

Industrial Policy

Prof. Claudia Steinwender, PhD
LS (Seminar) International Trade and Innovation
Wintersemester/winter semester 2026/27

Geopolitical conflicts, climate change, and protectionist trends such as Trump's trade wars are reshaping global economic development, prompting countries around the world—including in Europe—to reconsider how they should respond. The usefulness and efficiency of various government policies 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.

In this seminar, students will engage deeply with the frontier of research on industrial policy and its effects on productivity, innovation, and economic development. Through a careful study of the existing literature and its methodological approaches, students will learn to identify open questions, evaluate causal identification strategies, and ultimately develop a credible research design of their own. The focus lies not on empirical implementation but on the conceptual and methodological groundwork that precedes it: formulating a precise research question, selecting an appropriate econometric strategy, and articulating clearly how the proposed design would advance our understanding of industrial policy.

The seminar targets advanced master students with a strong foundation in applied microeconomics. Bachelor's students with a strong foundation in applied microeconomics.

Studiengang: <i>Program:</i>	MSc
Termin Vorbesprechung (tt.mm.jjjj): <i>Date of preliminary meeting (dd.mm.yyyy):</i>	21 July, 2-4 pm Ludwigstr. 28, VG, room 221
*Bearbeitungszeitraum für die Hausarbeit: <i>*Working period for term paper:</i>	August 10 - September 7 2026
*Seminartermin: <i>*Seminar date:</i>	October 1 8:30 am-1 pm October 2 full day
Veranstaltungsort: <i>Venue:</i>	LMU
falls außerhalb: Kostenschätzung: <i>if out of Munich: estimated costs:</i>	€
Sprache: <i>Language:</i>	English
Empfohlene Vorkenntnisse: <i>Recommended courses:</i>	Econometrics
Methodischer Schwerpunkt: <i>Methodological background:</i>	Applied microeconomics
*Grundlagenliteratur: <i>*Basic references:</i>	Angrist and Pischke (2009) Mostly Harmless Econometrics, Princeton University Press, Princeton and Oxford.

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