ONLINE COURSE ON STRUCTURAL TRANSFORMATION AND INDUSTRIAL POLICY
1 NOVEMBER - 19 DECEMBER 2017

With the support of the Government of Finland

PROSPECTUS

Background

Structural transformation – the shift in the share of various sectors in GDP and employment – is a source of productivity and income growth. It creates more and better jobs, and fosters socio-economic and human development.

Ever since the Industrial Revolution, structural transformation toward manufacturing has been regarded as the main engine of economic growth. The industrialization of the European countries, the United States and Japan, followed by the peripheral European economies and East Asian economies, lifted large portions of the population out of poverty, reducing inequality and improving living conditions. In virtually all of these countries, structural transformation has been supported by some form of industrial policy, which created incentives for industrialization and favoured specialization in strategic and innovative economic activities.

After having industrialized, rich countries naturally tend to deindustrialize – productivity growth in manufacturing makes labour redundant, and this labour moves to the services sector, typically modern (ICT-based) services. However, it has been observed that in recent decades developing countries have deindustrialized earlier than developed countries in the past, meaning that manufacturing started to shrink at lower levels of GDP per capita. Moreover, in developing countries, the services that expand the most are traditional services such as retail trade, restaurants and hotels, which are very good at absorbing labour, but provide limited opportunities for productivity enhancements and offer low-quality, vulnerable jobs, often in the informal sector. Such premature deindustrialization thus reduces incomes and productivity, and leads to increased unemployment or low-quality employment.

This phenomenon has revived interest in structural transformation and industrial policy as a means to achieve sustained economic growth and better social outcomes. Structural transformation has been placed at the core of policy agendas, and has become the focus of Sustainable Development Goal No. 9, “Industry, Innovation and Infrastructure”.

In an effort to enhance knowledge about the links between structural transformation, industrial policy and development, the UNCTAD Virtual Institute (Vi) developed this online course for stakeholders in developing and transition countries. The seven-week course is based on the Vi teaching material on structural transformation and industrial policy. It will be tutored by the lead author of the material and author of the online course, Francesca Guadagno.

Objectives

The objective of the course is to explain the mechanism of structural transformation, and provide students with theoretical and empirical instruments to analyze the patterns of structural transformation and country approaches toward industrial policy. It will teach participants how to:

- Explain the patterns of structural transformation, using the main indicators of structural transformation and the different empirical methods proposed in the literature;
- Analyze the relationship between structural transformation and socio-economic development;
- Analyze country experiences with industrial policy, and propose policy recommendations which take into account the economic structures, as well as the obstacles to industrialization and effective industrial policy implementation.
A more detailed description of the course content, as well as the course timetable, are provided in the annex.

### Target audience and course prerequisites

The course targets academics (from universities and research centres), policymakers, and representatives of civil society in developing and transition countries involved in research, teaching, policy formulation and implementation, or field work in the area of development. Qualified women candidates are particularly encouraged to apply. The number of participants is limited in order to ensure appropriate support throughout the course.

Applicants must meet the following criteria:

- Hold a Master’s degree in economics, international relations or political science;
- Have completed courses in development economics;
- Have excellent knowledge of English, including technical terminology.

Please note that in order to successfully complete course activities, participants should plan to dedicate 12-14 hours per week throughout the duration of the course.

### Funding

Thanks to the support from the Government of Finland, participants selected to attend the course will be exempt from the fees associated with access to the course and e-tutoring services provided.

Participants will also receive a hard copy of the Vt teaching material on structural transformation and industrial policy, as well as the course materials on CD/DVD free of charge.

### Application information and deadline

To apply, follow the instructions at [http://vi.unctad.org/services/online-courses/962-stind17reg_fall17](http://vi.unctad.org/services/online-courses/962-stind17reg_fall17). Your application must include a filled application form, detailed curriculum vitae and a letter of nomination from your institution indicating its support of your application and explaining how your participation in the course will contribute to your future work and the work of the institution.

The deadline for applications is **22 October 2017**. Applications received thereafter or incomplete applications will not be considered. For assistance with the online application process, as well as for further information or clarification about this course, please contact susana.olivares@unctad.org.

A selection committee will review each application and select the course participants based on submitted supporting documents (application form, CV, nomination letter). It will in particular assess to what extent the candidates meet the course prerequisites and how the course is relevant for their research, policy advice and teaching work.

Participants will be advised of their selection by 25 October 2017.
Annex: Content and timetable of the course

The course is structured into five modules. For each module, we provide:

- A reader;
- An accompanying multimedia lecture by course author, Francesca Guadagno, based on PowerPoint slides. The lecture extends the content of the reader, and incorporates examples from the literature and current policy practices;
- Multiple-choice module quizzes.

The course content may be run entirely from the DVD provided, or from the Virtual Institute website. However, an Internet connection is required to interact with the course tutors and other students as well as to complete end-of-module tests, final course feedback questionnaire, and obtain digital certificates of completion.

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<tr>
<th>Dates</th>
<th>Title</th>
<th>Content</th>
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<tbody>
<tr>
<td>Week 2: 8-14 November</td>
<td>Module 2: The role of services in economic growth and development</td>
<td>Early and recent literature on the role of services in economic growth and development. Empirical evidence on deindustrialization and premature deindustrialization.</td>
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<td>Week 4: 22 - 28 November</td>
<td>Catch-up week</td>
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<td>Week 5: 29 November - 5 December</td>
<td>Module 4: The debate on industrial policies</td>
<td>A review of the debate on industrial policy. Arguments in favour and against industrial policy. Types of industrial policy instruments.</td>
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<td>Week 6: 6-12 December</td>
<td>Module 5: Industrial policy: relevant practices and modern challenges</td>
<td>Classification of industrial policy instruments. Roles of the state. Cases of industrial policy. Challenges to industrialization and industrial policy in developing countries.</td>
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<td>Week 7: 13-19 December</td>
<td>Catch-up week</td>
<td>Evaluation questionnaire</td>
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