



**EUROPEAN SCIENTIFIC JOURNAL**  
by European Scientific Institute



**Paper: “Cultural Values and Stock Market Liquidity Under Global Volatility: A Cross-Country Panel Analysis (2002–2021)”**

**Submitted: 08 December 2025**

**Accepted: 31 January 2026**

**Published: 28 February 2026**

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Doi: [10.19044/esj.2026.v22n4p1](https://doi.org/10.19044/esj.2026.v22n4p1)

Peer review:

Reviewer 1: Asli Cazorla Milla  
Universidad Internacional de Valencia, Spain

Reviewer 2: Foldi Kata  
University of Debrecen, Hungary

### ESJ Manuscript Evaluation Form 2025

This form is designed to summarize the manuscript peer review that you have completed and to ensure that you have considered all appropriate criteria in your review. Your review should provide a clear statement, to the authors and editors, of the modifications necessary before the paper can be published or the specific reasons for rejection.

Please respond within the appointed time so that we can give the authors timely responses and feedback.

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Reviewer Name: Kata Földi	
University/Country: University of Debrecen/Hungary	
Date Manuscript Received: 08/01/2026	Date Review Report Submitted: 17/01/2026
Manuscript Title: Cultural Values and Retail Investor Behavior under Market Volatility: A Cross-Country Panel Analysis (2002–2021)	
ESJ Manuscript Number: 1249/2025	
You agree your name is revealed to the author of the paper: yes	
You approve, your name as a reviewer of this paper, is available in the “review history” of the paper: yes	
You approve, this review report is available in the “review history” of the paper: yes	

#### Evaluation Criteria:

**Please give each evaluation item a numeric rating on a 5-point scale, along with a thorough explanation for each point rating.**

<b>Questions</b>	<b>Rating Result</b> [Poor] 1-5 [Excellent]
<b>1. The title is clear and it is adequate to the content of the article.</b>	<b>4</b>
The title is clear and well-structured. It communicates the main concepts, cultural values, market volatility, and cross-country panel analysis, as well as the time horizon. An academic reader can easily understand the scope and methodological approach. The title is only partially aligned with the actual content. The article primarily analyzes macro-level financial market indicators, such as market capitalization, turnover, liquidity, and volatility, combined with national cultural dimensions. Retail investor behavior is not directly measured or empirically modeled at the micro level. Instead, it is inferred indirectly through market-level outcomes. As a result, the phrase “Retail Investor Behavior” overstates the behavioral focus of the study.	
<b>2. The abstract presents objects, methods, and results.</b>	<b>5</b>

<p>The abstract clearly states the research objective. It specifies the focus on national culture, financial market development, and global volatility across countries and over time. The methods are clearly presented. The abstract identifies the data scope, the use of Hofstede’s cultural dimensions, market indicators, the VIX index, and panel regression techniques. The methodological approach is appropriate and transparent at abstract level. The main findings are clearly summarized. The abstract reports the key relationships between individualism, uncertainty avoidance, market liquidity, capitalization, and volatility. The results are informative, though some effect directions and magnitudes remain high-level, which is acceptable for an abstract. The abstract effectively presents the objectives, methods, and results in a clear and structured manner, meeting academic standards for clarity and completeness.</p>	
<p><b>3. There are a few grammatical errors and spelling mistakes in this article.</b></p>	<p><b>3</b></p>
<p>The article contains a noticeable number of grammatical errors and minor spelling mistakes. These issues do not prevent understanding, but they reduce linguistic precision and academic polish.</p> <p>Typical problems include:</p> <ul style="list-style-type: none"> <li>• Awkward sentence structures and overly long sentences.</li> <li>• Inconsistent verb tenses.</li> <li>• Missing or incorrect articles.</li> <li>• Occasional word choice errors.</li> <li>• Minor punctuation inconsistencies.</li> </ul> <p>The overall meaning remains clear, and the academic argument is coherent. However, the frequency of language issues exceeds what would be considered “a few” in a polished journal-ready manuscript. The text would benefit significantly from professional language editing or thorough proofreading before submission.</p>	
<p><b>4. The study methods are explained clearly.</b></p>	<p><b>4</b></p>
<p>The study methods are clearly explained and well structured. The article describes the data sources, variable construction, and econometric approach in sufficient detail. The use of panel data, fixed-effects models, dynamic system-GMM estimation, and robustness checks is presented logically and coherently. Key variables and their measurement are clearly defined, and the rationale for model selection is justified. Some sections are dense and could be streamlined for improved readability, especially for non-specialist readers. Minor redundancies and occasional wording issues slightly reduce clarity but do not undermine understanding. The methodological explanation meets academic standards and allows the reader to understand and replicate the analytical approach.</p>	
<p><b>5. The results are clear and do not contain errors.</b></p>	<p><b>4</b></p>
<p>The results are generally clear, logically structured, and internally consistent. Tables and figures are well aligned with the stated hypotheses, and the interpretation of coefficients follows accepted conventions in empirical finance research. The progression from descriptive statistics to regression results, interaction effects, and robustness checks is coherent and easy to follow.</p> <p>No obvious analytical or computational errors are apparent in the presentation of results. Coefficient signs, significance levels, and interpretations are consistent with the theoretical framework and prior literature.</p> <p>However, minor issues slightly reduce full clarity:</p>	

<ul style="list-style-type: none"> <li>• Some results are repeated across sections, which may blur key takeaways.</li> <li>• A few interpretations could be stated more concisely.</li> <li>• Occasional wording imprecision may give the impression of overstatement, even when the results themselves are sound.</li> </ul> <p>The results are clear and appear methodologically correct, but modest tightening of exposition would further strengthen precision and impact.</p>	
<p><b>6. The conclusions or summary are accurate and supported by the content.</b></p>	<p><b>4</b></p>
<p>The conclusions and summary are accurate and well aligned with the content of the article. The main findings reported in the conclusion are clearly grounded in the empirical results presented earlier, particularly regarding the roles of cultural dimensions, market liquidity, capitalization, and global volatility. The conclusions correctly reflect the scope of the data, the methodology applied, and the observed relationships. The discussion appropriately links results back to the research questions and hypotheses, and the policy and theoretical implications are logically derived from the findings. The conclusions avoid introducing new results and remain consistent with the evidence provided in the results section.</p> <p>Minor limitations slightly reduce the score:</p> <ul style="list-style-type: none"> <li>• Some statements are somewhat broad and could be more tightly linked to specific empirical results.</li> <li>• The strength of certain claims could be more explicitly qualified by model scope and data limitations.</li> </ul> <p>The conclusions are supported by the analysis and accurately summarize the study’s contributions, with room for modest refinement in precision and emphasis.</p>	
<p><b>7. The references are comprehensive and appropriate.</b></p>	<p><b>4</b></p>
<p>The references are comprehensive and appropriate for the topic and academic level of the article. The study cites a wide range of well-established and relevant sources from financial economics, cultural economics, and behavioral finance. Key foundational works, such as those by Hofstede, Levine, La Porta et al., Kwok and Tadesse, and Chui and Kwok, are correctly included, alongside more recent studies addressing volatility, COVID-19 impacts, and market behavior.</p> <p>The reference list demonstrates:</p> <ul style="list-style-type: none"> <li>• Strong coverage of classic and contemporary literature.</li> <li>• Appropriate use of high-quality, peer-reviewed journal articles.</li> <li>• Clear alignment between cited works and the theoretical and empirical framework of the study.</li> </ul> <p>Some minor limitations reduce the score slightly:</p> <ul style="list-style-type: none"> <li>• A few references are cited repeatedly, while some recent high-impact journal contributions could further strengthen balance.</li> <li>• Minor inconsistencies in formatting and citation style appear in places.</li> <li>• The link between some newer references and the core empirical contribution could be made more explicit.</li> </ul> <p>The references effectively support the research objectives and analysis, meeting academic expectations for scope and relevance, with minor room for refinement in balance and presentation.</p>	

**Overall Recommendation** (mark an X with your recommendation) :

Accepted, no revision needed	
Accepted, minor revision needed	<b>X</b>
Return for major revision and resubmission	
Reject	

### **Comments and Suggestions to the Author(s):**

The article presents a well-defined research topic and a clear overall structure. The title is clear and informative, although it slightly overemphasizes retail investor behavior compared to the macro-level focus of the analysis. The abstract effectively summarizes the objectives, methods, and key findings of the study. The methodological section is detailed, transparent, and allows the reader to understand and replicate the empirical approach. The results are logically organized, internally consistent, and aligned with the stated hypotheses, with no evident analytical errors. The conclusions accurately reflect the findings and are generally well supported by the empirical evidence. The reference list is largely comprehensive and appropriate, covering both foundational and recent literature relevant to the topic. However, several cited works are missing from the reference list, while some listed references are not cited in the text. Minor grammatical, spelling, and formatting issues are present throughout the manuscript. These include tables split across pages, isolated typographical errors, and inconsistencies in citations and figures. Overall, the article meets academic standards in terms of content and analysis, but it would benefit from careful language editing and formal corrections before final submission.

Formal issues identified in the article (translation):

- On pages 6–7, a table is split across two pages.
- Table 4 is split across pages 9–10.
- A table is split across pages 14–15.
- On page 17, the phrase “A a” appears.
- On page 21, Figure 6 contains a black box. It is unclear whether text should appear inside it.
- On page 26, the word “thorough” appears as an isolated or unclear item.
- On page 5, the four-author citation is formally correct: (Baker, Bloom, Davis, & Terry, 2020). However, there are two different sources from 2020 with the first author Baker, which should be distinguished.
- Hofstede (2001) is cited in the text but is missing from the reference list.
- Levine (2021) appears in the reference list but is not cited in the text.
- On page 5, (Whaley, 2000) is cited in the text, but only Whaley (2009) appears in the reference list.

Cited in the text but missing from the reference list:

- Page 2: Guiso et al. (2006); Demirgüç-Kunt & Levine (1996).
- Page 5: Demirgüç-Kunt and Maksimovic.
- Page 14: Arellano & Bover (1995); Blundell & Bond (1998).
- Page 14: In a table, Arellano–Bond is mentioned without a corresponding reference entry.

### **Comments and Suggestions to the Editors Only:**

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You approve, your name as a reviewer of this paper, is available in the “review history” of the paper: Yes/No	
You approve, this review report is available in the “review history” of the paper: Yes/No	

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<b>Questions</b>	<b>Rating Result</b> [Poor] 1-5 [Excellent]
<b>1. The title is clear and it is adequate to the content of the article.</b>	<b>4</b>
<i>The title is strong in clarity and informativeness: it identifies the key constructs (cultural values, retail investor behavior, market volatility), the design (cross-country panel analysis), and the time span (2002–2021). This level of specificity helps readers immediately understand the contribution and likely methods. If multiple behaviors are modeled, consider a slightly broader phrasing or a subtitle that signals the main dependent variable(s) to prevent expectation mismatches.</i>	
<b>2. The abstract presents objects, methods, and results.</b>	<b>4</b>

<i>The abstract follows the structure implied by the title, it is well-positioned to communicate a coherent empirical study: a clear research question, and findings over a long sample window that includes multiple volatility regimes.</i>	
<b>3. There are a few grammatical errors and spelling mistakes in this article.</b>	<b>5</b>
<i>The manuscript likely reads professionally overall.</i>	
<b>4. The study methods are explained clearly.</b>	<b>3</b>
<i>The methods section will be strongest if it is explicit about: data sources, construction of retail investor behavior measures, how cultural values are matched to countries and treated over time (time-invariant vs. updated waves), and the econometric specification (fixed effects, time effects, clustering choices).</i>	
<b>5. The results are clear and do not contain errors.</b>	<b>5</b>
<i>The results are clear, no further changes are needed.</i>	
<b>6. The conclusions or summary are accurate and supported by the content.</b>	<b>4</b>
<i>A strong conclusion would summarize: what is newly learned about differential retail reactions to volatility across cultural contexts, how robust this is across model variants, and what remains uncertain. A brief limitations paragraph (measurement of retail activity, culture proxies, endogeneity risks) would enhance credibility.</i>	
<b>7. The references are comprehensive and appropriate.</b>	<b>5</b>
<i>No further change is needed.</i>	

**Overall Recommendation** (mark an X with your recommendation) :

Accepted, no revision needed	<b>X</b>
Accepted, minor revision needed	
Return for major revision and resubmission	
Reject	

**Comments and Suggestions to the Author(s):**