

**SUBJECT TITLE:** Industrial Economics (242207)  
**COURSE TEACHER:** Shimul Kumar (T-11) & Mst. Sheule Khatun(T-13)

<b>Chapter No &amp; Chapter Title</b>	<b>Number of Classes with Class Title</b>	<b>Learning Outcomes  At the end of the class, the students would be able to</b>
<b>1. Conceptual Issue (T-13)</b>	1. Introduction to Industrial Economics and Planning Concepts.	<ol style="list-style-type: none"> <li>1. Explain the Importance and Scope of Industrial Economics.</li> <li>2. Define and Differentiate between a Plan, Firm, and Industry.</li> <li>3. Illustrate their Interrelationships in the Economic System.</li> </ol>
	2. Understanding Firms and Industries.	<ol style="list-style-type: none"> <li>1. Analyze the Structure and Functions of Firms and Industries.</li> <li>2. Evaluate how Firms operate within an Industry under Different Economic Conditions and Planning Frameworks.</li> </ol>
	3. Business Organization.	<ol style="list-style-type: none"> <li>1. Compare and Contrast the Private and Public Sectors.</li> <li>2. Explain their Objectives, Roles in Economic Development, and the Rationale behind their Coexistence.</li> </ol>
	4. Ownership Structures in Business Organizations.	<ol style="list-style-type: none"> <li>1. Identify and Describe Various Types of Private Sector Ownership (e.g., sole proprietorship, partnership, and corporation) and Public Sector Organizations (e.g., departmental undertakings, public corporations, government companies).</li> <li>2. Explain their Features, Advantages, and limitations.</li> </ol>
<b>2. Objectives of a firm (T-11)</b>	5. Growth, profit and sales maximization and the nature of interrelationships between different objectives.	<ol style="list-style-type: none"> <li>1. Define key concepts: Define growth, profit maximization, and sales maximization and explain their individual meanings.</li> <li>2. Identify interrelationships: Identify the basic interrelationships between growth, profit, and sales maximization in business.</li> <li>3. Analyze conflicts between objectives: Analyze how growth, profit maximization, and sales maximization can conflict in business decisions.</li> <li>4. Evaluate strategic choices: Evaluate business strategies that balance</li> </ol>

		growth, profit, and sales maximization to achieve long-term success.
	6. Determinations of optimum size of the firm, Growth rate and cost curve of firm.	<ol style="list-style-type: none"> <li>1. Define optimum size and cost curve: Define the optimum size of a firm and the cost curve concept.</li> <li>2. Identify factors affecting growth rate: Identify factors that influence a firm's growth rate and cost structure.</li> <li>3. Analyze the impact of size on costs: Analyze how changes in a firm's size affect its cost curve and efficiency.</li> <li>4. Evaluate optimal growth strategies: Evaluate strategies to achieve the optimum growth rate for a firm based on cost considerations.</li> </ol>
<b>3. Measurement of the Optimum Size of a Firm (T-13)</b>	7. Foundations of Cost Structure and Market Dynamics	<ol style="list-style-type: none"> <li>1. Explain the Concept of Cost Structures</li> <li>2. in Firms, including Fixed and Variable</li> <li>3. Costs.</li> <li>4. Analyze how Economies of Scale Affect Firm Behavior and Market Structure.</li> <li>5. Explore how Cost Efficiency Varies with Firm Size.</li> </ol>
	8. Exploring Economies of Scale and Minimum Efficient Scale (MES)	<ol style="list-style-type: none"> <li>1. Distinguish between Internal and External Economies (Economies of scale).</li> <li>2. Explain the Concept of MES and its Relevance to Market Competition and Firm Survival.</li> </ol>
	9. Stigler's Hypothesis and the Survivor Technique	<ol style="list-style-type: none"> <li>1. Analyze George Stigler's Hypothesis regarding the Size Distribution of Firms.</li> <li>2. Explain the Use of the Survivor Technique to Determine Optimal Firm Size in the Market.</li> </ol>
	10. Applications and Limitations of the Survivor Technique in Real Markets.	<ol style="list-style-type: none"> <li>1. Explain the Survivor Technique to Real-</li> <li>2. World Industries and Critique its Assumptions.</li> <li>3. Analyze its limitations and Practical Relevance.</li> </ol>
<b>4. Industrial Concentration (T-11)</b>	11. Types of Concentration: Average concentration, Market concentration.	<ol style="list-style-type: none"> <li>1. Define concentration types: Define average concentration and market concentration in economic terms.</li> <li>2. Identify factors influencing concentration: Identify factors that influence the level of concentration in a market.</li> </ol>

		<ol style="list-style-type: none"> <li>3. Compare concentration types: Compare and contrast average concentration and market concentration in terms of their impact on competition.</li> <li>4. Evaluate market concentration effects: Evaluate the effects of high market concentration on pricing and consumer choice.</li> </ol>
	<p>12. Measurement of Market Concentration, Concentration Curve,</p>	<ol style="list-style-type: none"> <li>1. Define market concentration and concentration curve: Define market concentration and explain the concept of a concentration curve.</li> <li>2. Identify methods of measuring concentration: Identify common methods used to measure market concentration, such as the Concentration Ratio (CR) and Herfindahl-Hirschman Index (HHI).</li> <li>3. Interpret concentration curves: Interpret a concentration curve and analyze its implications for market competition.</li> <li>4. Evaluate concentration measurement methods: Evaluate the effectiveness of different methods for measuring market concentration in assessing market power.</li> </ol>
	<p>13. Concentration ratio, Lorenz curve.</p>	<ol style="list-style-type: none"> <li>1. Define concentration ratio and Lorenz curve: Define the concentration ratio and Lorenz curve in the context of market structure.</li> <li>2. Identify how concentration ratio is calculated: Identify the steps involved in calculating the concentration ratio for a market.</li> <li>3. Compare concentration ratio and Lorenz curve: Compare the concentration ratio and Lorenz curve in terms of their application to market analysis.</li> <li>4. Analyze market inequality using the Lorenz curve: Analyze income or wealth inequality in a market using the Lorenz curve and Gini coefficient.</li> </ol>

	14. Hirschman Herfindahl index, Lerner index.	<ol style="list-style-type: none"> <li>1. Define Hirschman-Herfindahl Index and Lerner Index: Define the Hirschman-Herfindahl Index (HHI) and Lerner Index in relation to market concentration and pricing power.</li> <li>2. Identify how to calculate the indices: Identify the formulae for calculating the Hirschman-Herfindahl Index and Lerner Index.</li> <li>3. Compare the indices' significance: Compare the significance of the Hirschman-Herfindahl Index and Lerner Index in assessing market power and competition.</li> <li>4. Evaluate the use of indices in policy decisions: Evaluate how the Hirschman-Herfindahl Index and Lerner Index are used in antitrust and regulatory policy decisions.</li> </ol>
<b>5. Integration (T-13)</b>	15. Understanding Integration in Business Strategy.	<ol style="list-style-type: none"> <li>1. Explain the Concept of Business Integration.</li> <li>2. Differentiate between Horizontal, Vertical, and Conglomerate Integration.</li> <li>3. Explain their Strategic Implications for Firms.</li> </ol>
	16. Vertical Integration Explored.	<ol style="list-style-type: none"> <li>1. Analyze the Strategic Motives behind Vertical Integration.</li> <li>2. Identify the Advantages and Limitations in Various Industry Contexts.</li> </ol>
	17. The Lifecycle View of Vertical Integration.	<ol style="list-style-type: none"> <li>1. Evaluate Stigler's Life Cycle Hypothesis.</li> <li>2. Explain how the Need for Vertical Integration Evolves as Industries Mature over Time.</li> </ol>
	18. Market Power and Integration.	<ol style="list-style-type: none"> <li>1. Assess the Relationship between Vertical Integration and Monopoly Power.</li> <li>2. Analyze how Integration can Influence Market Competition and Attract Regulatory Scrutiny.</li> </ol>
<b>6. Diversification (T-11)</b>	19. Typology of diversification: Lateral diversification.	<ol style="list-style-type: none"> <li>1. Define lateral diversification: Define lateral diversification and its characteristics in business strategy.</li> <li>2. Identify examples of lateral diversification: Identify real-world examples of companies implementing lateral diversification.</li> <li>3. Analyze the benefits of lateral diversification:</li> </ol>

		<p>Analyze the potential benefits of lateral diversification for a firm's growth and risk reduction.</p> <p>4. Evaluate strategic decisions involving lateral diversification: Evaluate the effectiveness of lateral diversification in different industry contexts.</p>
	20. Convergent lateral diversification.	<p>1. Define convergent lateral diversification: Define convergent lateral diversification and explain its characteristics.</p> <p>2. Identify examples of convergent lateral diversification: Identify real-world examples of companies using convergent lateral diversification.</p> <p>3. Analyze the strategic advantages of convergent lateral diversification: Analyze the strategic advantages of convergent lateral diversification in reducing risk and enhancing market presence.</p> <p>4. Evaluate the success of convergent lateral diversification: Evaluate the success and challenges of companies that have pursued convergent lateral diversification strategies.</p>
	21. Divergent lateral diversification, Diagonal diversification.	<p>1. Define divergent lateral and diagonal diversification with relevant examples.</p> <p>2. Identify key characteristics that differentiate divergent lateral from diagonal diversification.</p> <p>3. Compare and contrast the strategic benefits and risks of divergent lateral versus diagonal diversification.</p> <p>4. Evaluate the effectiveness of diversification strategies in enhancing competitive advantage across industries.</p>
	22. Conglomerate diversification.	<p>1. Define conglomerate diversification with an example.</p> <p>2. List the main reasons companies pursue conglomerate diversification.</p> <p>3. Analyze the impact of conglomerate diversification on organizational performance.</p> <p>4. Evaluate the strategic advantages and disadvantages of adopting a conglomerate diversification approach.</p>
<b>7. Location (T-13)</b>	23. Weber's Theory of Least Transportation Cost.	<p>1. Explain Alfred Weber's Theory of Industrial Location.</p> <p>2. Analyze how Transportation Cost, Labor</p>

		Availability, and Agglomeration Influence the Optimal Location of Industries.
	24. Industrial Location and Regional Development.	<ol style="list-style-type: none"> <li>1. Evaluate the Relationship between Industrial Location and Regional Development.</li> <li>2. Identify Key Factors that Drive Spatial Distribution of Industries.</li> </ol>
	25. F. Per roux's Growth Pole Theory.	<ol style="list-style-type: none"> <li>1. Explain François Per Roux's Growth Pole Theory.</li> <li>2. Assess its Implications for Regional Economic Development and Planning.</li> </ol>
	26. Applications of Industrial Location Theories in Regional Development.	<ol style="list-style-type: none"> <li>1. Synthesize Weber's and Per roux's Theories to Understand and Critically Evaluate Real-World Regional Industrial Development Strategies.</li> </ol>