

Industrial Policy

Prof. Claudia Steinwender, PhD
LS (Seminar) International Trade and Innovation
Wintersemester/winter semester 2025/26

Geopolitical conflicts, climate change, and protectionist trends such as Trump's trade wars are reshaping global dynamics, prompting countries around the world—including in Europe—to reconsider how they should respond. The usefulness and efficiency of various industrial policy measures are the subject of intense debate among policymakers and economists: proponents point to successful episodes of industrialization that involved significant state intervention (for example, the Asian tiger economies). Critics, on the other hand, argue that economic growth during these periods occurred despite—rather than because of—industrial policy, and that governments are worse business decision-makers than firms.

The seminar introduces students to current (mostly empirical) papers published in top economics journals, as well as recent working papers that evaluate a range of industrial policy tools—broadly defined to include tariff policy, innovation and technology policy, defense spending, infrastructure investment, and regional development policy. The seminar will be used to develop an integrated framework for evaluating and formulating industrial policy strategies. By studying these papers, students will learn advanced econometric methods used in the literature, and exposure to the research frontier is intended to inspire original research ideas.

The seminar targets advanced bachelor's students with a strong foundation in econometrics.

Studiengang: <i>Program:</i>	BSc
Termin Vorbesprechung (tt.mm.jjjj): <i>Date of preliminary meeting (dd.mm.yyyy):</i>	23.07.2025, 11:00 am
*Bearbeitungszeitraum für die Hausarbeit: <i>*Working period for term paper:</i>	tba
*Seminartermin: <i>*Seminar date:</i>	tba
Veranstaltungsort: <i>Venue:</i>	LMU, Ludwigstr. 28 Front Building, room 221
falls außerhalb: Kostenschätzung: <i>if out of Munich: estimated costs:</i>	€
Sprache: <i>Language:</i>	English
Empfohlene Vorkenntnisse: <i>Recommended courses:</i>	Econometrics 1 and 2
Methodischer Schwerpunkt: <i>Methodological background:</i>	Applied micro economics, econometrics
*Grundlagenliteratur: <i>*Basic references:</i>	Angrist and Pischke (2009) Mostly Harmless Econometrics, Princeton University Press, Princeton and Oxford.

	<p>Réka Juhász, Claudia Steinwender (2024), Industrial Policy and the Great Divergence Annual Review of Economics, Vol. 16</p> <p>Réka Juhász, Nathan Lane, and Dani Rodrik (2024), The New Economics of Industrial Policy, Annual Review of Economics, Vol. 16</p>
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* Optional (falls schon bekannt) / optionally (if already known)