



Course Title:	<b>Corporate Governance</b>	Course Coordinator:	<b>Dr Randolph Luca Bruno</b>
Course Code:	SEESGS02	Course Prerequisites:	Introductory Level Economics
Credit Value:	15 (6 ECTS)	Runs in (2013/14):	Term 2
		Contact hours:	2 hours per week
Optional core for:	MA Comparative Business Economics (CBE)		
Open to: MA CBE, CEP, IMESS (E&B) and other qualified UCL MA students subject availability			

**Course Outline**

The objective of this course is to develop the student's ability to understand and analyse the issues of corporate governance and privatisation in comparative perspective, in particular as applied to the transition economies of Central and Eastern Europe and the CIS countries.

The course combines a short introduction to the modern theory of information, incentives and property rights with institutional analysis drawing from major categories of the privatisation programmes and corporate governance regimes and offers a discussion of empirical research. The topics include an introduction to the agency theory, moral hazard, risk sharing, incentive contracts and property rights. Building on that, the course offers a discussion of corporate governance models, capital markets and regulation, and of the main privatisation methods including mass privatisation, employee buy-outs, initial public offerings and direct sales to strategic investors. Students are expected to have a basic background in economics at the undergraduate level (a foundation course covering both micro and macroeconomics is the prerequisite).

**At the end of the module you should have fulfilled the following aims and objectives**

- Aims:**
1. Apply the agency theory to analyse various economic phenomena.
  2. Identify the key dimensions of the property rights.
  3. Analyse the interdependence between the institutional frameworks of corporate governance, the nature of ownership and the structure and volume of financing and other resources available to firms.
  4. Compare the corporate governance and ownership rights regimes using cross-country empirical evidence.
  5. Draw policy conclusions.
- Objectives:**
1. knowledge of the research methods applied in the corporate governance area.
  2. skills of working with academic literature and quantitative information.
  3. ability to critically assess academic texts and to present own argument in a clear and structured form.
  4. skills to present own research in a well organised and engaging way
  5. competence in independent research on selected topics for individual essays.

**Assessment Methods**

Assessment Style: 2hr Unseen Exam+1x1500w Essay

**Feedback**

Coursework: Verbal/written feedback on presentations, assessed and non-assessed coursework.  
 Examination: Students will be permitted access to markers' comments on individual scripts in line with the SSEES Policy on Examination Feedback.

**Preliminary Reading**

P. Milgrom and J. Roberts (1992), *Economics, Organisation and Management*, Upper Saddle River: Prentice Hall.  
 P. Bolton and M. Dewatripont (2005), *Contract Theory*, MIT Press.  
 J. Tirole (2006), *The Theory of Corporate Finance*, Princeton: Princeton University Press.  
 O. Hart (1995), *Firms, Contracts and Financial Structure*, Oxford: Clarendon Press.  
 D. Saal and D. Parker (eds.), (2003), *International Handbook on Privatisation*, Cheltenham: Edward Elgar.  
 Tomasz Mickiewicz (ed) (2006), *Corporate Governance and Finance in Poland and Russia*, Houndmills: Palgrave Macmillan.