

VANDERBILT UNIVERSITY

OWEN GRADUATE SCHOOL OF MANAGEMENT

Professor Craig Lewis
Module IV - Spring 2004

PhD Seminar – Dynamic Capital Structure

Course Description

This course will be conducted as a standard Ph. D readings seminar. Students will be assigned to present the papers on the syllabus. It will cover recent developments in the area of dynamic capital structure decisions.

Course Outline

Meeting # 1.

- Graham, J. R. and C. R. Harvey, 2001, The theory and practice of corporate finance: Evidence from the field, *Journal of Financial Economics* 60(2/3): 186-243
- Rajan, R. G. and L. Zingales, 1995, What do we know about capital structure: Some evidence from international data, *Journal of Finance* 50: 1421-1460

Meeting # 2.

- Fama, E. F. and K. R. French, 2002, Testing trade-off and pecking order predictions about dividends and debt, *The Review of Financial Studies* 15(1): 1-33
- Frank, M. Z. and V. K. Goyal, 2003, Testing the pecking order theory of capital structure, *Journal of Financial Economics* 67: 217-248

Meeting # 3.

- Hovakimian, A., T. Opler and S. Titman, 2001, The debt-equity choice, *Journal of Financial and Quantitative Analysis* 35(1): 1-24
- Jung, J., Y. C. Kim and R. M. Stulz, 1996, Timing, investment opportunities, managerial discretion, and the security issuance decision, *Journal of Financial Economics* 42: 159-185
- Titman, S. and R. Wessels, 1988, The determinants of capital structure, *Journal of Finance* 43: 1-19

Meeting # 4.

- Fischer, E. O., R. Heinkel and J. Zechner, 1989, Dynamic capital structure choice: Theory and tests, *Journal of Finance* 44(1): 19-40
- Ju, N., 2001, Dynamic optimal capital structure and maturity structure, *Working paper*, University of Maryland

Meeting # 5.

- Baker, M. and J. Wurgler, 2002, Market timing and capital structure, *Journal of Finance* 57(1): 1-30
- Welch, I., 2004, Capital structure and stock returns, forthcoming *Journal of Political Economy*

Meeting # 6.

- Ju, N., R. Parrino, A. M. Poteshman and M. S. Weisbach, 2002, Horses and rabbits? Optimal dynamic capital structure from shareholder and manager perspectives, *Working Paper*, National Bureau of Economic Research
- Kayhan, A. and S. Titman, 2003, Firms' histories and their capital structure, *Working Paper*, University of Texas at Austin

Meeting # 7.

- Leary, M.T. and M.R. Roberts, 2004, Do Firms Rebalance Their Capital Structures?, *Working Paper*, Duke University