

SYLLABUS

Name of the course:	Industry and Innovation Policies in Developing Countries: Theory and Practice			
Teacher:	Carlo Pietrobelli			
University / organisation:	University Roma 3 - Department of Economics			
Language of teaching:	English			
ECTS:	5			
Semester (S1, S2, S3 or S4):	S1	<input checked="" type="checkbox"/> S2	S3	S4
Teaching method(s):	Lecture courses		Flipped classroom	
	Other:			
Type(s) of evaluation:	Sitting exam		Written report	
	Oral defence		Group project	
	Other / comments:			
Expected deadline(s) for the evaluation(s)				
Expected date of final results:				
Summary of the content:	<p>Industrial development and innovation are the essential forces that determine growth, development and structural change. In particular, innovation plays an essential role in the developing world and its role will be increasingly important. This course will give students the tools and analytical methods to think systematically about industrial development and innovation in developing countries, and provide them with a practical understanding of these phenomena.</p> <p>Part one of the course lays the theoretical foundations of industrial development, including traditional, as well as, new and unorthodox approaches, with a focus on the theory of the firm and of innovation in emerging countries. Part two of the course explores in detail the tools and mechanisms frequently implemented in industrial and innovation policies and programs, and analyzes the approaches followed by some governments and international organizations using concrete empirical examples from policies and projects implemented by governments and international organizations.</p> <p>Discussion and active participation will be encouraged throughout the course. A typical class will involve a lecture, with the second part of the class split between follow-up discussion informed by student readings and group work and presentations to identify the problems and the</p>			

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policy remedies to insufficient innovation and industrial development in selected developing countries.

Course Learning Objectives and Skill Acquisition:

The course focuses on the economic logic behind policies and programs to promote industry and innovation in a developing country context. This course is geared toward students interested in working for multilateral organizations, government agencies, private sector firms interested in emerging markets, NGOs and other organizations promoting innovation and industrial development should take this course.

Program

1. Manufacturing, Structural Change and Economic Development

- The role of manufacturing and structural change
- The need of a micro approach to explain performance: The logic of enterprise behavior in developing countries.
- “Doing Business” and its critics

2. The Economics of Innovation: the basics

- Systems of Innovation
- Innovation policy

3. The microeconomics of enterprise development and innovation in developing countries

- The standard neoclassical approach. Innovation and productivity in the production function.
- Introduction to evolutionary economics
- Production, innovation and technological change in developing countries
- Technological capabilities

4. The logic and justification of active policies to promote enterprise development

- Modern industrial and innovation policy
- Market and Government failures; Coordination and Systemic failures
- Institutions and industrial policy

5. Tools for enterprise development and innovation in developing Countries: Enterprise Clusters and Global Value Chains

- Productive agglomeration and clusters in developing countries.
- Collective efficiency and joint actions. Cluster Development Programs (CDP), theory and examples.
- Global Value Chains in Developing Countries: Governance and Upgrading
- Policies for GVC integration

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Indicative list of lectures:	
Short bibliography:	