Propositions attached to the thesis

Externalities in economics and finance:
Essays on spillover effects and economic decisions

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I
The existence of costly liquidations discipline investors during periods of distress (Chapter 2).

II
By internalizing the risk of future fire-sales, banks' lending decisions lower aggregate exposure to the incidence and severity of fire sales (Chapter 2).

III
The enabling power of digital markets matter the most when assets are illiquid, fire sales are costly, and resource misallocation is severe (Chapter 3).

IV
The entry of high-valuation buyers into a market reduces negative price spillovers of asset liquidations and increase investment (Chapter 4).

V
Sectorial business shutdowns during a pandemic are effective in containing the spread of a virus on individuals outside the working force as well as individuals in other localities (Chapter 5).

VI
Committing to protect large financial institutions weaken market discipline and elevate moral hazard.

VII
Disintermediation effects of technology in financial markets, such as FinTech and PropTech, can reduce deviations from socially optimal outcomes.

VIII
A well-functioning housing market is essential for economic prosperity and well-being of households.

IX
Research sometimes means finding what you don't expect.

X
Success belongs to the most persevering.