

Course: Decision Making and Negotiation

Course Load: 80 hours

School Term: 2013/2

Objective: Negotiation is a core management competency. This course presents conceptual models, tactical approaches and self-assessment tools to help you develop your negotiation skills.

We will rely on a balanced mix of case studies, classroom experiences in negotiation, readings and group exercises. Successful negotiation skills do not come through passive learning – you will need to challenge yourself, and the course will provide timely feedback and opportunities to refine your negotiation strategies on a repeated basis.

Conceptual models will be presented in an intuitive fashion rather than rigorous quantitative development. There will be a special focus on problem structuring and solving as well as interpreting the results of each negotiation done in class so as to educate your mental process (decision making) in the context of dispute resolution.

By the end of the course it is expected that each participant has developed his/her ability to successfully negotiate, especially in four aspects: efficacy in achieving results, process efficiency, stress reduction and preservation of personal relationships. Attendance and preparation are mandatory, as well as the readings assigned for each topic.

Contents:

- Essentials of Negotiation
- Preparation and Research – PSS and negotiation dynamics
- Decision-making process – models and biases
- Two Party, one issue – Distributive Negotiation
- Two party, multiple issues – Integrative Negotiation
- Team negotiation
- Multiple parties, multiple issues
- Internal negotiations
- Cross Cultural Negotiation
- Special topics (social dilemmas, ADRs)

Basic Bibliography: required readings (BB)

1.	Thompson, Leigh - <i>The Mind and Heart of the Negotiator</i> ; Prentice Hall, 2000 (3 rd edition, 2005)
2.	Shell, G. Richard - <i>Bargaining for advantage (Negociar é Preciso)</i> ; Negócio, 2001

Course: New Venture Creation

Course Load: 80 hours (correspond to classes and extra-class activities)

School Term: 2013/2

Pre-requisites: None

Ojective: To plan a startup in Brazil which will also operate globally or a foreign startup expanding operations to Brazil. In a very intensive course, student will interact with real entrepreneurs in Brazil and abroad to develop a business plan by adopting traditional approaches like SWOT analysis, business plan and valuation and new ones such as Business Model Generation, Lean Startup and Design Thinking.

Program: Startups, high growth entrepreneurs, innovation, business planning and fund raising.

Contents:

1. Entrepreneurship as a career
2. Global market for new ventures
3. New ideas for a new world
4. Startup planning
5. Fund raising (angels, VCs, government)

Bibliography:

1.	KAUFFMAN FOUNDATION. <i>Fasttrac New Ventures</i> – College Edition. Kansas City, Kauffman Foundation, 2009 ENDEAVOR. <i>Bota pra fazer: Crie seu negócio de alto impacto</i> . São Paulo, Endeavor, 2009 (Brazilian version of Fasttrac New Ventures)
2.	OSTERWALDER, A.; PIGNEUR, Y. <i>Business Model Generation: A Handbook for Visionaries, Game Changers and Challengers</i> , Hoboken, New Jersey: John Wiley & Sons. 2010.

Additional Bibliography:

1.	RIES, E. <i>The Lean Startup: How Today's Entrepreneurs Use Continuous Innovation to Create Radically Successful Businesses</i> . New York: Crown Publishing, 2011
2.	BROWN, T. <i>Change by Design: How Design Thinking Transforms Organizations and Inspires Innovation</i> . New York: Haper Collins, 2009.

Course: Marketing Research for Product Development

Course Load: 80 hours (includes classes and preparation for activities)

School Term: 2013/2

Objective: Marketing research is an important tool to understand, serve and establish relationship with customers, both consumers (B2C) and corporate (B2B). This class will prepare participants to better understand the process of information gathering, how to use different methodologies and as to when to apply them throughout the process of product development and management. Students will understand appropriate ways to research for evaluating customer's satisfaction, product concept test, product development, positioning, segmentation, channel distribution, pricing as well as other marketing decisions. Besides learning to develop and decide on research methodologies, by the end of the course, students will have learned how to coordinate a research process, develop a briefing, identify how to choose a research institute, orchestrate the process, develop and analyze reports and create a marketing plan.

Course Description: Present main aspects related to quantitative and qualitative research using cases of Brazilian and international companies to illustrate the process of developing a research. Students will also develop a research project on which they will apply essential concepts of marketing research and marketing management.

Course Outline:

- Marketing concepts review
- Consumer Behavior (B2B and B2C) theory review
- Branding and Brand Equity
- Brand internationalization
- Understanding the market
- Marketing Intelligence
- Research design formulation: Exploratory/Quali and Conclusive/Quanti;
- Marketing plan development;
- How marketing research support decision making;
- Relationship marketing.

Program: Classes will include case studies, movies and commercials discussions, guest speakers and developing a Marketing research project.

CLASS	CONTENT	READING and preparation
	Course Introduction	
	"Bob Roberts" movie discussion to review marketing concepts	K & A Chapters 3& 4 Textbook Chapters 1, 2 & 3
	Marketing Concepts review	K & A Chapters 3& 4 Textbook Chapters 1, 2 & 3
	Marketing and Consumer Behavior Concepts review	K & A Chapters 5, 6 & 7 Havaianas Case
	Consumer Behavior review Sainsbury Film Case	K & A Chapters 5 and 6
	Marketing Research Planning Secondary Data in Marketing research	Textbook Chapters 4 & 5
	Guest Speaker	
	Corporate Social Responsibility – Considering external aspects of your business	McDonald's Corporation: Managing a Sustainable Supply Chain, HBS 9-907-414 (IGA) MP: groups and themes
	Introduction to Qualitative Techniques - Depth Interview Movie "Kinsey"	Textbook Chapter 6
	Focus Group Films	Textbook Chapter 6
	Projective Techniques	Bring three pictures that describe your expectations for the future. Write one page essay. (IGA) Textbook Chapter 6
	Why research? Decisions based on research	Dove: Evolution of a Brand, HBS 9-508-047 (IGA)
	Quantitative Technique Observation at Shopping Morumbi	Field Study
	Observation Techniques	Textbook Chapter 7 MP: Secondary data research
	Survey Research	Textbook Chapter 7

	Midterm exam	
	How to develop a Marketing Research Briefing	Handout
	Starbucks case HBS	Starbucks: Delivering Customer Service, HBS 9-504-016 . (ISA)
	Causal Research	Textbook Chapter 8 MP: Bring Project Briefing
	How to choose techniques Film: "What woman want". Briefing Discussion	Discussion in class
	Attitude Measuring and Scaling technique	Textbook Chapters 9 & 10
	Sampling	Textbook Chapters 12 and 13
	Questionnaire Design	Textbook Chapter 11 and class exercises
	Questionnaire Design	Textbook Chapter 11 MP: Bring Questionnaire to class discussion
	Data Collection	Textbook Chapter 14
	Data Preparation for Analysis	Textbook Chapter 15
	Data Analysis	Textbook Chapters 16, 17 & 18
	Discussion on MP evolution	MP: Bring update version of the project
	Communicating Research Findings	Textbook Chapter 19
	Guest Speaker	
	MP Presentations	Fifteen minutes presentations followed by five for questions.
	MP Presentations	Fifteen minutes presentations followed by five for questions.
	Content review	Exercises
	Final Exam	All content

Recommended Textbook:

1.	MALHOTRA, Naresh K. Marketing research: an applied approach orientation. 5th ed. New Delhi: Prentice Hall of India, 2006.
----	---

Complementary Textbook:

1.	KOTLER, Philip; ARMSTRONG, Gary. Principles of marketing. 9. ed. New Jersey: Prentice-Hall, 2001.
----	---

Grading:

COMPONENT	WEIGHT %
MID TERM EXAM (MT)	20%
FINAL EXAM (FE)	40%
INDIVIDUAL AND GROUP ASSIGNMENTS (IGA)	10%
MARKETING PLAN (MP)	20%
CLASS PARTICIPATION (CP) (*)	10%

(*) Regular attendance and class preparations reading textbook and cases are requested. All students should participate and will be graded from (-1) to (+2). In order to get the maximum grade, student should get 14 points. A participation graded (+2) means an outstanding contribution, and (-1) applies to situations when a student does not prepare for class discussion, (0) means participation without significant contribution. Participation grades will be announced every five classes.

Students with more than 75% of absence will fail.

Course Requirements:

1. **Class Participation** – Spontaneous or stimulated by the professor.

Criteria: class preparation, comments, questions and contributions to class discussion, including cases - 10%

2. **Marketing Plan** (MP) to product development or service will be developed by groups of no more than four students - 20%
 - a) 5% related to project development. Students should present and discuss in class project step by step. Reports received out of date will not be graded, however will be corrected by the professor.
 - b) 10% content following marketing structure from KOTLER, Philip; ARMSTRONG, Gary. Principles of marketing – complementary text book..
 - c) 5% MP presentation by all members of the group: content, quality of results, methodology application, findings and observance of time limit for the presentation.

Course: Macroeconomic Imbalances and Currency Crisis in Recent Latin America Economic History

Course Load: 80 hours

School Term: 2013/2

Objectives: The course aims to build understand of macroeconomic imbalances and currency crisis that took place in Latin America in the past thirty years. To reach this goal the discipline covers a set of issues such as: (i) the debt crisis in early 80's; (ii) its outcomes in different countries; (iii) the role of Washington Consensus in shaping Latin America economic policy in the 90's and (iv) the search for new paths towards prosperity and macroeconomic balance in the awake of the new century.

Summary: Latin American countries experienced several macroeconomic imbalances in recent economic history (in fact since their very beginning as colonies in early sixtieth century). These disequilibria assumed different forms over the years and across countries. But somehow all of them lived one or many of the following imbalances: hyperinflation, nominal exchange rate devaluations; unemployment; stagnation; balance of payments restrictions; international capital flows sudden shrank or sudden arise and so on.

The combination of these elements led many Latin American countries to currency crisis that carried their economies to financial crisis. Since their currencies are not convertible, sudden stop in international capital flows brings about balance of payments restrictions which in turn cause nominal exchange rate devaluation. In this scenario the pace of economic growth declines creating unemployment and in some cases social disorder (as Argentina in early 2000's).

However, besides the general picture draw above, there are many specific features in each of Latin American countries that deserve consideration in order to furnish a complete understanding of the issue. Hence, carefully attention must be made to single countries in terms of their macroeconomic policies and economic performance within this general picture. For instance, all over the 90's many Latin American countries rose efforts to achieve monetary stabilization. All of them (Argentina, Brazil, Mexico, Uruguay) based their monetary stabilization program in some form of nominal exchange rate rigidity. But the details differ and so the overall macroeconomic performance during external crisis as well as in "normal" periods.

In short, the study of recent Latin America economic history builds a deeper understand on economic dynamics. Their recurrent macroeconomic "pathologies" throughout the last thirty years invite us to a theoretical and empirical journey in which it is possible to verify the limits and possibilities of current macroeconomic theoretical models.

Hence, the course will command the use of many traditional macroeconomic models to link the crisis and to understand why different countries experienced similar financial crisis in distinct times of history.

Contents:

1. Debt crisis in the early eighties
 - a. International context: liquidity in Monetary European markets
 - b. Patterns of debt accumulation in Latin America in the late seventies
 - c. The aftermath of Mexico default
 - d. How to deal with the debt? Macroeconomic policy in response to the international credit shrank
2. Economic performance in the eighties: hyperinflation, stagnation and heterodox approach on macroeconomic policies
 - a. Argentina's macroeconomic imbalances
 - b. Brazil: heterodox approach and chronic macroeconomic imbalance
 - c. Mexico: living after default
 - d. Chile: different path towards prosperity
3. Liberalism and Reform in the nineties
 - a. Washington Consensus: shaping from abroad the macroeconomic and microeconomic agenda in Latin America
 - b. Achieving monetary stabilization: the role of nominal exchange rate and international capital flows
 - c. Monetary stabilization and macroeconomic imbalances: the foundations of currency crisis in the nineties
 - i. The Tequila Crisis (Mexico 1988-94)
 - ii. Tequila's hangover: Argentina in 1995
 - iii. The Real devaluation crisis: Brazil 1994-1999
 - iv. Accumulating debt and bad policy: Argentina 1990-2002
4. Rethinking economic policy models: liberalism, populism and mixed policies in the 2000's
 - a. Argentina
 - b. Brazil
 - c. Mexico
 - d. Chile
 - e. Financial crisis in the center and its outcomes in Latin America
5. Special issue: IMF and Latin America

Readings:

Since the course deals with a set of different issues, in many countries over thirty years long, its reading list is somewhat fragmentary. The main source of bibliographical consulting consists of academic papers. However the following basic reading may be useful:

1.	MONTIEL, Peter J. <i>Macroeconomics in Emerging Markets</i> . Cambridge: Cambridge University Press, 2011 (2º ed). 445 p.
----	---

A sample of the reading list is provided below. Further references will be given in the very beginning of the course.

2.	BAUMANN, R. & MUSSI, C. Algunas características de la economía brasileña desde la adopción del Plan Real. <i>Temas de coyuntura</i> . Nº 5. ECLAC, 1999.
3.	CALCAGNO, A. F. El régimen de conversibilidad y el sistema bancario em la Argentina. In: <i>Revista de la CEPAL</i> . Nº 61. Abr/97. (Pp. 63-89).
4.	CALVO, G. (1986). Temporary stabilization: predetermined exchange rates. In: <i>Journal of Political Economy</i> , Nº. 94, 1986, p. 1319-29.
5.	CAPRIO, Gerard, DOOLEY, Michael P., LEIPZIGER, Danny and Walsh, Carl E. The Lender of Last Resort Function Under a Currency Board: The Case of Argentina (September). World Bank Policy Research Working Paper No. 1648, 1996.
6.	CLAVIJO, F. e VALDIVIESO, S. Reformas estructurales y políticas macroeconómicas: el caso de México 1982-99. In: <i>Serie Reformas Económicas</i> . ECLAC, 2000.
7.	DOOLEY, Michael P. A Retrospective on the Debt Crisis. NBER Working Paper No. W4963, July, 1995.
8.	DORNBUSCH, Rudiger and EDWARDS, Sebastian. <i>Macroeconomic Populism in Latin America</i> . NBER Working Paper. 1989
9.	EDWARDS, Sebastian. A tale of two crises: Chile and Mexico. NBER Working papers series. Working paper nº 5794. 1996.
10.	_____. 1985. Stabilization with Liberalization: An Evaluation of Ten Years of Chile's Experiment with Free-Market Policies, 1973-1983. <i>Economic Development and Cultural Change</i> , 33, No. 2 (January), 1985, p.223-254.
11.	_____. Monetarism in Chile, 1973 - 1983: Some Economic Puzzles. <i>Economic Development and Cultural Changes</i> 34, No. 3 (April), 1986, p.535 - 559
12.	FRAGA, Arminio. Monetary Policy During the Transition to a Floating Exchange Rate: Brazil's Recent Experience . <i>Finance & Development</i> (March), 1999 V.37, n.º 1.
13.	FRANCO, Gustavo. The Real Plan and the Exchange Rate . <i>Essays in International Finance</i> 217. New Jersey: Princeton University, 2000.
14.	GRIFFITH-JONES, S. La crisis del peso mexicano. In: <i>Revista de la CEPAL</i> . N.º 60. Dez/96. p. 51-70.

15.	KIGUEL, M. Inflation in Argentina: stop and go since the Austral Plan. PPR working paper, nº 162, World Bank, 1989.
16.	KIGUEL, M. & LIVIATAN, N. The business cycle associated with exchange rate based stabilization. In: World Bank Economic Review, v. 6, 1992, p. 279-302.
17.	LARRAIN, Mauricio. How the 1981-83 Chilean Banking Crisis Was Handled. The World Bank, 1989.
18.	REBELO, S. T. & VÉGH, C. A. Real effects of exchange-rate-based stabilization: an analysis of competing theories. In: NBER Macro Annual. Cambridge, 1995.
19.	REINHART, Carmen and ROGOFF, Kenneth. This Time is Different: Eight Centuries of Financial Foolies. New Jersey: Princeton University Press, 2009. Ch 13, 14 and 15.
20.	ROUBINI, Nouriel and SETSER, Brad. Bailouts or Bail-ins? Responding to Financial Crises in Emerging Economies . Peterson Institute for International Economics, August 2004, 348 pp. ISBN paper 978-0-88132-371-9
21.	RIBEIRO, F. Emerging markets in the International Monetary Fund: a proposition of a new quota-formula. Revista de Economia Mackenzie. , v.4, p.53 - 62, 2007.
22.	RIBEIRO, F. Recorrências Macroeconômicas Associadas a Algumas experiências de Estabilização Monetária na América Latina. Revista de Economia (Curitiba). , v.28/29, p.141 - 160, 2005.
23.	RIBEIRO, F. Política Cambial, Estabilização Monetária e Balanço de Pagamentos na América Latina. São Paulo : EDUC, 2005, v.01. p.154.
24.	RODRICK, Dani. Goodbye Washington Consensus, Hello Washington Confusion? A Review of the World Bank's "Economic Growth in the 1990s: Learning from a Decade of Reform". Journal of Economic Literature, Vol. 44, No. 4 (December), 2006, p. 973-987.
25.	RODRIGUEZ, C. A . The argentine stabilization plan of december 20 th . In: World Development. nº 10. 1982, p. 801-11.
26.	SACHS, Jeffrey and LARRAIN, Felipe. A Crise da Dívida das Nações em Desenvolvimento. In: Macroeconomia. Sao Paulo: Pearson Education, 2000. Cap 22.
27.	SÁNIZ, P., CALCAGNO, A. La economía brasileña ante el Plan Real y su crisis. In: Temas de coyuntura, ECLAC, Santiago de Chile. 1999.
28.	URIBE, M. Exchange-rate-based inflation stabilization: the initial real effects of credible plans. In: Journal of Monetary Economics, v. 39 (2), 1997, p. 197-221.
29.	VAN WIJNBERGEN, Sweder. 1991. Mexico and the Brady Plan. Economic Policy, vol. 6, n.º. 12 (April), 1991, p. 14-56.

Course: Institutional Economics and Business Strategy

Course Load: 80 hours (includes both class meetings and extra-class activities)

School Term: 2013/2

Objective: This course focuses on applying economic theory to examine the problems of organizations. The theoretical approach is based on concepts of "New Institutional Economics", according to the tradition inaugurated by Ronald Coase.

PROGRAM: Discussion about the nature of transaction costs. Study of absolute property rights (i.e. ownership of assets) and relative property rights (i.e., contractual obligations). Examination of the nature of contracts: incompleteness. Analysis of the market and the firm. Discussion on resources and capabilities. Examination of the Institution-Based View of Strategy. Institutions and Development.

Syllabus:

1. New Institutional Economics: Taking Step
2. Transaction Costs
3. Absolute and Relative Property Rights
4. Contract Theory
5. The Market
6. The Firm
7. Resources and Capabilities
8. The Institution-Based View of Strategy
9. Institutions and Development

References:

[Text book]

FURUBOTN, E. G.; RICHTER, R. (2005) *Institutions and economic theory: the contribution of the new institutional economics*. USA: The University of Michigan Press.

[Additional bibliography]

BARZEL, Y. (1997) *Economic Analysis of Property Rights*. Cambridge University Press.

COASE, R.H. (1937) The nature of the firm. *Economica*, v. 4, n. 16, pp. 386-405, 1937.

EGGERTSSON, T. (1990) *Economic Behavior and Institutions*. Cambridge Surveys of Economic Literature. Cambridge University Press. 385 pp.

FOSS, N. (2005) *Strategy, economic organization, and the knowledge economy: the coordination of firms and resources*. New York: Oxford University Press, 2005.

SHIRLEY, M. M. (2008) *Institutions and Development*. Cheltenham, UK and Northampton, MA: Edward Elgar.

MENARD, C. and SHIRLEY, M. M. (2005) *Handbook of New Institutional Economics*. Springer. 884 p.

WILLIAMSON, O. E. (1985) *The Economic Institutions of Capitalism*. The Free Press, 449 pp, New York.

WILLIAMSON, O. E. (1996) *The Mechanisms of Governance*. Oxford University Press. 429 pp.

WILLIAMSON, O. E. and MASTEN, S. E. (1999) *The Economics of Transaction Costs*. Edward Elgar Publisher, 560 pp.

Course: Family Business

Course Load: 80 hours

School Term: 2012/2

Objective: This course invites the students to learn about the particularities of Family business organizations. We discuss the sources of negative and positive Family influence to businesses' decisions, performance and organization. Indeed, family business organizations provide the students a particular set of knowledge on professionalization and succession that are applicable on overall organizations. The students will be invited to think on their role as a market-professional within a family business organization, and as a family heir-professional working with relatives. This course take into account the students' knowledge on Organizational Behavior, Competitive and Corporative Strategy, and Entrepreneurship. For instance, we discuss how the resource based view theory, the agency theory, and the governance framework among other concepts help us understanding the family business and how to improve it. Family Business course is fundamental to family heirs; to market-professionals working to families or that will deal with family businesses as a client or supplier.

Contents:

1. Family business scope
 - The concept and definition of Family business
 - Family and business as a sub-system
 - Organization and legal typology
 - Ownership, management and Family groups
 - Professionalization
 - Succession
 - Family business performance

2. Theory and perspectives
 - Entrepreneurship: different roles of founder, heir and other Family members
 - Resources and competences: how to employ, create, manage and transfer resources
 - Agency theory and Stewardship theory
 - Corporate governance: planning, communication and transparency. Structures: board of directors, Family offices and Family meetings.
 - Family business exit: merger and acquisitions; private equity investors on Family business

Basic References

1. Articles from *Family Business Review*, *Family Firm Institute*, *Journal of Family Business Strategy*, *Journal of Financial Economics* (available on netstudent)

Additional References

1. (GDHL) Gersick, K.E.; Davis, J.A.; Hampton, M.M.; Lansberg, I. **De Geração para Geração: Ciclos de Vida das Empresas Familiares**. Editora Negócio, 2006.
2. Poza, E. **Family Business**. 3a edição. Editora South-Western Cengage Learning, 2010.
3. Poutziouris, P.Z.; Smyrnios K.X.; Klein, S.B. **Handbook of Research on Family Business**. Edward Elgar in Association with IFERA (International Family Enterprise Research Academy), 2007.
4. IBGC. **Governança Corporativa em Empresas de Controle Familiar: casos de destaque no Brasil**. Editora Saint Paul, 2006.

Course: Corporate Financial Engineering

Course Load: 80 hours (includes both class meetings and extra-class activities)

Term: 2012/2

Objective: The course's general objective is to discuss the alternative uses of financial instruments for the attainment of basic corporate economic and financial goals.

Course Description: Definition of financial engineering as a set of techniques; analysis of the operation of major financial asset markets, including derivatives and their underlying assets; development of computation techniques for the equilibrium pricing of the assets often used in financial engineering; discussion of cases in the use of financial instruments for the solution of corporate financial engineering problems.

Course Outline:

- Introduction to financial engineering.
- Fixed income instruments: market mechanism, pricing and use in the solution of financial engineering problems.
- Forward and futures contracts: market mechanism, pricing and use in the solution of financial engineering problems.
- Swaps: market mechanism, pricing and use in the solution of financial engineering problems.
- Options and warrants: market mechanism, pricing and use in the solution of financial engineering problems.
- Interest rate and commodity derivatives: market mechanism, pricing and use in the solution of financial engineering problems.

Teaching Plan:

The **first part** of the course makes the use mostly of **lectures** in order to create the setting for the subsequent preparation and analysis of case studies. The goal is to further the knowledge acquired in finance required and elective courses on financial instruments and markets, as well as pricing and hedging techniques. Advanced applications of fixed income, equity and derivative instruments are presented, in addition to corporate risk management techniques.

In the **second part** of the course, the students will become involved in the discussion of **seven real Harvard Business School case studies**. It is expected that students prepare in advance for active and individual participation in classroom discussions, led by the instructors. Analytical tools will be applied to the examination of situations in which financial instruments and risk management strategies were employed by corporations, with or without success. The cases will deal with the use of financial engineering in the creation of financial instruments

and the control of interest, currency, equity and commodity risk, as well as in making operations, marketing, and research and development projects feasible.

#	DATE	TOPIC	BASIC READINGS	F/S
1		Course presentation and introduction to corporate financial engineering	HBS 297-053 Introduction to corporate financial engineering (P. Tufano) Neftci, Ch. 1	F,S
2		Fixed income instruments: market mechanism and fundamental concepts	Bodie, Kane and Marcus, Ch. 14 and Ch. 15, pp. 484-494 Hull, Ch. 4, pp. 73-87	F
3		Fixed income instruments: <i>duration</i> and synthetic securities	Bodie, Kane and Marcus, Ch. 16, pp. 513-530 Hull, Ch. 4, pp. 87-91	F
4		Quiz #1: problems on fixed income instruments Futures contracts, short selling and arbitrage	Bodie, Kane and Marcus, Ch. 22, pp. 760-774 Neftci, Ch. 3, pp. 35-49 Hull, Ch. 3	S
5		Futures contracts: pricing	Bodie, Kane and Marcus, Ch. 22, pp. 774-782 Neftci, Ch. 3, pp. 49-68 Hull, Ch. 5	S
6		Case 1A: Travelers Mortgage Securities CMO – questions, analysis and preparation Securitization	HBS 286-061	F
7		Case 1A: Travelers Mortgage Securities CMO – individual discussion	HBS 286-061	F
8		Case 1B: Home Equity Protection – individual discussion	HBS 206-110 Home Equity Protection HBS 708-042 Subprime Meltdown: American Housing and Global Financial Turmoil	S

9	Currency swaps and other swaps	Neftci, Ch. 5 Mason, Merton, Perold and Tufano, p. 581-588 and 595-603 Hull, Ch. 7	S
10	Quiz #2: problems on futures contracts and swaps Options: markets, basic concepts and strategies	Bodie, Kane and Marcus, Ch. 20, pp. 672-701 Neftci, Chs. 8 and 10 Hull, Chs. 8 e 10	S
11	Options and warrants: pricing	Bodie, Kane and Marcus, Ch. 21, pp. 715-747 Hull, Chs. 9, 11-13	S
12	Case 2: RJR Nabisco 1990 and RJR Nabisco Holdings Capital 1991 - questions, analysis and preparation	HBS 290-021 HBS 292-129	F
13	Case 2: RJR Nabisco 1990 and RJR Nabisco Holdings Capital 1991 - individual discussion	HBS 290-021 HBS 292-129	F
14	Quiz #3: problems on options and warrants Valuation techniques: discounted cash flows and real option pricing	Hull, Ch. 33, pp. 745-754	S
-	Midterm Exam		
15	Case 3: ALZA and Bio-Electro Systems (A) - questions, analysis and preparation	HBS 293-124	S
16	Case 3: ALZA and Bio-Electro Systems (A) - individual discussion	HBS 293-124	S
17	Case 4A: MW Petroleum Corporation (A) - questions, analysis and preparation	HBS 295-029	S
18	Case 4A: MW Petroleum Corporation (A) - individual discussion Case 4B: MW Petroleum Corporation (B) - questions, analysis and preparation	HBS 295-029 HBS 295-045	S,F
19	Case 4B: MW Petroleum Corporation (B) - individual discussion	HBS 295-045	F
20	Interest rate derivatives and market	HBS 294-095 Interest	F

		risk management	Rate Derivatives Froot, Scharfstein and Stein, A framework for risk management (HBR) Stulz, Chs. 3 and 8	
21		Quiz #4: problems on interest rate derivatives and market risk management Case 5: Liability Management at General Motors – questions, analysis and preparation	HBS 293-123 Neftci, Ch. 4 Hull, Chs. 20 and 28	F
22		Case 5: Liability Management at General Motors – individual discussion	HBS 293-123	F
23		Case 6: Tiffany & Co.-1993 – questions, analysis and preparation	HBS 295-047	S
24		Case 6: Tiffany & Co.-1993 – individual discussion	HBS 295-047	S
25		Advanced technical issues in market risk management		F,S
26		Case 7: Enron Gas Services – questions, analysis and preparation	HBS 294-076	S
27		Caso 7: Enron Gas Services – individual discussion	HBS 294-076	S
28		Issues related to Cases 5-7 Financial engineering in Brazil and abroad	Tufano, How financial engineering can advance corporate strategy	F,S
-		Final Exam		

Main References:

1.	NEFTCI, S. N. Principles of Financial Engineering, 2nd ed.: Academic Press, 2008.
2.	HULL, J. C. Options, Futures and Other Derivatives, 7th ed.: Prentice-Hall, 2009.

Supplementary Materials:

1.	BODIE, Z., KANE, A. and MARCUS, A. Investments, 8th ed.: McGraw-Hill/Irwin, 2009.
2.	BODIE, Z. and MERTON, R. Finance: Prentice-Hall, 1999.
3.	FROOT, K. A., SCHARFSTEIN, D. S. and STEIN, J. C., A framework for risk management, Harvard Business Review , v. 72, n. 6, pp. 91-102,
4.	MASON, MERTON, R., PEROLD, and TUFANO, P. Cases in Financial Engineering: Prentice-Hall, 1995.
5.	STULZ, R. Risk Management & Derivatives. Thomson South-Western, 2003.
6.	TUFANO, P. How financial engineering can advance corporate strategy, Harvard Business Review , v. 74, n. 1, pp. 645-679, Jan/Feb. 1996.
7.	TUFANO, P. Introduction to corporate financial engineering, Note 297-053, Harvard Business School , Dec. 3, 1996.

Course: Analysis of the Economic Environment II

Course Load: 80 hours (correspond to classes and extra-class activities)

School Term: 2013/2

Objective: To present to the students in the final stages of the Undergraduate programs in Economics and Management the data sources, indicators and analysis methods of the state of the economy in the short run. The Idea is to prepare the students for future demands of the labor market, offering them potential for practical analysis and interpretation of the short run movements of the economy.

Program: Macroeconomic Indicators: Data sources and estimation methods. Relationship between economic policy and the behaviour of the main macro variables. Leading Indicators. Monetary and Fiscal Policies. The External Sector and the global environment. Scenarios and economic reports.

Contents:

1. Level of Activity: the real side of the economy.
2. Employment and Income.
3. Inflation and Monetary Policy
4. Public Finance and Fiscal Policy.
5. External Sector and the World Economy.

Bibliography:

1.	ROMER, D. Keynesian Macroeconomics Without the LM Curve. NBER Working Paper Series, January 2000.
2.	BLANCHARD, O J. Fiscal Dominance and Inflation Targeting - Lessons from Brazil. MIT Working Paper Series 04-13, March 2004

Additional Bibliography:

1.	Dezessete anos de política fiscal no Brasil: 1991-2007; Fábio Giambiagi, IPEA, texto para discussão no. 1309, Nov. 2007.
2.	Predicting U.S. Recessions: Financial Variables as Leading Indicators ; Arturo Estrella & Frederic S. Mishkin, The Review of Economics and Statistics, vol. 80, No 1, Feb. 1998
3.	Banco Central do Brasil. Relatório de Inflação, diversos números
4.	Instituto de Pesquisa Econômica Aplicada. Boletim de Conjuntura. Several numbers.

General Orientations:

Exams

There will be a midterm and a final exam. The idea is to evaluate how much of the content of the course is understood by the class.

Reports

The students will be divided in groups and will present reports about specific aspects of the economic environment. After the presentations, the reports will be discussed with the whole class.

Participation.

The evaluation of the participation in class aims to stimulate the practice of discussion and the construction of solid arguments.

Course: Advanced International Economics – The Case of East Asia

Course Load: 80 horas (correspondem a aulas e atividades extra-classe)

School Term: 2013/1

Objective : The central purpose of this course is to provide an understanding of the factors behind the unparalleled progress experienced by the countries in East Asia, focusing attention on Japan, China, South Korea and selected South East Asian countries. A related objective is to draw lessons from this experience and to analyze commercial and other opportunities that this phenomenon offers to Brazil.

Summary: The course will look at the main economic players in East Asia, such as Japan, China, South Korea, and selected South East Asian countries, and establish some of the particular features for each of them. The historical background that helped establish the foundations for their economic development will be presented. A second element to be discussed in depth will be the role played by public policies and, more generally, the quality of governance.. Public policies include fiscal and monetary policy, commercial policies, education and the formation of human capital, and social policies. A third element that goes beyond the national sphere of any of these countries has to do with the structures of regional integration. These include institutional structures such as ASEAN, APEC (Asia Pacific Economic Cooperation), and other more recent initiatives, as well as more informal structures originating from Japanese foreign direct investment (FDI) in the region and the Chinese Diasporas in South East Asia. Going beyond the region we will also analyze the role that globalization and the international economic environment of the post-war period has played in the emergence of East Asia. The course will conclude by discussing possible lessons as well as the commercial opportunities offered by this phenomenon for a country such as Brazil.

Content:

1. Course Overview
2. The Main Players
 - a. Japan
 - b. China
 - c. Korea

- d. Singapore
3. The Role of the State (case studies from Japan and Korea)
4. Science, Technology and Innovation Policies (case study: Tsukuba Science City)
5. Human Resources Policies
6. Knowledge in the Firm (case study: Nissan)
7. Labor Markets (case studies: Japan and Korea)
8. Productive Chains in East Asia
9. Regional Integration in East Asia and the Pacific: APEC, ASEAN and AFTA
10. Globalization and its Challenges: Japan and China
11. Brazil and East Asia

Course: The Financial Crisis of the XXI Century: Causes, Consequences and Policy Responses

Hours: 80 hours

Semester: 2012/2

Summary

The key idea behind this course is to apply the concepts of Macro, International Economics and Finance to the current global financial crisis. In the first part we review and analyze the current global macroeconomic issues with an emphasis on the international aspects of macroeconomics, including: interest rates and exchange rates; current account deficits; the 1990 and 1980s financial crisis in emerging market economies; causes of currency crisis (first, second and third generation currency crisis); balance sheet problems, dollarization and liability dollarization, corporate and banking crises; the globalization of financial markets; the role of international institutions in preventing financial crisis. During the first part of the course we introduce and review a few concepts of structured finance and securitization. We also review the concepts of credit default swaps, collateralized debt obligations, asset back securities commercial paper, mortgage back securities, among other instruments. Among other themes we explore the 1999 repeal of the Glass-Steagall Act.

In the second part of the course we start with the subprime crisis in 2007 going all the way through the present. We review the US mortgage system; the hybrid structure of Fannie Mae and Freddie Mac; the US credit system; the rating agencies; monetary policy in the United States and Europe; fiscal policy in the US. We then use the instrumental of IS/LM in an open economy to understand what happened during 2008 when Bear Sterns was bailed out, introducing moral hazard in the system but Lehman Brothers was not. Using the IS/LM tools, we explore the monetary policy responses across the globe. The fiscal package in the US and the one in England is also explored. We review the Japanese experience during the 1990s and the process of deflation. Why should we fear deflation? How can policy makers and economists address such problem? The spillover effects of the crisis in Brazil and other emerging markets and the role of inflation target in times of deflation is something we will be addressing too. The liquidity facilities created by the Federal Reserve, the 'printing press' of the Federal Reserve and its implication for the US debt profile. These topics are integrated into a theoretical framework that introduces international factors from the start. We use the Harvard Business School cases for the second part of the course as well as the most recent academic papers on the themes.