INDUSTRIAL POLICY AND ECONOMIC STATECRAFT MODULE CLUSTER
ECONOMIC STATECRAFT PROGRAM

GENERAL INFORMATION

DESCRIPTION

This module cluster focuses on an area of growing academic debate and policy relevance: industrial policy. The cluster is divided into three modules, which each contain 1-2 weeks of reading materials. Module 1 covers the classic works and theoretical foundations for industrial policy, with special attention to the political economy of industrial policy. Module 2 is divided into two weeks and discusses the comparative regionalism of industrial policy. Week 1 of Module 2 compares historical episodes of industrial policy implementation, such as railroad development at the turn of the 20th century in the United States, the Japanese postwar economic “miracle,” and others. Week 2 of Module 2 discusses contemporary examples of industrial policy, with a specific focus on cross-national comparative analysis. Module 3 is similarly divided into two weeks, and covers approaches to industrial policy in today’s world, and the future. Week 1 emphasizes important policy mechanisms of industrial policy and how they resolve market failures and other issues, such as the middle-income trap and the valley of death. Week 2 emphasizes areas of emerging technological innovation where industrial policy is being implemented, such as 5G and cybersecurity, and how to maintain and expand innovation ecosystems through industrial policy. Recommended readings for each week are appended, and significantly expand upon a key idea or provide new areas of interest related to the required weekly readings.

PREREQUISITES

Students should have an introductory understanding to microeconomics, macroeconomics, and international trade. Experience with Comparative Political Economy, technology policy, and economic history would also be helpful.

EXPECTATIONS AND GOALS

By the end of this course, students should be able to do the following...

- Understand the foundations, mechanisms, and applications of industrial policy
- Compare and contrast industrial policies across a variety of technological domains and countries
- Identify industrial policies and think analytically about their impact in a variety of economic sectors
- Understand the relationship between national security and industrial policy

READINGS

MODULE 1: FOUNDATIONS OF INDUSTRIAL POLICY

WEEK 1 [108 PAGES]


**RECOMMENDED READINGS**


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**MODULE 2: CROSS-NATIONAL INDUSTRIAL POLICY AND COMPARATIVE POLITICAL ECONOMY**

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**WEEK 2 HISTORICAL EXAMPLES [176 PAGES]**


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**RECOMMENDED READINGS**


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**WEEK 3 CONTEMPORARY EXAMPLES [117 PAGES]**


**RECOMMENDED READINGS**


**MODULE 3: APPROACHES TO INDUSTRIAL POLICY, IN THE PRESENT AND FUTURE**

**WEEK 4** CONDUCTING CONTEMPORARY INDUSTRIAL POLICY [163 PAGES]


**WEEK 5** THE FUTURE OF INDUSTRIAL POLICY [146 PAGES]


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**RECOMMENDED READINGS**