Duke University  
Fuqua School of Business  
Professors A. Rampini and S. Viswanathan  
Corporate Finance Theory  
Finance 553  
Fall 2008

Syllabus

This second year Ph.D. course in the theory of corporate finance provides a rigorous introduction and prepares students for theoretical research in corporate finance.

Topics. The topics include financing with various sources of agency problems such as moral hazard, asymmetric information, limited observability, and limited commitment. The last part of the course considers the macroeconomic implications of corporate finance.


Prerequisites, Requirements, and Miscellanea. No background beyond first year graduate microeconomics is required, although familiarity with contract theory and information economics is useful. Course requirements include problem sets, a paper critique/paper, and a final exam. The course meets on Wednesdays from 8:45am to 11:45am in Seminar Room A (except for the first class). The first class meets on Wednesday, August 27, in Conference Room 5. You can contact us by email at rampini@duke.edu or viswanat@duke.edu or by phone at 919 660-7797 (Rampini) or 919 660-7784 (Viswanathan). There is a course web page with a schedule and additional course information (url http://faculty.fuqua.duke.edu/~rampini/finance553.htm).

1. Moral Hazard


2. Auctions and Applications to Corporate Finance


3. Financing with Incomplete Contracts


4. Bank Runs and Coordination Problems


5. Takeovers


6. Bubbles and Corporate Finance


7. Financing with Costly State Verification


8. Financial Distress


9. Multiple Financiers


10. Dynamics of Financing Constraints


11. Financing Constraints and Business Cycles


12. Collateral and Asset Prices


13. Liquidity and Economic Activity
