

Industrial Policy in Europe, Japan and the USA

Amounts, Mechanisms and Effectiveness

Pierre-André Buigues

and

Khalid Sekkat

palgrave
macmillan

Contents

<i>List of Tables</i>	x
<i>List of Figures</i>	xii
<i>List of Acronyms</i>	xiii
<i>Acknowledgements</i>	xvi
<i>Introduction</i>	xvii

Part I Theory and Empirical Evidence

1 Public Support to Business: An Overview	3
1.1 Motivations	3
1.2 Types of public support to business	5
1.3 Instruments of public support to business	6
1.4 Conclusion	9
2 Cases for Public Support: Market Failures	10
2.1 Information	10
2.2 Externalities	11
2.3 Imperfect competition	16
2.4 Conclusion	18
3 Argument Against Public Support: Government Failures	20
3.1 Information	20
3.2 Conflicts with other policies	22
3.3 Political economy	25
3.4 Conclusion	27
4 Instruments of Support: Subsidies and Public Procurement	29
4.1 Subsidies	29
4.2 Public procurement	43
4.3 Conclusion	54
5 Effectiveness of Public Support	55
5.1 Assessment issues	55
5.2 Empirical evidence on the arguments in favour of public support	57

5.3 Empirical evidence on the arguments against public support	73
5.4 Conclusion	81

Part II Quantitative Assessment

6 Subsidies and State Aid	85
6.1 Public support policies in the OECD countries (1998)	89
6.2 Quantitative analysis of state aid in the EU	91
6.3 Public support policies in the EU, the USA, and Japan	94
6.4 Conclusion	98
7 Public Procurement	101
7.1 Divergences in assessments	101
7.2 Aggregate assessment using the EU definition	102
7.3 Public procurement by functions (the EU definition)	105
7.4 Conclusion	111

Part III Country Studies

8 Public Support in Germany	115
8.1 Objectives of public support	116
8.2 Actors	121
8.3 Instruments	125
8.4 Industry sector and structure	127
8.5 Public sector structure and public procurement	128
8.6 Evaluation and efficiency of instruments	132
8.7 Conclusion	137
9 Public Support in France	140
9.1 Objectives of public support	142
9.2 Actors	145
9.3 Industry sector and structure	150
9.4 Public sector structure and public procurement	152
9.5 Evaluation and efficiency of public support policy	155
9.6 Conclusion	157
10 Public Support in the United Kingdom	160
10.1 Objectives of public support	160
10.2 Actors	161
10.3 Instruments	162
10.4 Outcomes of public support in the United Kingdom	167
10.5 Conclusion	169

11 Public Support in the United States	170
11.1 Objectives of public support	171
11.2 Actors	172
11.3 Instruments	173
11.4 Outcomes of public support in the United States	179
11.5 Conclusion	182
12 Public Support in Japan	184
12.1 Objectives of public support	187
12.2 Actors	189
12.3 Instruments	191
12.4 Industry sector and structure	194
12.5 Public sector and public procurement	196
12.6 Evaluation and efficiency of public support policy	198
12.7 Conclusion	201
Conclusions	203
<i>Notes</i>	206
<i>Bibliography</i>	213
<i>Index</i>	225