Credit rating agencies and the European sovereign debt crisis

Propositions belonging to thesis

Credit Rating Agencies and the European Sovereign Debt Crisis

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1) A high sovereign rating gives a country an increased chance of keeping a high rating, even when controlling for macroeconomic characteristics (Chapter 2)

2) There exists a fundamental connection between sovereign ratings and default probability for European countries, even though no actual default was observed (Chapter 3)

3) While austerity programs wreaked havoc in Greece and Portugal it is much more difficult to establish such an effect for Spain (Chapter 4)

4) A clear pattern for a leader-follower relationship in sovereign ratings cannot be established, although there are individual cases of this relationship (Chapter 5)

5) Data problems in economics can become severe if a statistic agency decides to revise the majority of collected data during one's PhD

6) Although we supposedly live in a world of Big Data, economic data is still surprisingly limited

7) The only direction of regulation for rating agencies ever since their foundation seems to force more financial market participants to use them, policy makers should probably also start looking into the other direction

8) There is no such thing as a finished paper

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