

Propositions:

- I. An opening offer in a takeover contest has an informational externality that depends on similarity of potential bidders. (Chapter 2)
- II. From the target perspective, takeover contests are most attractive with neither very similar nor dissimilar bidders. (Chapter 2)
- III. Improving self-selection by toehold acquirers results in a declining proportion of toehold strategies being adopted, but – at the same time – in their increasing performance over time. (Chapter 3)
- IV. The key feature of failed takeovers is that it imposes a concrete control threat to the target firm without actual shift in corporate control. (Chapter 4)
- V. Hostile takeovers are more likely to occur in troubled industries than in healthy industries. This grants hostile takeovers with an information externality as it can signal poor performance of the whole industry. (Chapter 4)
- VI. Controlled environments of laboratory experiments can provide more precise tests of corporate finance theory than empirical research based on happenstance data (collected in uncontrolled environments).
- VII. Actions are more powerful in solving problems than complaints.
- VIII. PhD often stands for “Persistently Heading for Discovery”.
- IX. Because there is no panacea, innovative thinking is required to solve new problems in economics.
- X. One’s profession, in particular being an economist, substantially influences his or her life style.
- XI. Criticism is always beneficial when it creates incentives to improve.