Due date: April 30, 12.00

* Read the case study on Corporate Governance in Russia
  + - Alexander Dyck (2002), The Hermitage Fund: Media and Corporate Governance in Russia – Harvard Business School Case Study (N2-703-010)
    - Publicly available at <http://hermitagefund.com/Harvard%20Business%20School%20--%20Hermitage%20Case%20Study.pdf>
* Be prepared to discuss the following issues during the class
  + - What are the various ways in which managers can extract value out of their companies disproportionate to their equity stakes? Are any of these ways specific to Eastern Europe?
    - What institutions and mechanisms can reduce such diversion of resources? Are these institutions and mechanisms effective in Eastern Europe?
    - Do you agree with Browder that the media can limit corporate governance abuses? If yes, how can the media affect corporate governance decisions?
    - Why/how was Browder effective in using the media to address corporate governance abuses?
    - As an investor in the Hermitage Fund, what would you advise Bill Browder do in summer 2002? Should he refine or change his activist strategy?
* As background reading, read
  + Alexander Dyck & Natalya Volchkova & Luigi Zingales, 2008. "The Corporate Governance Role of the Media: Evidence from Russia," Journal of Finance, American Finance Association, vol. 63(3), pages 1093-1135, 06.
  + Publicly available at <http://www.nber.org/papers/w12525.pdf?new_window=1>