Course Preview Session
Markets, Business and Govt.

Monday August 31, 2009
2:30-3:45
Host: Professor Christopher Avery
Agenda

Course Previews
  1. International Economics
  2. Finance
  3. Analytic Methods
  4. Regulation

Center Descriptions
  5. Center for Business and Government
  6. Women and Public Policy Program
1. International Economics Courses

Fall Semester
   ITF-100: “International Capital Markets”
   ITF-110: “The Political Economy of Trade”
   ITF-210: “The Economics of Trade Policy”

Spring Semester
   API-121: “Macroeconomic Theory and Practice”
   ITF-220: “The Economics of International Financial Policy”
ITF-100
International Capital Markets

Alfred Schipke
Friday 2:10 – 5:00
L-280
ITF-100: International Capital Markets

Introduces students to standard concepts of international finance/open economy macroeconomics, financial markets (e.g. money, bond, foreign exchange, derivatives), and institutions

Open to students with little background in economics or those with a background in macroeconomics/international finance, but who would like to apply concepts to policy questions

Application of frameworks to current developments and data

Examples from the U.S., emerging markets, and developing countries

Global perspective (including global financial architecture)
ITF-110
The Political Economy of Trade

Robert Lawrence
MW 10:10 – 11:30
L-332
ITF 110: The Political Economy of Trade

Multidimensional introduction to international trade policy. Assumes no economics background. Uses lectures and specially developed case studies.

Deals with international trade economics, rules, politics and institutions, and the major policy issues facing the global trading system.

Economic Basis of Free Trade & Protection,
Winners and Losers from Trade.
Economic Integration and Global Sovereignty.

World Trade Organization (WTO). Negotiation mechanisms and rules relating to market access, dispute settlement, fair trade, safeguards and trade-related intellectual property (TRIPs).

The course includes simulation exercise of the Doha negotiations for which students will be organized into national teams. The teams will jointly determine negotiations strategy and prepare a negotiations briefing book that will count towards the class grade.

The final section considers major issues facing the trading system. These include regional trading arrangements, foreign investment, China’s entry into the WTO and the current economic crisis.
ITF-210
The Economics of Trade Policy

Robert Lawrence
MW 4:10 – 5:30
L-332
ITF 210: Economics of International Trade Policy

This course provides an introduction to international trade theory and its application to international trade policy. It presumes a background in microeconomics, ideally intermediate micro.

Aim Developing analytic tools and applying them to shed light in policy issues

Part One (8 weeks) Theory of Trade Policy

Theories of Comparative Advantage.
Trade when Competition is Imperfect competition,
Trade policy instruments: tariffs, quotas, and subsidies,
Strategic trade policy, Infant Industry Argument and Political Economy of Trade Policy.

Part Two (5 weeks) Applications

Trade and Income Inequality.
Trade and development
World Trade Organization,
Fair Trade
Deeper economic integration.
2. Finance Courses

Fall Semester
API-141: “Finance”
API-148: “Advanced Risk Management and Infrastructure Finance”

Spring Semester
BGP-264m: “Capital Market Regulation”
API-141
Finance

Akash Deep
MW 11:40 - 1:00
L-140
API-141: The essentials
Finance

Introductory, fast-paced, course on
financial markets and instruments
portfolio and risk management
financial policy
With applications drawn from public and private settings

Lectures: Mon & Wed, 11:40 to 1:00 in L-140
Review sessions: Fri 8:40 to 10:00 (L-280) OR 1:10 to 2:30 (L-140)
Pedagogy: 2/3 Lectures, 1/3 Cases

Prerequisite: College level microeconomics
Requirements: Attendance with readings completed in advance
Weekly assignments
Midterm and final exam
# API-141: Topics

<table>
<thead>
<tr>
<th>The three pillars of finance</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time</td>
<td>Valuing financial securities</td>
</tr>
<tr>
<td>Uncertainty</td>
<td>Portfolio theory</td>
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<td>Capital Asset Pricing Model</td>
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<td>Arbitrage</td>
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<td>Risk Management</td>
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<td>Forwards and Futures</td>
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<td>Options</td>
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<td>Information</td>
<td>Efficient Markets</td>
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<td>Real Options</td>
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API-141: Applications

<table>
<thead>
<tr>
<th>Case</th>
<th>Application</th>
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<tbody>
<tr>
<td><em>The State of South Carolina</em></td>
<td>Public pension management</td>
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<td><em>Communications Satellite Corp.</em></td>
<td>Utility regulation</td>
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<td><em>Long-Term Capital Management</em></td>
<td>Hedge fund strategy</td>
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<td><em>Dozier Industries</em></td>
<td>Currency risk management</td>
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<td><em>BASIX</em></td>
<td>Agricultural micro-insurance</td>
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<td><em>Bidding for Antamina</em></td>
<td>Privatization and investment</td>
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<tr>
<td><em>Deposit Insurance</em></td>
<td>Banking stability</td>
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<td><em>Subprime Meltdown</em></td>
<td>Mortgage markets, systemic risk</td>
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<tr>
<td><em>Guest Speaker from MA Treasury</em></td>
<td>Debt Management</td>
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</tbody>
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API-148
Advanced Risk Management and Infrastructure Finance

Akash Deep
MW 10:10 – 11:30
L-280
API-148: The essentials
Advanced Risk Management & Infrastructure Finance

Advanced course on the application of risk management tools and perspectives to the structure, valuation and management of infrastructure projects

Lectures: Mon & Wed, 10:10 to 11:30 in L-280
Review sessions: Fri 8:40 to 10:00 in L-332
Pedagogy: 1/3 Lectures, 2/3 Cases

Prerequisite: Course in finance (API-141, MBA or advance undergrad)
Requirements: Case preparation in advance, and class participation Weekly assignments Final exam
## API-148: Topics in Risk Management

<table>
<thead>
<tr>
<th>Risk Management</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit risk</td>
<td>Measurement: statistical &amp; structural models</td>
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<td>Credit derivatives</td>
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<td>Pooling and tranching: structured finance</td>
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<td>Political risk</td>
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<td>Leverage risk</td>
<td>Capital structure</td>
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<td>Equity and residual risk</td>
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<td>Dynamic capital structure</td>
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<td>Implications for valuation</td>
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<td>Market risk</td>
<td>Hedging long-term risks</td>
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<td>Swaps</td>
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<td>Dynamic hedging</td>
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</tbody>
</table>
# API-148: Topics in Infrastructure Finance

<table>
<thead>
<tr>
<th>Infrastructure finance</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structure</td>
<td>Project finance and cash flow waterfall</td>
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<td></td>
<td>Leverage</td>
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<td>Governance</td>
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<td>Leasing</td>
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<td>Value</td>
<td>Measuring development impact &amp; distribution</td>
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<td>Value of greenfield &amp; brownfield projects</td>
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<td>Valuation for regulation</td>
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<td>Risk</td>
<td>Risk allocation</td>
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<td>Credit enhancement</td>
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<td>Long-term contracts</td>
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<td>Infrastructure funds</td>
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<tr>
<td>Public Private Partnership</td>
<td>Value for money and risk transfer</td>
</tr>
</tbody>
</table>
# API-148: Cases

<table>
<thead>
<tr>
<th>Case</th>
<th>Sector</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transener</td>
<td>Electricity</td>
<td>Argentina</td>
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<tr>
<td>Barracuda &amp; Caratinga Oil</td>
<td>Oil &amp; Gas</td>
<td>Brazil</td>
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<tr>
<td>Sale of Rio Light</td>
<td>Electricity</td>
<td>Brazil</td>
</tr>
<tr>
<td>Tamil Nadu Urban Development Fund</td>
<td>Water/ Transport</td>
<td>India</td>
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<td>Poland A2 Motorway</td>
<td>Transport</td>
<td>Poland</td>
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<tr>
<td>Petrolera Zuata</td>
<td>Oil &amp; Gas</td>
<td>Venezuela</td>
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<td>Nghe An Tate &amp; Lyle</td>
<td>Industrial</td>
<td>Vietnam</td>
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<td>Partnerships Victoria</td>
<td>Transport</td>
<td>Australia</td>
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<tr>
<td>Metallgesellschaft</td>
<td>Oil &amp; Gas</td>
<td>Germany/USA</td>
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<tr>
<td>Glas Cymru</td>
<td>Water</td>
<td>UK</td>
</tr>
<tr>
<td>Sutton Bridge Power Station</td>
<td>Electricity</td>
<td>UK</td>
</tr>
<tr>
<td>Texas High Speed Rail</td>
<td>Transport</td>
<td>USA</td>
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<tr>
<td>Guest speaker from Citigroup</td>
<td>Transport</td>
<td>USA</td>
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<tr>
<td>Basel II</td>
<td>Finance</td>
<td>Global</td>
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<tr>
<td>Infrastructure funds</td>
<td>Finance</td>
<td>Global</td>
</tr>
<tr>
<td>First American Bank</td>
<td>Finance</td>
<td>Global</td>
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3. Analytics Courses

Fall Semester
API-101/105: “Markets and Market Failure”
API-201/205: “Quantitative Analysis”
API-302: “Analytic Frameworks for Policy”

Spring Semester
API-102: “Econ. Analysis of Public Policy”
API-202: “Empirical Methods”
API-303: “Game Theory”
API-105 A & B
Markets and Market Failure with Cases

Two sections:
A (Joseph Kalt) MW 8:40-10:00
at HKS (L-140)
B (Jose Gomez-Ibanez) MW 10:10-11:30
at GSD
API-105 A & B

SIMILARITIES WITH API-101
• Both assumes no prior exposure to economics
• Both covers same topics
• Both uses similar weekly problem sets

DIFFERENCES WITH API-101
• API-101 is all lecture, API-105 is half lectures, half cases

DIFFERENCES BETWEEN A AND B SECTIONS
• Location and time: A at HKS 8:40am, B at GSD 10:10am
• Selection of cases: A more competition and regulation, as well as economic development; B more urban policy

ENROLLMENT OF MPPs
• MPP/UP students can substitute API-105 for API-101
API-205

Deborah Hughes Hallett
MW 10:10 to 11:30
L-140
API-205

SIMILARITIES WITH API-201
• Both assume no prior exposure to quantitative methods
• Both cover probability and hypothesis tests
• Both use Excel for statistical analysis

DIFFERENCES WITH API-201
• API-205 is primarily intended for decision makers
• API-205 has more cases and discussion than API-201
• API-205 includes regression analysis

ENROLLMENT OF MPPs
• MPP students cannot substitute API-205 for API-201
API-302
Analytic Frameworks for Policy

Richard Zeckhauser
Tu, Th: 10:10 to 11:30
RG-20
API-302 Description

• Link to original HKS curriculum
• Required for doctoral students, open to other students.
• Prerequisite is interest in math rather than specific technical background
• Starts with topical policy questions, then identifies appropriate analytic methods
• Incorporates both mathematical and behavioral approaches
4. Regulation Courses

Fall Semester

BGP-100: “Business-Govt. Relationship in US”
BGP-200: “Strategy, Competition, Regulation”

Spring Semester

API-164: “Energy Policy”
BGP-201: “Industry Structure and Public Policy”
BGP-256: “Regulation of Public Infrastructure”
BGP-204m: “Food Policy and Agribusiness”
BGP-200
Strategy, Competition and Regulation

Erich Muehlegger
Tuesday 4:10 – 6:00
L-332
BGP 200: Strategy, Competition and Regulation

Motivating Questions:
• How do regulations affect the business environment?
• How can the government design regulation to achieve policy goals rather than create policy problems?

Overview of the Course:
• Develops a framework for understanding strategic firm behavior and the impacts of regulation.
• Examines regulation in a variety of policy contexts, through cases and lectures.
• Considers the political challenges posed by regulation, such as the relationship between firms and regulators and interjurisdictional competition.
BGP-100
The Business-Government Relationship in the U.S.

Roger Porter
Tu, Th 2:40 – 4:00
L-140
Promoting Gender Equality through Research and Impact

August 31, 2009
Creating knowledge, impacting the world

The Women and Public Policy Program at Harvard Kennedy School asks what we can do to create gender equality and improve the lives of women and men throughout the world. Our work focuses on research, training, teaching and global impact through four initiatives to advance our understanding of: (1) how women and men think, decide and negotiate; (2) what policies contribute to closing the gender gaps in the economic sphere, politics, education, and health; (3) the strategies that enable women to participate and succeed in politics; and (4) conflict resolution and peace building.

www.hks.harvard.edu/wappp

Taubman Building, 1st floor
79 JFK St., Cambridge, MA 02138
Phone: (617) 495-8143
Email: wappp@harvard.edu
Four areas of focus:

- Gender in Decision Making and Negotiation
- Gender and Economic Opportunity
- Gender and Political Empowerment
- Gender and Security
WAPPP

Seminar Series

Every Thursday
11:40 am – 1:00 pm
*Lunch is provided*

9.10.09
“Building Social Capital through Microfinance”
Rohini Pande, Mohammed Kamal
Professor of Public Policy, HKS

9.17.09
“Sex Differences in Aggression in Simulated War Games”
Rose McDermott, Professor of Political Science, Brown University
and former WAPPP/ISP Fellow
Understanding how women and men think, decide and negotiate
Faculty Advisors: Iris Bohnet, Hannah Riley Bowles, Jennifer Lerner

GENDER IN DECISION MAKING AND NEGOTIATION
Examining policies which contribute to closing the gender gaps in economics, politics, education and health

Faculty Advisors: Kathy Edin, Rohini Pande

GENDER AND ECONOMIC OPPORTUNITY
Closing the Global Gender Gap

- Examining and measuring the effectiveness of policy interventions
- Developing a theory of change
- Raising awareness and catalyzing policy change
Identifying strategies that enable women to participate and succeed in politics
Faculty Advisor: Jane Mansbridge

GENDER AND POLITICAL OPPORTUNITY
From Harvard Square to the Oval Office

Massachusetts State Representative (D-8th)

Lori Ehrlich
MC/MPA 2005
Integrating a gender framework in the study and practice of international security.
Faculty Advisor: Monica Toft

GENDER AND SECURITY
Student Internship Funding

- Cultural Bridge Fellowship [website >>]
- Roy Family Internship
- Oval Office Internship
Harvard University’s Gender Course Guide 2009-2010

Print version available at WAPPP

Online version at WAPPP website link >>
Women and Public Policy Program

OPEN HOUSE Thursday, 9.3.09
11:40 am–1:00 pm [walk-ins welcome until 1:30 pm]
Nye B, Taubman building 5th floor

www.hks.harvard.edu/wappp