Research Statement

Purposed by Huseyn Mammadov

Title: The process of industrial organization with mentioning firms and industries in developing economies.

Abstract: I have always believed that political aspirations and conflicts of countries at its core originate from economic and financial interests. During the period of recent economic recession characterized by a slump in global oil prices, Azerbaijani government developed a set of models covering the different areas of local economy, which are collectively called Strategic Roadmap, in order to stimulate the non-oil sector. However, despite the aim of process of economic revival through this roadmap, there is a big misallocation in the market in relation to monopoly. Regarding to countries like Azerbaijan which are rich in natural sources and has a huge investment opportunity are struggling in their dynamics of development, but the numbers of national statistics increase, incomprehensively. I also would like to state the shadow economy and its effect which is also noticeable. I am seeing the development process through SMEs which will be having an impact in the long-term. I am very motivated to do a research on this topic and develop a model.

In recent years, I am interested in to research the process of industrial organization with mentioning firms and industries in developing economies. In particular, their welfare implications and imperfect markets which will be giving an opportunity to renew the growth and development perspectives according to the new channels.

Methodology: The study will be employing a quantitative research application and partial last square structural modelling interpretation according to the correspondence for modes of predictive research. To contemplate this process, I will be using a survey research design and

will be collecting data from managers of manufacturing SME's. In relation to that I would like to state that there is a big gap in the literature in the Caucasian region, which in my research plan I am also planning to analyze the Dutch disease, corruption, week property rights, misallocations in the market.

Expected Impact: I want to develop a model which all developing countries can apply with. In relation the given information above I will be needing an empirical evidence which programming background will be needing. With relation to that reason, I have gained excellent programming skills on Python, Eviews, R Studio and Stata which will help me to interpret the given data to apply to the actual economic phenomena. More precisely, I have a full enthusiasm to work on a project which will be having an impact on society and environment which enacts into a corporate business.

Expected Timetable: I am planning to finish my literature review and start to develop research methods during my first year. In 2nd and 3rd years, I will be continuing to work on research methods, fieldwork, and analysis and submit my draft. In the final year, I will be working on my final submission.

Bibliography:

1.) The Informal Economy in Azerbaijan, Farid Guliyev, 2015

2.) The Shadow Economy: An International Survey, P137 (book)

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4.) Internal and external factors in the democratization of Azerbaijan, 2009, Aytan Gahramanova

5.) Problems and opportunities for leveraging SME finance through value chains in Azerbaijan, 2019, Aliyev Samir

6.) Corruption and social responsibility: bribe offer among small entrepreneurs in Azerbaijan, 2013, Turkhan Sadigov

7.) Sme Financing obstacles and inhibits of their lending by commercial banks in Azerbaijan, 2011, Asgerov İsmail