

Dr. BABASAHEB AMBEDKAR MARATHWADA UNIVERSITY, AURANGABAD
DEPARTMENT OF ECONOMICS

M.A. (Economics) SYLLABUS

Course Code No.: ECO-112	No. of Credits: 04	Semester: I
Course Title:	INDUSTRIAL ECONOMICS	
Course Objectives: This course is designed to introduce the basic theory of industrial organization. It offers insight into reasons for uneven regional development. Recent issues of mergers and role of FDI are included. The course also throws light on industrial policy issues in the context of new economic reforms. It also deals with the response of Indian industry to the challenge of WTO.		
Unit	Course Content	Periods
I	Industrial Organization: Structure – Conduct – performance paradigm - Monopoly and Concentration: concept, reason and concern – Contestable market – Fixed cost, sunk cost and contestability – Measures of Concentration – Concentration Ratio – Hirschman – Herfindahl Index	15
II	Location and Regional Development: Regional growth of industries in India – theories of Industrial Location – Measures for dispersal of industries – Promotional and financial support by public sector institutions	12
III	Determinants of Firm Structure: Mergers-Horizontal and vertical – Conglomerate Integration – Role of FDI in Indian industry	09
IV	Industrial Policy: New Industrial Policy (1991) and later developments – growth and productivity of Indian industry – Industrial employment and Labor Laws in India – Exit Policy – India's Competition Policy	12
V	The Challenge of WTO: Response of the Indian Industrial Sector to Trade Liberalization – TRIPs – TRIMs – Growth of the Indian Small Scale Industries Sector in the QR free regime	12
Course Outcome: The course will expose students current changes in India's industrial policy and the challenges posed by the WTO of market. Students will enable to deal with various types of costs faced by business firm. The course enables the students to understand the application of methodology for finding concentration of firms / industries indicating extend of monopoly power.		

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