

Corporate Finance

Professor Greenwood

For the first class, please:

1. Sign up for the TWEN site (which may not be available until about Jan 9), and download the course introduction and syllabus/tentative reading assignments. We will follow the order of the syllabus but speed is hard to predict, so please take the dates as rough guidelines only.
2. Post an introduction on the TWEN site -- this should be something memorable about yourself to help me start learning names. I posted a list of basic and boring questions but feel no obligation to respond to them if you have something more interesting to say. First drafts of short stories, stand up comedy, rap lyrics, political position papers all welcome.
3. Read the following, for the first two classes.

A. The assignments begin with an introduction to basic accounting.

Note that as lawyers, rather than accountants or MBAs, we are not expected to be able to produce financial statements, but most lawyers will at some point need to understand the basics of how they work well enough to talk to the relevant professionals. Even more importantly, as outsiders we often can add value by knowing where professional norms are blinders rather than illuminating -- and thus, where financial statements can mislead both lay and professional readers.

B. The chapters also begin to explore the differences between the ways that corporate law views stocks and bonds as opposed to the finance view.

Much of the course is an exploration of the idea that stocks and bonds are largely interchangeable for both investors and issuers -- so it is critical to remind yourself of the legal significance of those securities in corporate law even as you start to see the quite different ways that corporate finance sees them.

Required:

Carney Ch 1. Introduction

Carney 2.1, 2.2A-B pp.1-32 (intro to accounting)

Highly Recommended:

Klein pp. 240-241, 251-255 (intro to bonds)

Klein pp. 286-293 (intro to financial aspects of stock)