INTERNATIONAL SUMMER SCHOOL & WORKSHOP
APPLIED INDUSTRIAL POLICY (& BEYOND)
THEORY, EMPIRICS AND INSTRUMENTS FOR EFFECTIVE POLICY DESIGN
04-05 September 2018, İstanbul

OVERVIEW

Organized under the Smart Economic Planning and Industrial Policy (SEPIP) Program of the Center for Industrial Policy and Development and in cooperation with the United Nations Conference on Trade and Development (UNCTAD), the objective of this summer school & workshop is to provide an overview of the process of structural transformation and its linkages with development, and to equip participants with knowledge of the key policy instruments that could accelerate the gradual transformation of the economic structure. After an introduction to the topic and the discussion of constraints to structural transformation and development, the workshop will cover different areas of modern applied industrial policy, focusing in particular on the role of industrial policy in open economy, on innovation and education policy and on the challenges posed by international production networks and industry 4.0. Group discussion during the workshop will offer a possibility of applying the theoretical notions and the empirical techniques presented.

The workshop targets researchers from universities and research centers and civil servants interested in structural transformation and industrial policy. The number of participants is limited to ensure an appropriate learning environment throughout the workshop. Applicants must have: (i) advanced knowledge of economic development and trade theory; and (ii) familiarity with statistics and econometric analysis.

The workshop will be conducted in English. It will be led by the lecturers and coordinators and will involve a significant amount of discussion among the participants with diverse backgrounds. Real world examples and case studies will be reviewed.

DATES & VENUE

- The Summer School & Workshop will be held on 04-05 September 2018, Istanbul.
- Venue: Istanbul Commerce University, Sütülçe Campus, Ormektepe Mah. İmrah Or No: 88/2 Beyoğlu, Istanbul, 34445 Turkey.
COORDINATORS & LECTURERS

**Prof. Dr. Murat Yulek**  
Center for Industrial Policy and Development, Istanbul Commerce University  

A former board director at TUBITAK (Turkish Agency for Scientific and Technological Research) Murat Yulek taught at different universities such as Georgetown. He has published extensively on economic and financial development and industrial policy. Most recently, he edited a book for Springer (*Industrial Policy and Sustainable Development*). His new book *How Nations Succeed: Manufacturing, Trade, Industrial Policy and Development* is forthcoming from Palgrave MacMillan in 2018. He has worked at the IMF, Turkish Prime Ministry and Islamic Development Bank and has been a consultant at the World Bank, the IFC, the EBRD and UNCTAD. He holds an MBA degree from Yale University, Ph.D. and M.A. degrees from Bilkent University, an MSM (management) degree from Boston University and a B.Sc. degree (mechanical engineering) from Bogazici University.

**Dr. Piergiuseppe Fortunato**  
UNCTAD  

Piergiuseppe Fortunato is an economist at UNCTAD where he is responsible for projects on structural transformation, industrial policy and Global Value Chains. Before joining UNCTAD he was at Department of Economic and Social Affairs of the United Nations and assistant professor of economics at the University of Bologna. Heavily involved in policy-oriented research including in economic development, political economy, international trade and South-South integration. He has published in journals such as Journal of Economic Growth, The Economic Journal, Global Policy and the European Economic Review. He edited a volume on post-conflict recovery for Bloomsbury Academic and contributes to several blogs (e.g. Vox and La Voce).

REGISTRATION AND PARTICIPATION

- Deadline for applications: 25 July 2018. There are limited number of seats available. Early applications are encouraged as eligible participants will be selected on a first come-first serve basis.
- Application and registration are by e-mail (sepip@ticaret.edu.tr) including the applicant’s (i) CV and (ii) a cover letter briefly stating the reasons of interest in participation.
- Applications will be reviewed by the Summer School & Workshop Selection Committee with respect to the relevance of the Workshop to the applicant’s background, current job and functions, previous participation in relevant training/courses, language proficiency, and a number of other criteria.
- There is no participation fee. Financial assistance may be provided for travel and accommodation expenses (excluding dinners) to a small number applicants on an availability basis.

CONFERENCE SECRETARIAT

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ww4.ticaret.edu.tr/spkm/  
sepip@ticaret.edu.tr  

İsrafil Boyacı, Conference Secretary, 444 0 413 – 4252  
Ali Küşat Sak, Conference Secretariat, 444 0 413 – 4253  
Mehtap Biltas, Conference Secretariat, 444 0 413 – 4349
The school and workshop covers two days, with two lectures in the morning and one in the afternoon. The morning sessions will run from 9:00 to 10:30, followed by a coffee break, and from 11:00 to 12:30. The afternoon sessions, which will include also group discussion and exercises, will be scheduled from 13:30 to 15:00 and from 15:30 to 17:00.

**DAY 1 – Understanding Industrial Policy**

**Opening**

**Lecture 1: Structural transformation and Industrial Policy – An Introduction**

This lecture will introduce the main variables needed to examine the process of structural transformation and motivate the use of industrial policy. Delivered by: Murat Yülek & Piergiuseppe Fortunato.

- Structural transformation: definition & empirical evidence
- The middle-income trap
- Does manufacturing still matter?
- Case studies
- Why do we need Industrial Policy? And for what?

**Lecture 2: Industrial Policy: Definitions, Instruments and Challenges**

This lecture will define the key concepts in industrial policy and presents a clear taxonomy of instruments and means of implementation. Some important topics which will shape the role of industrial policy in the XXI century will also be discussed. Delivered by: Murat Yulek & Piergiuseppe Fortunato.

- Defining Industrial Policy
- Modern Industrial Policy Instruments
- Implementing Industrial Policy
- Industrial Policy in Global Value Chains
- Industry 4.0: the challenges of automation and digitalization

**Lecture 3: Growth Diagnostics – An operative tool to identify policy priorities**

This lecture will discuss the usefulness of country diagnostics and provide the participants with operative tools to identify criticalities and bottlenecks. Delivered by: Piergiuseppe Fortunato.

- Country diagnostics: strategies & instruments
- Identifying macroeconomic liabilities (interest rates, domestic savings, financial risks…)
- Identifying microeconomic liabilities (property rights, taxation, information externalities…)
- Identifying infrastructural liabilities (physical infrastructure, human capital…)
- A useful tool: The Matrix of tests

**Group work and discussion – Industrial Policy in Selected Countries**

An open debate among the participants will follow a short presentation on the Turkish industrial policy strategy delivered by a local institution. Moderated by: Murat Yulek
DAY 2 – Sustaining Industrialization Beyond Industrial Policy

Lecture 4: Trade Policies and Industrial Development
This lecture examines the role of industrial policy in open economies, it introduces the notion of product space and discusses an operative tool to identify promising sector/products. Delivered by: Piergiuseppe Fortunato.

- Industrial policy strategies in open economies
- Export sophistication
- Product density in the product space
- Defying the comparative advantage – An operative tool
- Case studies

Lecture 5A: Education Policies and Industrial Development
This lecture aims at discussing how to use strategically different types of education to foster productive capability formation and industrial development. Delivered by: Piergiuseppe Fortunato.

- Productive capabilities
- The role of different types of education on upgrading and transformation dynamics
- Matching education and economic sectors
- Education at different levels of development

Lecture 5B: Innovation Policies and Industrial Development
This lecture focuses on innovation policies and on the role of innovation systems in favoring economic catch-up. The case of Korea and China will be discussed in detail. Delivered by: Piergiuseppe Fortunato.

- The dimensions of economic catch-up
- Corporate innovation systems
- Patents and new metrics of innovation
- Case studies

Lecture 6A: Public Procurement Policies and Industrial Development
This lecture focuses on the role of public procurement policies on industrial and technological development. Delivered by: Murat Yulek.

- Definitions & tools
- Selected examples

Lecture 6B: What is a Strategic Sector- Sectoral Priorities
This lecture discusses several important issues including the strategicness of sectors and sector prioritization. Delivered by: Murat Yulek.

- Definitions
- Criteria defining strategicness of sectors
- Prioritisation of sectors

Group work and discussion – Sectoral Priorities & Policy
Participants will be divided in groups and discuss the needs and policy priorities in different areas (sectors, trade, innovation and education). The different answers will then be compared to assess the feasibility of a coherent policy package at the national level.
LIST OF SUGGESTED READINGS


