008, *ZfS Working Paper* 2/12

FURTHER RESEARCH PROJECTS

Technology and Management Centre for Development, Oxford University Jul - Sep 2019
Research Assistant – Econometric Modelling and Analysis

Project: "The Valuation of Early Stage Technology (VEST)", led by Prof. Xiaolan Fu

Centre for Statistics, University of Goettingen, Germany Jan - Aug 2011
Research Assistant – Data Collection

Project: "Replication in Empirical Economics", led by Prof. Thomas Kneib

TEACHING

Current Position

Assistant Professor of Economics and Finance, Solbridge International School of Business
Tutor, SPE Courses

Solbridge International School of Business

Computer Programming using Python, PG, 2020-21
Statistical Analysis, PG, 2020-2021
Computer Programming using R, PG, 2020-21
Basic Statistical Methods and Applications, UG, 2021
Regression Analysis with R for Business, UG/PG, 2021-22

Brighton Business School, University of Brighton

Understanding Finance Theory and Practise, UG, 2020
Applied Financial Techniques 2, UG, 2020
Economics of Financial Markets, PG, 2020
Applied Econometrics and Financial Time Series Analysis, PG, 2020
Managing in an Uncertain Environment, MBA, 2020

Birkbeck, University of London

Topics in Mathematical Finance and Econometrics,, MSc/ GDE, 2017
Applied Statistics and Econometrics, BSc/ GDE, 2017
Applied Statistics and Econometrics, BSc/ GDE, 2017-19
Macroeconomics, classes, BSc/ GDE, 2017-2019

London Business School

Teaching assistant: European Financial Markets, MBA, 2019
Grading assistant: World Economy, The Global Macroeconomy, MBA, 2019

Society of Professional Economists

Introduction to Python for Economists, workshop, 2020

GRANTS, AWARDS, AND SCHOLARSHIPS

Birkbeck Graduate Teaching Assistantship, 2016-2019
Royal Economic Society, Conference Grant, 2019
Birkbeck Conference Grant, 2019
Birkbeck Conference Grant, 2018
Scholarship: Graduate Certificate in Teaching and Supporting Learning in Higher Education, 2017
Winner: Competition on Research Oriented Learning and Teaching, "Replication in Economics", 2012
ERASMUS Scholarship (European Commission), 2009/10

CONFERENCES, SEMINARS, AND WORKSHOPS

Department Seminar Presentation, Solbridge International School of Business, 2021
Department Seminar Presentation, Birkbeck, University of London, 2021
Annual Conference on Economic Modelling and Data Science (EcoMod), 2021
Annual Conference of the Korean Academy for International Business, Seoul, 2021
2nd Int. Conference on Uncertainties and Financial Markets in the Asia-Pacific Countries, 2021.
Seminar Presentation, University of Nottingham in China, Ningbo, China, 2019
13th International Conference on Computational and Financial Econometrics (CFE), London, 2019
Annual Money Macro and Finance (MMF) Conference, London, 2019
Annual Conference on Computing in Economics and Finance (CEF), Ottawa, 2019
Annual Conference on Economic Modelling and Data Science (EcoMod), Ponta Delgada, 2019
Money Macro and Finance PhD Conference (MMF), London, 2019
Annual Conference on Computing in Economics and Finance (CEF), Milan, 2018
Annual Conference on Economic Modelling and Data Science (EcoMOD), Venice, 2018
Birkbeck Centre for Applied Macroeconomics Annual Workshop (BCAM), London, 2018
PhD Jamboree, Birkbeck, London, 2018
Topics in Applied Macroeconomics, Seminar, Birkbeck, 2017
PhD Econometrics, Seminar, City, University of London, London, 2017
NCRM Workshop: Big Data in Social Sciences, London School of Economics (LSE), London, 2017
Seminar: Portfolio Choice Theory, London Mathematical Finance Group (LSE), London, 2016
Seminar: Stochastic Calculus, London Mathematical Finance Group (Kings College), London, 2016
Seminar: Levy Processes, London Mathematical Finance Group (Cass Business School), London, 2016
Workshop on European Monetary Policy, Bundesbank (German National Central Bank), Eltville, 2013

FELLOWSHIPS, PROFESSIONAL MEMBERSHIPS, AND AFFILIATIONS

Associate Fellow of the Higher Education Academy
EcoMOD Network
Society for Computational Economics
Money Macro and Finance Society
Birkbeck Centre of Applied Macroeconomics (BCAM)

REFEREE, ACADEMIC, AND EXTRACURRICULAR SERVICES

The Manchester School (Referee, 2020)
PhD Representative (Economics), 2017-2019
Organised Birkbeck Doctoral Seminar (PhD Jamboree), 2017-2019
Volunteer Paramedic with German Maltese Cross, 2006-2012

OTHER

Software Matlab (incl. Dynare), Python, Latex, Stata, Eviews, R, MS Office
Languages German (native), English (fluent), French (basic)

REFERENCES

Professor Ron Smith
Dept. of Economics, Mathematics and Statistics,
Birkbeck, University of London,
Malet Street, London WC1E 7HX.
Tel +44 (0) 20 7631 6413
Email: r.smith@bbk.ac.uk.

Professor Yunus Aksoy
Dept. of Economics, Mathematics and Statistics,
Birkbeck, University of London,
Malet Street, London WC1E 7HX.
Tel +44 (0) 20 7631 6407
Email: y.aksoy@bbk.ac.uk.

Professor Stephen Wright
Dept. of Economics, Mathematics and Statistics,
Birkbeck, University of London,
Malet Street, London WC1E 7HX.
Tel +44 (0) 20 7631 6448
Email: s.wright@bbk.ac.uk.

Li, D., Chen, X., Wohlfarth, P. (2022): Public participation, investment networks, and China's outward FDI: Evidence from 58 countries along the belt and road, *Emerging Markets Review* (forthcoming)

We estimate the effect of public participation in host countries on Chinese outward FDI (OFDI) for a panel of 58 countries along the Belt and Road from 2004 to 2019 in a Heckman selection model. Our model captures effects along both, extensive and intensive margins. We find that public participation, and the differences between public participation in home and host countries, significantly affect Chinese OFDI. Effects are sensitive to the presence of access to local investment networks and change after the introduction of the Belt and Road Initiative.

Chen, X., Wohlfarth, P., Smith, R.P. (2021): China's Money Demand in a Cointegrating Vector Error Correction Model, *Journal of Asian Economics* (Vol. 75), August 2021

This paper estimates open-economy macroeconomic models of the Chinese economy allowing for the structural change caused by the 1992 reforms. Unrestricted vector autoregressions, VARs, and cointegrating vector error correction models, VECMs, are estimated on quarterly data for the early reform period 1980–1992, and the late reform period, 1993–2018. Two long-run cointegrating vectors are identified, which can be interpreted as a long-run, money demand function and a long-run IS type income equation driven by export demand. The 1992 reforms involved a move to a more market oriented system and a transformation of financial institutions and this seems to be responsible for a change in the direction of effect of interest rates in both the IS and LM relationships.

Wohlfarth (2019), Preferred Habitat, Policy, and the CIP Puzzle, *BCAM 1908*

Job Market Paper

A crucial no-arbitrage condition on foreign exchange markets, covered interest parity (CIP), held almost exactly before the Global Financial Crisis (GFC) and failed since then. CIP deviations have been particularly puzzling in relatively calm markets after 2014. This paper explains deviations from CIP, measured by the cross-currency basis from swaps (CCBS), in terms of significant policy and volatility effects in a preferred habitat model of the Eurodollar swap market. Estimation is done using EGARCH in mean for a set of CCBS maturities. The term structure of the CCBS is further analysed in a Vector Error Correction Model (VECM).

Wohlfarth (2019), Preferred Habitat, Policy, and the CIP Puzzle, *BCAM 1908*

Job Market Paper

A crucial no-arbitrage condition on foreign exchange markets, covered interest parity (CIP), held almost exactly before the Global Financial Crisis (GFC) and failed since then. CIP deviations have been particularly puzzling in relatively calm markets after 2014. This paper explains deviations from CIP, measured by the cross-currency basis from swaps (CCBS), in terms of significant policy and volatility effects in a preferred habitat model of the Eurodollar swap market. Estimation is done using EGARCH in mean for a set of CCBS maturities. The term structure of the CCBS is further analysed in a Vector Error Correction Model (VECM).

Wohlfarth (2018), Measuring the Impact of Monetary Policy Attention on Global Asset Volatility Using Search Data, *Economics Letters*, Volume 173 (December 2018)

We study monetary policy introducing a novel index for policy attention based on daily Google Trends data. This index is used in a high-frequency analysis of volatility spill-overs on US and European fixed income markets. Policy attention contains significant information on asset variances and the international transmission of policy.

Chen and Wohlfarth (2019), Drivers of Bank Loan Growth in China

We investigate determinants of bank lending in China after the financial crisis, using a quarterly panel of 14 Chinese listed banks 2008-2018. Banks are grouped into clusters, classified by ownership and systemic importance. Regressors are divided into bureaucratic and economic variables. We find that for individual banks and bank groups bureaucratic variables are significant and economic variables have comparatively little influence, which is consistent with the state retaining quite a lot of control. However, pooling of the data gives evidence for the impact of economic variables. Joint-equity banks in particular stand out as being more exposed to market forces.

Wohlfarth and Chen (2018), International Monetary Policy Transmission and Dynamic Asset Correlations, BWPEF 1801

We estimate international monetary policy transmission between US and European fixed income markets for daily data between 2014 and 2016, which marks a time when US and European policy settings diverged. A high frequency measure for monetary policy attention is employed based on Google search data. Transmission effects are estimated in terms of policy impacts on dynamic asset volatility and asset cross-correlations, where asset correlations are estimated using the Dynamic Conditional Correlation model as well as two alternative multivariate conditional volatility models for robustness. Our results show that policy transmits onto a broad set of asset variances and covariances domestically and internationally, and that global policy spillovers are bidirectional. European policy attention indicates more pervasive effects of ECB than FED policies, whilst the effects of policy rate expectations for the FED are stronger.

Wohlfarth (2012), Replication in the Narrow Sense of Banzhaf/ Walsh 2008, ZfS Working Paper 2/12

This is a partially successful replication of an empirical test on the Tiebout Hypothesis by Spencer Banzhaf and Randall Walsh (2008). Although findings could not be fully replicated, Banzhaf and Walsh's conclusion is not called into question. They confirmed misspecification of matching algorithms in the original article.