

Chapter 12. Industrial Policy for Manufacturing Revolutions

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This paper examines the role of industrial policy in the different manufacturing revolutions. Industrial policy is defined as sets of measures aimed at favoring structural changes in the economy.

It is shown that industrial revolutions means much more than technological change since they are spurred and in turn have impact on the socio-economic system of a territory, as well as cultural and political characteristics. As a consequence industrial policy only focused on technological changes are not sufficient to spur industrial development and adaptation to industrial revolutions. These policies have to be comprehensive, in the sense of including measures aimed at the adjustment of labour, human capital and the society, also from a cultural and political aspects. In fact historical analysis shows that countries, which became leader or rapidly caught-up implemented such comprehensive industrial policy, or more precisely implemented policies that overall have the characteristics of what we call comprehensive industrial policies.

The paper also shows that while industrial policy was essentially defined and implemented at national level in the first industrial revolutions, the territorial – regional in particular – levels have had an increasing role, for different reasons that are discussed in the paper. The increasing integration between science and production, as well as the changing nature and characteristics of products and production systems are the major driving forces in this increasing role.