



“Influencing Policy through Institutional Experimentation: the Case of the APRC”

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Challenges of Organization and Institutional Experimentation for World of Work Actors
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Over the last two days, I have noticed a shift in discourse at CRIMT with a noticeable growth in the emphasis on the importance of the state, policy and politics in our discussions of institutional experimentation and improvements to work. I want to draw on this discussion to talk about institutional experimentation in how we as academics influence policy.

The example I will use comes from the Automotive Policy Research Centre, or APRC, which I formed 7 years ago with the support of Automotive Partnership Canada funded by SSHRC, our national research funding agency. The goal of the APRC has been to do research on how and what kinds of policy can be deployed by governments to sustain and expand the global competitiveness of the Canadian automotive industry. The APRC was also formed to fill in the gaps in government knowledge of the automotive industry, gaps which were the result of the loss of policy experts and a reorientation of government in the early 2000s towards innovation, markets and export of raw materials. Canadian governments turned their backs on manufacturing for many years, thus losing internal capacity to understand the automotive and other manufacturing industries.

In my talk I want to discuss briefly what we did in the APRC and why this might be considered institutional experimentation. But then engage in a broader discussion of how we influence and shape policy and politics.

You might ask why this industry and its competitiveness is of importance to Canadian workers, and the economy. The answer lies in its contribution to the Canadian economy:

- The automotive industry is Canada’s 2nd largest manufacturing industry. It contributes annually \$18.28 billion to GDP, and exports valued at \$86.58 billion
- The automotive industry employs 126,000 people directly and half a million people indirectly.

But tethering this industry to Canadian soil is increasingly difficult. Canada has no domestically owned automotive assemblers. All assemblers operating in Canada are branch plants of MNCs. Canada does have some large domestically owned and globally competitive automotive parts firms, which are totally dependent for their existence on MNC assemblers.

Moreover, Canada's place in the global automotive industry has been in decline since the early 2000s. Declines in the number of vehicles produced, declines in the levels of investment relative to the US and Mexico. Canada has experienced a net loss of five assembly plants in the last ten years.

This is where policy and politics matters. Notwithstanding the position of conservative governments of the early 2000s who insisted that governments should not intervene in the market or in the support of industries, research told us that national governments around the world were actively and financially supporting their automotive industry through incentives, training grants, land, tax breaks, municipal supports and infrastructure. There needed to be a rethink of Canadian government policy if the Canadian automotive industry was to survive.

How does one influence such a rethink of government policy ideas and approaches? Why and how could we get government to listen to research on this subject? How did we influence the underlying narrative so that it shifted from emphasis on the market to the critical role in policy shaping market conditions?

This is where our APRC comes in. It was clear to me, and several individuals in UNIFOR (the union of Canadian autoworkers) and in automotive companies, that we needed to convince the Canadian government to adopt an industrial policy to support the automotive industry, and advanced manufacturing more broadly. We had to change their way of thinking about the role of government in the economy, and propose specific policies that could work.

To do this, I negotiated a set of partnerships with the Canadian Autoworkers Union (CAW), the Ford Motor Company of Canada, Toyota Motor Manufacturing Canada, the Automotive Parts Manufacturers' Association (APMA) and eventually the organization representing the mayors of communities with large automotive industries to support my application for a large partnership grant. The federal government appointed observers to our research group, whilst the Ontario government was a full partner on the advisory board. We were successful in this grant application and the APRC was formed. To make this grant a success, we needed to keep industry partnerships engaged, learn to understand their points of view and experience globally with industrial policy, work together to forge a common understanding of what was needed from an industrial policy and see the value of this ongoing partnership.

Key features and activities of the APRC included:

- i. Hosting regular workshops and conferences for industry partners on trade, technology, R&D and government support, supply chains, Mexican labour market, investment, transportation networks, economic development and so on. These events brought together broad range of industry partners (not just our original ones) as they were keen to learn from the research, and know what was happening in other parts of the world. This encouraged dialogue.
- ii. Brought in experts from around the world to talk to our partners, thus exposing them to research that they otherwise would not read.

- iii. Were able to sustain conversations about policy and relationships between conflicting and competing partners with quite different ideas on policy.
- iv. Developed industry research assistantship program whereby students were placed with an industry partner to complete a research project identified by industry and co-supervised by industry and researcher.
- v. Trained highly qualified personnel with knowledge of the automotive industry.
- vi. Presented research briefs to government. Held meetings with government. Responded to government inquiries for data and research.
- vii. Created of a data base of the automotive industry across Canada which has over 1000 company entries, is collected from multiple sources of data and records over 15 points of information for each entry.
- viii. Conducted research into the kinds of policy being used by other governments around the world, and policy options for Canada.

Successes?

We were able to sustain and expand partnerships with unions, non-union companies, unionized companies, and communities even when research was contentious and was sometimes contrary to the opinion of individual companies or the union.

Government and municipal bureaucrats, and some elected officials, came to rely on us for research and information. Data base, policy background research, trade analysis etc.

Greater uptake in idea that industrial policy is valid and needed. That manufacturing and the automotive industry in particular are critical. Therefore we had some influence on policy ideas. There are even a couple of policy changes that I would say we had strong influence on.

We trained and worked with some wonderful students as research assistants, including engineers interested in policy.

Failures?

While we believe we proved to government that a lack of coordination across levels of government and between different ministries (in contrast to Pro Mexico) produced bad policy, governments have not been able to make sustained change in this approach.

Although language of industrial policy is more acceptable, governments have not taken any steps to approach policy in this integrated fashion.

The commitment of corporations and governments to the value of good independent research remains fragile.

It was challenging to recruit students who were studying policy to be interested in the automotive industry.

The more important focus for my discussion today is to reflect critically on the approach we took in the APRC of bringing private companies, unions, municipal governments and researchers together in a policy centre with the express goal of influencing policy ideas and policy action. There is much debate about the dangers for the independence of the work of researchers working so closely with industry partners, whether union or corporate. But before reflecting on this debate I want to turn to a brief discussion of how we at CRIMT at this very moment in time understand and think about the state and how we understand how we might influence policies that will expand and improve work.

This brings us to questions about what is the nation-state? What does the nation-state control? Have democratically elected governments proven to be able to use the state for their purposes or does the state have some 'life of its own' notwithstanding the democratic impulses of particular elected leaders and groups?

We heard reference yesterday about the need for more democracy as a solution to many of the world's problems. Yet around the world far right parties are being democratically elected to kill, maim and taunt their own citizens as well as others around the world. We need to be careful not to see the state as an empty vessel that we can capture and use for our own ends. For any of you who have watched the Norwegian political thriller "Occupied" or the older British series "A very British Coup" the state is far from 'neutral'. Rather it is deeply embedded within capitalism where the dangers of outside influences on governments are real and the choices made by governments are constrained.

Yet if we accept that this is the case, how can we influence government and policy? How can we engage in experimental practices that could shape more work and better work? How do we shift governments away from their ideas that the markets alone should determine industry success, that efficiency lies in technology regardless of the human cost, and that manufacturing is an old industry not worthy of saving?

For the APRC, we started by thinking about the fractures in the interests of different corporations, unions, communities and regions. It is very clear that in policy and politics, corporations are not monolithic. Their interests and ideas vary, and there are moments when their interests and policy goals are aligned with those of unions, communities and regions. We also started from an understanding that the state is influenced by multiple competing interests and if we can bring together a common set of ideas and proposals by wide range of industry stakeholders we might have a greater chance of ideas being translated into policy by government.

Further, there are times when conflicting groups will agree to work together in support of a common goal. This represents a moment when concerted policy action is possible. Looking at the APRC, CAW/Unifor shared a goal with both Ford and Toyota, as well as parts makers, of maintaining and expanding the Canadian automotive industry. Seizing on this fracture as an opportunity, our research group attempted to bring these parties together, have deep

conversations, provide them with new research as well as global understandings of the industry, so to arrive at points of policy convergence. We were in turn able to build on networks of influence of our industry partners to engage with key government people.

In this way, we chose to experiment with what some people would see as a form of corporatist policy influence or, from another vantage point, burrowing from within. As researchers with University positions, we are independent researchers, which provided research that was no longer provided by government. We were able to supplement government research capacity, especially as we were able to demonstrate that we were experts in the automotive industry. We had an expertise that was not widely available across Canada. We were also able to articulate common policy ideas and strategies, nudge industry and government partners towards an understanding of the value of industrial policy, and mobilize support for activist policy to sustain the automotive industry.

To some this approach may seem to compromise the integrity of independent research and likely to fail like other corporatist experiments. To me it is an institutional experiment that had some wins, and some failures. But it has been enough of a success for us to keep going as we have now founded a non-profit corporation focused on continuing our work of attempting to influence policy ideas and action in support of the automotive industry.

The Canadian state and economy are small and in many sectors we are dependent on multinational corporations for production and investment. We therefore have fewer policy levers open to us to experiment with economic intervention. Globalization, years of hands off government policy including shifts in thinking about the place of government in the economy have made us vulnerable to competition from countries where governments fully understand the importance of the state using active policy levers to attract investment and jobs. We as researchers need to use our research to influence policy ideas, policy solutions, policy coalitions. The APRC is an example of institutional experimentation aimed at changing how we engage in policy dialogue, challenging ideas that advocated the withdrawal of government from the economy and ultimately improving the number and types of work available in Canada.