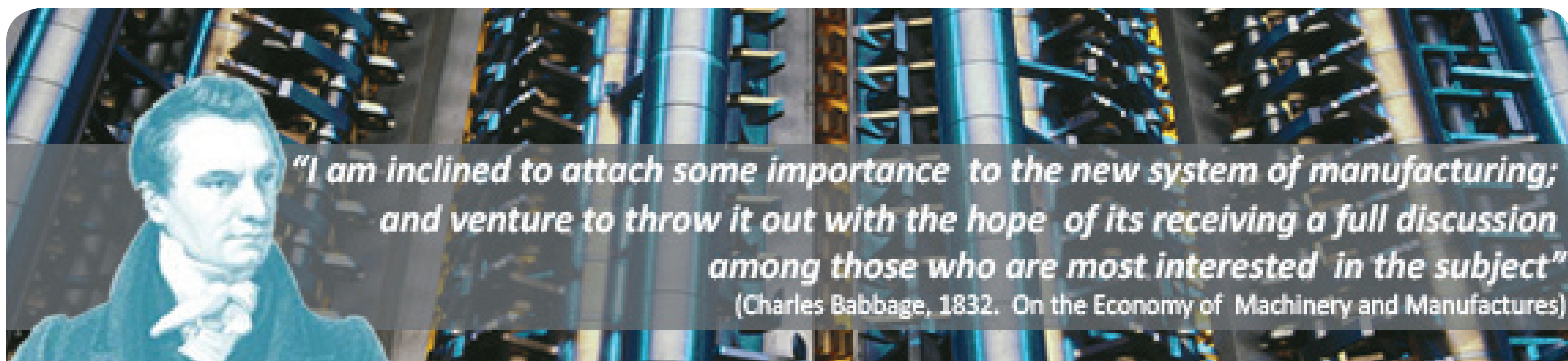


# The Babbage Industrial Policy Network

## 2013 Lecture Series



### Ken Warwick "Industrial Policy - Emerging Issues and New Trends"

Thursday 25 April - POLIS, SG1, Alison Richard Building, 7 West Road, Cambridge

The Babbage Industrial Policy Network is a collaboration between engineers and economists with a shared interest in manufacturing and industrial policy.

**Abstract** this paper reviews the evidence on emerging thinking and new trends in the sphere of industrial policy. The paper adopts a broad and inclusive definition of industrial policy, and proposes a new typology based on the orientation of policy and the policy domain. Looking at a typology according to the policy domain, the paper proposes a framework based on growth accounting, which parallels the evolution of thinking about the rationale for industrial policy interventions, which has moved from a traditional approach based largely on product market interventions (production subsidies, state ownership, tariff protection), through market failure-correcting taxes and subsidies operating mainly on factor markets (R&D incentives, training subsidies, investment allowances, help with access to finance) to a focus on interventions that help build systems, create networks, develop institutions and align strategic priorities.

While not immune to the dangers of government failure, such an approach, if carefully designed and implemented, has a much higher chance of success than the costly and distortionary selective-defensive industrial policy interventions of the past. One clear message to emerge from the paper is the need for much better monitoring and evaluation of industrial policy initiatives.

**Ken Warwick** is an independent economics consultant and a former Director of Economics in the UK Department for Business, Innovation and Skills. He served as Chief Economist and Acting Director General, Economics there during 2010. He has also worked as a senior economist in the Department of Trade and Industry and the Foreign and Commonwealth Office. As an economics consultant, Ken is currently serving as a Member of the UK's Regulatory Policy Committee and as an adviser to the OECD's Directorate of Science, Technology and Industry. He was chair of the OECD Committee on Industry, Innovation and Enterprise from 2007 until 2011.



**Robert Rowthorn** is Emeritus Professor of Economics and Fellow of King's College, Cambridge. His books include, *De-industrialisation and Foreign Trade* (with John Wells).

#### Programme - Thursday 25 April

10.45	Welcome refreshments
11.00	Welcome and Introduction
11.10	Babbage Lecture <b>Ken Warwick:</b> <i>"Industrial Policy: emerging issues and new trends"</i> Commentator: <b>Robert Rowthorn</b>
12.00	Discussion
12.30	Refreshments and networking

These lectures are free to attend. For more information visit:  
[www.ifm.eng.cam.ac.uk/research/brg](http://www.ifm.eng.cam.ac.uk/research/brg)

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