This is a tentative Syllabus

Objectives: The objective of this course is to introduce doctoral students to research in corporate finance and will cover papers on the topics listed below.

Course Materials: Journal articles and working papers. You are responsible for obtaining copies of the articles.

Grade and Course Requirements:

Grade will be determined on the basis of

1. Presentation, write-ups and classroom participation: 20%
2. Midterm: 30% - Held on March 5.
3. Final: 50%.

1. Capital Structure


***S. Myers and N. Majluf, 1984, Corporate financing and investment decisions when firms have information that investors do not have, Journal of Financial Economics, 13, 187-221


2. Theory of the Firm


Lemmon, Michael, Michael Roberts, and Jaime Zender, forthcoming, Back to the beginning: Persistence and the cross-section of capital structure, *Journal of Finance*

3. Product markets


***Kedia, S., 2006, Estimating Product Market Competition: Methodology and Application” *Journal of Banking and Finance* 30,


4. Internal Capital Market and Diversification


5. Dividend policy


5. Cash Holdings


5. Executive Compensation

B. Holmstrom, Moral hazard and observability, Bell Journal of Economics, 10 (1979) 74-91

M. Jensen and K. Murphy, Performance pay and top management incentives, Journal of Political Economy, 98 (1990), 225-264


6. Employee Incentive Compensation


8. Corporate Fraud and Earnings Management


9. Initial public offerings


10. Do CEO and their Preferences Matter?


Ben-David, I., J. Graham, and C. Harvey, 2008, Managerial overconfidence and corporate policies. Working paper, Duke University