

Conference organized by *Economia e Politica Industriale*/Journal of Industrial and Business Economics and the School of Management of Politecnico di Milano

Date

17 May, 2010

Location

Politecnico di Milano

Title

The automotive supply chain turns the corner, from unfettered expansion to sustainable development: challenges and opportunities

The issue

In 1946, Peter Drucker labelled the international automotive industry as the “industry of industries”, it being a cradle for technological, manufacturing, commercial and organizational innovations that shaped also the structure of many other industries. Today, this industry is undergoing a highly delicate stage due to the overlapping of many competitive, geographical and environmental issues, further heightened by the economic crisis. However, the automotive industry, along with the upstream auto parts industry, plays such an important quantitative and qualitative role that none of the industrialized nations seem inclined to relinquish it to countries with lower labour costs. That has led governments to open an exceptional phase of state aid to support auto demand and supply, taking a short-term approach.

In the more developed markets the motorization process has reached hard-to-beat levels and the past 20 years (at least) have seen automotive demand take the almost exclusive form of replacement car purchases. However, the other countries, including the BRIC countries and Eastern Europe in general, have entered a phase of high-speed motorization that would appear to rule out a rapid decline of this industry. This process implies a tangible repositioning of the industry’s center of gravity, given that these countries aim to use internal demand to develop not just their own national automotive industry as a primary lever to industrialize the respective economies, but also the strength needed to muscle into the international arena.

Another relevant issue is the need to embrace ecologically sustainable development, dramatically reducing both polluting and greenhouse-gas emissions. Hence the need for a robust increase in investments aimed at generating product and process innovations capable of providing more effective solutions in the form of natural gas-powered vehicles, new-generation electric vehicles, fuel cell vehicles.

Such a complex scenario presents the automotive firms with a wide range of alternative routes, albeit all marked by high levels of uncertainty. The only certain orientation for the oldest established companies seems that of consolidation through

merger and acquisitions. Nevertheless, the disparities in managerial visions across the different industrial groups and the specific interests of the countries involved make even these strategic options difficult.

Equally, given the dependence of the automotive industry on hefty infrastructural investments to drive automobile development, many of the most innovative solutions will only deliver benefits to the companies through state interventions centred on territorial planning and industrial policy. However, the complexity and timeframe of such an intervention are so great as to raise doubts over the willingness and capacity of the individual governments to complete them.

In line with its tradition, *Economia e Politica Industriale/Journal of Industrial and Business Economics* aims to organize a conference dedicated to these multifaceted aspects and open to Italian and foreign scholars.

Topics of interest

The conference intends to be an opportunity for collecting and discussing theoretical and empirical contributions on the plurality of the themes underlying this specific phase of transformation in the automotive industry.

We welcome contributions related to the following themes of the conference.

a) The globalization strategies of automakers and auto parts manufacturers and the effects of change at the supply chain level, focusing on elements of discontinuity compared with the recent past, particularly in terms of:

a.1. New forms of the international division of labour, also in line with the emerging technologies

a.2. Advantages and risks of further M&A initiatives,

a.3. The outlook for the auto parts manufacturing industry and the rival partnership relations with automakers,

a.4. Towards new automotive supply chain formats: technology push or demand pull?

a.5. The competitive role of emergent market car manufacturers.

b) The importance of the supply chain to the whole of national economic systems, also in terms of ecological and economic sustainability, and the nature of the public intervention to be adopted for an industrial and infrastructure policy, especially for what concerns:

b.1. The automotive industry as an element of a national mobility system;

b.2. Fiscal revenues fuelled by the automotive industry and infrastructure initiatives;

b.3. The automotive supply chain as part of a public programme of sustainable development;

b.4. The problems of an industrial policy at the European Union level.

Abstract submission

Scholars interested in presenting a paper are invited to send an extended abstract (1500/2000 words) to the Organizing Committee by the end of March 2010. Acceptance will be notified by 7 April, 2010. E-mail address: rivista.epi@polimi.it

Final paper submission

The final version of the papers or the work in progress must be received by 30 April, 2010.

Invited papers

The opening session of the Conference will discuss papers presented by:
Michel Freyssenet, Directeur de recherche au CNRS, Paris (confirmed)
Takahiro Fujimoto, University of Tokyo (to be confirmed)
Susan Helper, Case Western Reserve University in Cleveland (confirmed)
Holm-Detlev Köhler, Universidad de Oviedo (confirmed)

Potential publication in the *Economia e Politica Industriale* journal

Selected papers will be published in *Economia e Politica industriale/Journal of Industrial and Business Economics*. The final version of the papers accepted for publication must be delivered no later than 6 September, 2010.

For further information about the Journal and the School of Management, please visit the websites:

<http://www.francoangeli.it/Riviste/sommario.asp?idRivista=13>

<http://www.mip.polimi.it>