

Content

Course Code	Course Name	Semester	Theory	Practice	Lab	Credit	ECTS
G465	Special Topics in Finance and Accounting	5	3	0	0	3	5
Prerequisites							
Admission Requirements							
Language of Instruction	Turkish						
Course Type	Elective						
Course Level	Bachelor Degree						
Objective	<p>This course aims to introduce several topics of corporate finance which are not analyzed by introductory finance courses in detail. This course forces students to read and understand “greatest hits” in corporate finance, and it aims to teach students several valuation and financing methods.</p>						
Content	<p>Week 1. Corporate Governance &amp; Agency Costs – I            Week 2. Corporate Governance &amp; Agency Costs – II            Week 3. Corporate Social Responsibility            Week 4. Mergers &amp; Acquisitions – I            Week 5. Mergers &amp; Acquisitions – II            Week 6. Executive Remuneration            Week 7. Political Connections            Week 8. Entrepreneurial Finance – I            Week 9. Entrepreneurial Finance – II            Week 10. Capital Structure – I            Week 11. Capital Structure – II            Week 12. Dividend Policy            Week 13. Project Finance            Week 14. Trade Finance</p> <p>Weeks 1-2:</p> <ul style="list-style-type: none"> <li>• Jensen, M. C., and W. H. Meckling, 1976, Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure, <i>Journal of Financial Economics</i> 3, 305-360.</li> <li>• Jensen, M. C., 1986, Agency Costs of Free Cash Flow, Corporate Finance, and Takeovers, <i>American Economic Review</i> 76, 323-329.</li> <li>• Shleifer, A., and R. Vishny, 1997, A Survey of Corporate Governance, <i>Journal of Finance</i> 52, 139-157.</li> <li>• Gompers, P., J. Ishii, and A. Metrick, 2003, Corporate Governance and Equity Prices, <i>Quarterly Journal of Economics</i> 118, 107-156.</li> </ul> <p>Week 3:</p> <ul style="list-style-type: none"> <li>• Ferrell, A., H. Liang, H., and L. Renneboog, 2016, Socially responsible firms, <i>Journal of Financial Economics</i>, 122(3), 585-606.</li> <li>• Liang, H. and L. Renneboog, 2014, Finance and Society: the Foundations of Corporate Social Responsibility, WP CentER. <a href="http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2360633">http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2360633</a></li> <li>• Flammer, C., 2015, Does Corporate Social Responsibility Lead to Superior Financial Performance? A Regression Discontinuity Approach, <i>Management Science</i> 61, 2549– 568.</li> </ul> <p>Weeks 4-5:</p> <ul style="list-style-type: none"> <li>• Martynova, M. and L. Renneboog, 2008, A century of corporate takeovers: What have we learned and where do we stand?, <i>Journal of Banking and Finance</i> 32 (10), 2148-77.</li> <li>• Rhodes-Kropf, M. and S. Viswanathan, 2004, Market Valuation and Merger Waves, <i>Journal of Finance</i> 59(6), 2685-2718.</li> <li>• Martynova, M. and L. Renneboog, 2008, Spillover of Corporate Governance Standards in Cross-Border Mergers and Acquisitions, <i>Journal of Corporate Finance</i> 14, 200-223.</li> <li>• Martynova, M. and L. Renneboog, 2009, What Determines the Financing Decision in Corporate Takeovers: Cost of Capital, Agency Problems, or the Means of Payment?, <i>Journal of Corporate Finance</i> 15 (3), 290-315.</li> <li>• Betton, S., E. Eckbo, R. Thompson and K. Thorburn, 2014, Merger Negotiations with Stock Market Feedback, <i>Journal of Finance</i>, <i>The Journal of Finance</i> 69, 1705–1745.</li> <li>• Servaes, H. and A. Tamayo, 2014, How do industry peers respond to control threats?, <i>Management Science</i> 60, 380 – 399</li> </ul> <p>Week 6:</p> <ul style="list-style-type: none"> <li>• Malmendier, U., and G. Tate, 2009, Superstar CEOs, <i>The Quarterly Journal of Economics</i> 124 (4), 1593-1638.</li> <li>• Nihat A., E. de Bodt, H. Bollaert, and R. Roll, 2015, CEO Narcissism and the Takeover Process: From Private Initiation to Deal Completion, <i>Journal of Financial and Quantitative Analysis</i></li> <li>• Jenter, D., and Kanaan, F. 2015. CEO turnover and relative performance evaluation, <i>Journal of Finance</i> 70</li> </ul>						
References	<ul style="list-style-type: none"> <li>• Geiler, Ph. and L. Renneboog, 2015, Are Female Top Managers Really Paid Less?, <i>Journal of Corporate Finance</i> 25, 245-260.</li> <li>• Bertrand, M. and Mulligan, 2001, Are CEOs paid for luck? The case without principal...</li> </ul>						

- 35, 345-369. Bertrand, M. and Mullainathan, 2001, Are CEOs paid for luck? The ones without principals are, Quarterly Journal of Economics 116, 901-932.
- Kulich, C., S. A. Haslam, L. Renneboog, M. Ryan, and G. Trojanowski, 2011, Who Gets the Carrot and Who Gets the Stick? Evidence of Gender Disparities in Executive Remuneration, Strategic Management Journal 32, 301-321
- Week 7:
- Fisman, R., 2001, Estimating the Value of Political Connections, American Economic Review, 91, 1095-1102.
  - Khwaja, A. I. and A. Mian, 2005, Do Lenders Favor Politically Connected Firms? Rent Provision in an Emerging Financial Market, Quarterly Journal of Economics, 120, 1371-1411.
- Weeks 8-9:
- Robb, Alicia M., and David T. Robinson. "The Capital Structure Decisions of New Firms." Review of Financial Studies 27, no. 1 (2014): 153-179.
  - Cassar, Gavin. "The financing of business start-ups." Journal of Business Venturing 19, no. 2 (2004): 261-283.
  - Denis, David J. "Entrepreneurial finance: an overview of the issues and evidence." Journal of Corporate Finance 10, no. 2 (2004): 301-326.
- Weeks 10-11:
- Miller, Merton H. 1988. "The Modigliani-Miller Propositions after Thirty Years." Journal of Economic Perspectives, 2, pp. 99-120.
  - M. R. Roberts and A. Sufi, 2009, "Control Rights and Capital Structure: An Empirical Investigation, Journal of Finance, 64, pp. 1657-1695.
  - Von Eije, H., and WL Megginson, "Dividends and share repurchases in the European Union", Journal of Financial Economics 89, pp. 347-374.
  - M. R. Roberts, M. Lemmon and J. Zender, 2008, "Back to the Beginning: Persistence and the Cross-Section of Corporate Capital Structure" Journal of Finance, 63, pp. 1575-1608
- Week 12:
- Overview book: by DeAngelo, H., L. DeAngelo, D. Skinner, 2008, Corporate Payout Policy, Foundations and Trends in Finance Vol. 3 (2-3), 95-287
  - Michaely, R. and M. Roberts, 2011, Corporate Dividend Policies: Lessons from Private Firms, Review of Financial Studies 25, 711-746
  - Renneboog, L. and G. Trojanowski, 2011, Patterns in Payout Policy and Payout Channel Choice, Journal of Banking and Finance 35 (6), 1477-1490.
- Weeks 13-14:
- Lecture Notes & Guest Speaker

#### Theory Topics

Week	Weekly Contents
1	Corporate Governance & Agency Costs – I
2	Corporate Governance & Agency Costs – II
3	Corporate Social Responsibility
4	Mergers & Acquisitions – I
5	Mergers & Acquisitions – II
6	Executive Remuneration
7	Political Connections
8	Entrepreneurial Finance – I
9	Entrepreneurial Finance – II
10	Capital Structure – I
11	Capital Structure – II
12	Dividend Policy
13	Project Finance
14	Trade Finance