Big Business and Local Government: Matty Moroun and the Reform of the Detroit River Border Crossing

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Abstract
This paper examines the role and influence of one powerful business owner in local government decision-making. The paper examines Manuel Moroun’s efforts to influence local government decision-making in Windsor, Ontario. Moroun is the owner of the Ambassador Bridge that connects the cities of Windsor and Detroit and is the most significant North American border crossing in terms of the volume and value of trade. Moroun is currently engaged in an effort to build a replacement bridge and prevent the construction of a publicly-controlled bridge that will break the monopoly that his bridge currently enjoys. One element of Moroun’s campaign has been his efforts to influence local governments. These efforts include lawsuits brought against Windsor City Council and its councillors, the purchase of extensive property holdings in Windsor and Detroit, public relations campaigns, and political campaign contributions. This paper examines these efforts and the degree of their success in influencing the decisions taken by Windsor City Council with respect to the border crossing. The paper examines different explanations of Moroun’s influence in local politics. The conclusions reached are that Moroun is a major player in local politics. At the same time, he has not dominated local decision-making and has not enjoyed as much influence as has been evident in the United States. In Canada, the municipal council and local community have been prepared to oppose his policy goals and have been at least partially successful in these efforts.

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Introduction

Scholars of municipal politics in Canada and elsewhere have long studied questions concerning the influence of major business interests, financial organizations and property developers on municipal decision-making (Cobban, 2003; Peterson, 1981; Leo, 1997 and 2003; Stone, 1989; 1993). A central question in this scholarship is whether these actors influence the local democratic process and thus secure advantageous regulatory or development decisions that are not necessarily in the interests of the local community. This question is given added urgency, it is argued, by the mobility of modern capital and business in an era of globalization and by recent economic conditions that have created or added to fiscal problems facing municipal governments (Hackworth, 2007; Leo, 2002; McAllister, 2004; Ruppert, 2000).

This paper examines this question by analyzing a case study involving a financially powerful business and property owner and his efforts to influence development decisions within Windsor in Ontario, Canada. The businessman in question is Manuel (Matty) Moroun, a resident of Michigan. The most significant, if not the most profitable, of Matty Moroun’s business empire is the Ambassador Bridge that links Windsor with Detroit and which is a central element facilitating the flow of North American trade. In addition, Moroun’s companies also have significant land holdings in both Michigan and in Windsor. It is the Windsor property holdings that are at the centre of an on-going dispute between Moroun and Windsor City Council. Over the past decade, Matty Moroun has sought to construct a new span and plaza on properties he owns immediately to the west of the existing Ambassador Bridge (the so-called twinning or enhancement of the Ambassador Bridge). At the same time, Moroun has spearheaded efforts to prevent the construction of a publicly-owned international bridge that will compete for business and thus break his near-monopoly of international truck traffic over the Detroit River border. Both of these goals have generated conflict between Matty Moroun and the Windsor City Council and its Mayor, Eddie Francis. The City Council strongly supports the construction of new crossing by the senior governments and opposes the twinning of the Ambassador Bridge and the construction of a new plaza in the Sandwich area of Windsor.

The policy debates relating to the future of the Detroit River border crossing are complex and involve a number of policy issues and a wide range of actors on both sides of the border (Sutcliffe, 2008; 2011; 2012). The municipal government does not have unilateral control over these policy decisions and Matty Moroun’s attempt to influence the border policy debate is by no means restricted to the municipal level. This case nevertheless presents an opportunity to examine one individual’s attempts to influence a Canadian municipal government. The debate over the border crossing and the possibility of twinning the Ambassador Bridge has generated intense private and public conflict between Matty Moroun and Windsor City Council. In this conflict, Matty Moroun has

1 Thanks go to Trevor Fairlie for his research assistance in the preparation of this paper.
2 Eddie Francis became mayor in 2003 and won re-election in 2006 and 2010.
employed several strategies, including legal cases and public campaigns, in order to influence the municipal council’s position. This paper examines these attempts and their impact on the municipality.

**The Detroit River Border Crossing**

The construction of a new bridge spanning the Detroit River linking Windsor, Ontario and Detroit, Michigan is a central issue in United States-Canadian relations and has been for over a decade. While various actors have advanced different proposals for a new crossing over this time, only two have advanced beyond the preliminary stage of development. One of these is the Ambassador Bridge Company’s proposal to construct a replacement span. The company first submitted its proposal for an Ambassador Bridge Enhancement Project in 2006, with additional information being submitted in subsequent years (Transport Canada, 2013; Battagello, 2011a). This proposal to construct a six-lane, cable-stayed bridge that will connect the existing bridge plaza in Detroit to an expanded plaza in Windsor is currently undergoing an environmental assessment process by the Canadian federal government (see Transport Canada, 2013; Battagello, 2013a; Jarvis, 2013a). It will, in addition, require environmental approval from the U.S. federal government, with the U.S. Coast Guard being the lead agency in this process (Chen, 2009). The company indicates that it hopes to begin construction in 2013, although this seems unlikely given the number of permits still required.

The second proposal is for a publicly-owned but privately-constructed and run bridge; the so-called Detroit River International Crossing (DRIC). This proposal was developed by a bi-national partnership of representatives from the four senior governments – the governments of Ontario and Michigan and the two federal governments – that need to provide formal approval for a new border crossing. It has been discussed at summit meetings between Prime Minister Stephen Harper and President Barack Obama, as well as at meetings of federal government representatives and those of the state and provincial governments. By 2009 it had secured the required environmental approvals in both the United States and Canada (Nelles and Sutcliffe, 2013). The Canadian government introduced and passed the 2012 *Bridge to Strengthen Trade Act* to provide the Canadian federal legislative approval for the construction of a new bridge, and in June 2012 signed an agreement with the Government of Michigan to provide a $550 million loan to cover Michigan’s share of the construction costs (Jang, 2012; Chase and Keenan, 2012). A U.S. presidential permit, the final legislative requirement before construction of a new bridge can begin, was submitted in June 2012 and approved on 12 April 2013 (Battagello, 2013b; Chase, 2013).

The impetus to construct a new Detroit River border crossing results from this location’s importance to United States-Canada trade (Bow, 2009; Austin et al, 2008). The Auto Pact (1965) and the associated integration of the automobile industries, the Canada-

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3 The bridge is owned and operated by two companies – the Detroit International Bridge Company and the Canadian Transit Company – but both are owned by Matthew (Matty) Moroun who secured ownership of the bridge in 1979. The Ambassador Bridge Company is used here as a convenient short-form.

4 This proposal is also sometimes referred to as the New International Trade Crossing.

5 The Act’s official title is *An Act Respecting a Bridge Spanning the Detroit River between Windsor and Detroit and Other Works*. 
U.S. Free Trade Agreement, and the North American Free Trade Agreement (1993) have turned this into the busiest Canada-U.S. border crossing in terms of commercial traffic, particularly truck trade (Brunet-Jailly, 2000; 2006). In 2010 bilateral trade in goods and services between Canada and the United States was approximately $645 billion, with over $1.7 billion worth of goods and services crossing the border each day (Government of Canada, 2012). Approximately 30 per cent of the total trade in goods crosses the border in south-west Ontario with the majority of this being truck traffic crossing the Detroit River (see Pastor, 2011; Sutcliffe, 2012; Anderson, 2012).

Although there are three other border crossing points linking Detroit and Windsor, the overwhelming majority of freight traffic is carried by truck across the Ambassador Bridge. Indeed, the approximately three million trucks that use the Ambassador Bridge each year make this the single most significant part of the North American transportation network (Austin et al, 2008; Alden, 2008). Several reasons have been advanced to support the construction of a new border crossing to replace the Ambassador Bridge. The first of these relates to the age of the Ambassador Bridge, which was completed in 1929 (Mason, 1987). In short, the bridge is nearing the end of its life-expectancy without substantial repairs (Battagello, 2009a).

A second reason given in support of a new border crossing relates to border traffic projections and questions about the continued capacity of the four-lane Ambassador Bridge to support the bilateral trade flow across the Detroit River border. The bridge was completed before the significant expansion in U.S.-Canadian trade through the latter decades of the twentieth century and before the development of the modern multi-wheel trucks that carry much of this trade. Both the governments concerned and the Ambassador Bridge Company indicate that extra capacity will eventually be required to supplement or replace the existing bridge. Various government reports indicate that the expansion of trade justifies the construction of the proposed DRIC bridge and will support two border crossings (Detroit River International Crossing Partnership, 2009). The initial government projections have been reduced over time, in part reflecting changing economic conditions such as the post-2008 recession. Nevertheless, the governments continue to assert that the traffic projections support the DRIC project and that the existing border capacity will be at or over capacity between 2015 and 2025 (Michigan Department of Transportation, 2010; see also Battagello, 2010a). The Ambassador Bridge Company claims that these projections are inaccurate and that there will be insufficient trade to support two international bridges across the Detroit River for the foreseeable future (Battagello, 2013c; Chase, 2013). According to the company, therefore, future expansion in the Detroit River border trade can be accommodated by its own Ambassador Bridge Enhancement Project.

Security is a third reason given to justify the construction of a new Detroit River border crossing. According to this argument, the economic importance of the Ambassador Bridge, combined with the example of the costly border delays in the immediate aftermath of the September 11th 2001 terrorist attacks, demands that a second bridge be constructed. In this view, a second bridge provides extra border crossing capacity that will be essential in the event that the Ambassador Bridge is closed as a

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6 The three other border crossings are the Windsor-Detroit road tunnel, the rail tunnel and a truck ferry service. Large trucks cannot use the road tunnel and the truck ferry has very limited capacity that is reserved for hazardous material. The rail tunnel is too small to carry modern double-stack freight cars.
result of a terrorist incident or significant accident (see Canadian Senate, 2005; Austin et al, 2008). While this was not one of the main concerns of the government partnership that developed the Detroit River International Crossing proposal, the distance between the proposed DRIC bridge and the existing Ambassador Bridge is cited as one of the project’s advantages by its proponents (Canadian Senate, 2007: 54). Not surprisingly, the Ambassador Bridge Company on the other hand argues that its enhancement project will be secure and provide sufficient capacity to protect the North American economy against the consequences of a terrorist attack at the border.

There is, therefore, a widespread consensus within both the public and private sectors supporting the construction of a new Detroit River border crossing (Jang et al., 2011; Keenan, 2007; Austin et al, 2008). There is not, however, unanimous agreement on where this crossing should be located, who should pay for, build and operate it. These questions continue to generate debate and disagreement more than a decade after they were first raised.

The City of Windsor

The City of Windsor does not have formal decision-making authority over the choice of border crossing location or responsibility for paying for a new bridge or related border infrastructure. It is, however, intensely affected by the border and decisions relating to its future. This interest stems from the extent to which the city’s economic vitality is dependent upon cross-border trade and particularly trade relating to the highly integrated automotive sector with its manufacturing plants and suppliers in Windsor and Michigan. It also follows from the location of the Ambassador Bridge and the fact that the bridge and its access roads run through the city (see Map 1).

When Highway 401 was extended to south-western Ontario in the 1950s it was not linked to the Ambassador Bridge (Sutcliffe, 2012). As a result, the final approximately 16 kilometres of the route to the bridge are city streets, and trucks carrying international trade must intersect with local traffic and negotiate 17 stop lights before reaching the border and subsequently entering the U.S. interstate highway system. In addition, the existing Canadian bridge plaza is too small to accommodate all of the demands placed upon it. Trucks that are requested to stop for more detailed secondary inspection when entering Canada, for example, cannot be accommodated at the existing plaza but instead have to drive to a location removed from the border (Battagello, 2005a).

Truck traffic heading to and from the Ambassador Bridge therefore has a significant impact on Windsor. As a result, Windsor City Council is an active participant in the policy debates surrounding the reform of the Detroit River border crossing. Its central position has remained consistent over the course of the border debate. The city argues that a new border crossing must be as far removed from the city’s core as possible and should be located in the western, industrial edge of the city (Sutcliffe, 2008). This was the central conclusion of the city’s 2005 Schwartz Report (Battagello, 2007a), and it also led the city to support the location of the proposed Detroit River International Crossing bridge (Detroit River International Crossing Partnership, 2009). When the binational government partnership team released its recommended bridge location, Windsor Mayor Eddie Francis stated that this location is exactly what city council “has
been advocating for from Day 1…The plaza and crossing are exactly where we would like it to be” (quoted in Battagello, 2008a).

Windsor City Council has therefore been a vocal advocate of the proposed DRIC bridge. Its support for this project includes lobbying within the United States in an effort to secure the support of the Michigan legislature and public for this project (see Nelles and Sutcliffe, 2013; Greenwood, 2008). The city’s support for the proposed DRIC bridge is also related to its opposition to the Ambassador Bridge Company’s enhancement project. Although the city council advocates that additional border crossing capacity will be advantageous for the city, it has also consistently argued that the extra capacity should not take the shape of a second span as proposed by the Ambassador Bridge Enhancement Project. The city has advanced two main arguments against this project. First, it argues that the proposed twin span and its plaza will have a negative impact on the Sandwich area of the city where it is located and will further divide this community from the rest of the city. Secondly, the city argues that the highway access route for an Ambassador Bridge Enhancement Project will continues to divide the city, intersect with city streets and have negative environmental consequences for city residents (Fessler, 2007; Battagello, 2006a; Sutcliffe, 2012). In his 2008 state of the city address, Mayor Eddie Francis expressed this sentiment when stating that, “Our citizens deserve a better quality of life, a healthier environment and a solution that gets trucks off of city streets and out of our neighbourhoods” (Francis, 2008).

In sum, the city’s central goal in the border crossing debates is to advocate for a new border crossing that is further removed from the city and which thus routes cross-border traffic, and especially trucks, away from city streets. With these goals in mind, the city opposes a second Ambassador Bridge span. It is this that has brought the city into conflict with the owner of the Ambassador Bridge, Matty Moroun.

**Matty Moroun and the Ambassador Bridge**

Manuel “Matty” Moroun was born in 1927 (the same year as construction of the Ambassador Bridge began), grew up in Detroit and currently resides in Große Point Shores, a suburb of Detroit (Kidd, 2005; McKenna, 2010). His family’s net worth is listed at US $1.1 billion by Forbes magazine as of March 2013 (“Manuel Moroun & Family,” 2013) and his business interests extend over a wide range of enterprises including trucking companies, insurance and property holdings (Battagello, 2006b; 2009b). In 1979 the Moroun family’s Central Cartage Company purchased the final shares that secured outright ownership of the Ambassador Bridge, and they have controlled the bridge since that time under the joint title of the Detroit International Bridge Company and the Canadian Transit Company (Fitch and Muller, 2004; Jang, 2007).\(^7\)

The Ambassador Bridge, which was originally constructed by a private consortium and which has always been privately owned, has increased in economic importance to Matty Moroun as the volume of traffic across the bridge has increased since the entry into force of NAFTA. It is variously estimated that the company annually secures approximately US$60 million in tolls from the bridge (Sorensen, 2011; Kidd,

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\(^7\) Central Cartage was the first trucking company within the Moroun family’s holdings. It was purchased by Matty Moroun’s father, Tufick Moroun, in 1946.
In addition, the bridge company owns the duty free stores and gas stations connected to the bridge (Vander Doelen, 2012a). Although the exact figures are not publicly known, the Ambassador Bridge’s total value to Matty Moroun is evident from the length to which he has gone in order to retain a virtual monopoly of the truck traffic across the Detroit River border crossing. This involves lawsuits brought against various governments in the United States and Canada (Battagello, 2013c), including a case brought under NAFTA against the Canadian government (Battagello, 2010b). In 2010 the Ambassador Bridge Company sought an injunction in U.S. federal court to prevent the construction of a government-backed bridge across the Detroit River. In this suit, the company claimed that the U.S. and Canadian governments were conspiring to undermine the value of the Ambassador Bridge and force him out of business (Battagello, 2010c).

Moroun has also worked extensively within Michigan in order to block the authorization of a government-owned rival to the Ambassador Bridge. This has taken the form of lobbying members of the Michigan legislature, including through the provision of campaign donations and advertising, in order to block approval of a new bridge (Battagello, 2012a; Christoff and Gray, 2011; Fantoni, 2012). Although it is difficult to establish whether this lobbying influenced Michigan politicians’ decision-making with respect to a new bridge, it is the case that a bill to authorize Michigan’s participation in the construction of new bridge was held up in committee within the Michigan Senate (Lessenberry, 2012a; Spangler, 2010; White, 2011). This lengthy delay led Michigan Governor Rick Snyder to bypass the legislature and sign an international agreement with the government of Canada in June 2012 authorizing construction of the Detroit River International Crossing bridge (Jang, 2012; Chase and Keenan, 2012; “They aren’t building that,” 2012). Matty Moroun, in turn, sought to overturn this international agreement by sponsoring and securing the inclusion of Proposal 6 on the November 2012 Michigan ballot. This initiative was intended to require a state referendum in order to approve construction of a new international crossing (Chen, 2012; Chase, 2012; Gallagher, 2012). The Moroun family spent approximately US$30 million on advertising in a failed effort to secure a ‘yes’ vote on this proposal (Battagello, 2012b; 2012c; Egan and Gallagher, 2012).

The importance of the Ambassador Bridge to Matty Moroun is also evident from the steps that he has taken to construct a replacement. As noted above, the Ambassador Bridge Enhancement Project is currently undergoing an environmental assessment as one of the required steps before it can proceed. In addition, Moroun’s companies have purchased considerable amounts of property in both Michigan and Windsor to further the aim of building a twin span. Specifically with respect to Windsor, the company has purchased approximately 140 houses in the Sandwich area of the city which will be required to be demolished if the bridge company is able to move forward with its enhancement plan (Battagello, 2007b). The company has left the majority of these houses empty and boarded up. The impact of this is dramatic and intensely controversial and has drawn the company into conflict with the city council and significant sections of the local community (Battagello, 2009c; Jarvis, 2009; Sutcliffe, 2011).

**Business Interests and Canadian Municipalities**

This case of a powerful business and landowner seeking influence over land development within a municipality is a subject that receives considerable academic examination in a
number of different settings (Cobban, 2003; Hackworth 2007; Savitch and Kantor, 2002; Leo 1997; 2002; Stone, 1989; 1993). It is also one that generates controversy. According to one perspective, land developers have traditionally enjoyed a dominant place in local policy-making primarily because of their economic importance to the local community and the possibility that they may relocate to an alternative location and thus withdraw their resources from the local tax base (Peterson, 1981; see also Cobban, 2003: 233; Harding et al., 2000).

A related view, building on the work of Clarence Stone, argues that municipalities can be dominated by an alliance between business (particularly local developers) and elected officials in an ‘urban regime’. This account of urban politics highlights the dominant position enjoyed by these business and development interests within the local community, and the extent to which elected politicians feel obliged to develop policies that reflect their interests (such as lower business taxes and development costs), at the expense of investing money in tackling other issues such as social exclusion or urban poverty (see Sellers, 2002; Leo, 2003). These arguments have increasingly been linked to the prevalence of neoliberalism as a philosophy dominating politics at different territorial levels over the last two to three decades (Harvey, 2005; see also Hackworth, 2007). Neoliberalism emphasises that government regulation and intervention should only occur sparingly and that instead individuals and businesses should operate “within an institutional framework characterized by strong private property rights, free markets, and free trade. The role of the state is to create and preserve an institutional framework appropriate to such practices” (Harvey, 2005: 2). In the view of some scholars, then, this governing perspective has affected municipal governments by placing substantial limits on their decision-making capacity, particularly as it relates to powerful business interests (see Tindal and Tindal, 2009: 18-19; Hackworth, 2007). Ruppert’s study of Toronto, for example, argues that private business interests increasingly dominate governance of the city and, as a result, local government is a “shell emptied of its content” (2000: 285).

Mega-projects, such as the construction of major league sports stadiums or other major infrastructure projects, are sometimes used as an example of the pervasiveness of neoliberalism as an influence on municipal governments. In this view, mega-projects are promoted by municipal governments, in part because of the pressure to develop the ‘world class’ reputation of the municipality and thus make it desirable to mobile capital, businesses and investors (see Sassen, 2001; Swyngedouw et al., 2002). Swyngedouw et al. conclude that mega-projects contribute to situations where cities “hide in their underbelly perverse and pervasive processes of social exclusion and marginalization and are rife with all manner of struggle, conflict, and often outright despair in the midst of the greatest affluence, abundance, and pleasure” (2002: 545; see also Hackworth, 2007: 170-1).

There are, then, a number of scholars who emphasize the relative powerlessness of municipal governments in the face of major business interests, property owners and developers. There are also, however, analyzes that present more nuanced views of the role of municipal councils (and community groups within municipalities). Savitch and Kantor, for example, conclude that cities “have real alternatives in coping with the effects of globalization” when it comes to promoting development strategies (2003: 1003). Jack

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8 A recent example of this occurred in Calgary in April 2013. A video released to the media contained footage of a Calgary developer claiming to be able to exert influence over city council (Walton, 2013).
Hackworth likewise argues that while all municipal governments have faced pressures to conform to a neoliberal policy agenda, not all municipalities have responded in exactly the same way (Hackworth, 2007; see also Stahre, 2004; Massey, 2007; Sutcliffe, 2011). Starting from a slightly different focus, Hamel identifies the potential emergence of an urban citizenship that “favours the use of individual and collective action to bring social and cultural concerns into public-political space, such as greater social justice, heritage preservation, or the promotion of local democracy” (Hamel, 2005: 38; Magnussun, 2005). There is also a long history of community mobilization and opposition to projects (often mega-projects) promoted by municipal governments and developers. Jane Jacobs, in part, became well-known for her opposition to road construction, including the Spadina Expressway in Toronto (Leo, 1977; Paul, 2005).

An examination of the politics of decision-making within Canadian municipalities and the relative influence of business interests to that decision-making therefore requires an examination of different case studies with particular attention to the context, actors and potential idiosyncrasies of each case (Leo, 2003). The following analysis of the City of Windsor’s reaction to the Ambassador Bridge Company’s proposal to build a second Detroit River border crossing, as well as the interaction between the company and the city, is one such case study.

The City of Windsor and the Ambassador Bridge Enhancement Project
There is little question that Matty Moroun is important in the politics of the border and municipal policy-making with respect to the border in Windsor and Detroit. As noted above, he has been extremely active in opposing the proposed Detroit River International Crossing and in promoting the construction of his own new bridge as an alternative to this proposal. The bridge company has even gone so far as to build the ramps for a new crossing even although it has not secured the permits to build such a crossing. Following a lengthy legal battle, the Detroit ramp was removed by the Michigan government but the Windsor ramp remains in place within the Sandwich community (see Battagello, 2012d). In opposing the DRIC and advocating the construction of a new Ambassador Bridge, Matty Moroun has been in direct conflict with the positions advanced by the City of Windsor.

The confrontation between the city and the Ambassador Bridge has focused on the company’s extensive property holdings in Windsor. As noted earlier, the company has purchased over 140 houses in the Sandwich area of the city and is currently seeking to demolish a large number of these properties in order to clear the landed needed for the Ambassador Bridge Enhancement Project (Battagello, 2007b). These houses, which have been largely left vacant and boarded up, bring significant problems to the community. They have become the scenes of drug abuse and vandalism, they provide a breeding ground for vermin, and they are distinctly problematic for house owners in the immediate vicinity. Overall, they are highly damaging to Sandwich’s image and thus its reputation and make it highly unlikely that people will be willing to locate in Sandwich (Schmidt, 2009). In spite of this, the city continues to oppose the demolition of these houses. In January 2007 the city passed a demolition control by law to prevent these houses being taken down (Danese, 2007). Related to this, the city initiated a Sandwich Heritage Conservation District study in September 2006, which ultimately led to the preparation of
The Sandwich Heritage Conservation District Conservation Plan in July 2008 (City of Windsor, 2008). The city claims that Sandwich, including many of the properties owned by the Ambassador Bridge, has heritage value and therefore that properties within the heritage area can only be demolished if certain conditions are met, including the full disclosure of the company’s plans for the area (City of Windsor, 2008: 4.6). In the words of Mayor Eddie Francis: “Historical and cultural preservation is not something new. ...It is very significant in our city to have the historical significance of an area like Sandwich. We are looking to preserve that” (Battagello, 2007b).

There is a large extent to which the heritage designation and the demolition by-law controls are deliberately targeted against the bridge company’s plan to build a second span. The mayor, for example, has asserted that the council is “not prepared to cede a large swath of Sandwich for a [new] customs plaza” (quoted in Schmidt, 2012a). Certainly the company claims that the city’s actions target the Ambassador Bridge Company. The company filed a lawsuit in July 2010 against the mayor and councillors claiming that they deliberately sought to interfere with the bridge’s business and prevent the construction of a new crossing (Schmidt, 2010). It is also the case that in September 2008 Greg Heil, then chair of Windsor’s Heritage Committee, resigned claiming that there were political influences placed on the committee by the council in reaching its conclusions (Lajoie, 2008). This is also the view of one local landowners’ group called Boarded Up Houses Demolition Action Group, led by Hilary Payne who has owned houses in Sandwich for over 20 years. As the name implies, this group seeks the demolition of the Ambassador Bridge’s houses in Sandwich on the grounds that the boarded up houses are negatively affecting property values in the area. They also argue that the bridge has provided a suitable plan for landscaping the land left if the houses are demolished. This group joined the bridge company’s lawsuit against the city to have by-laws that prevent demolition of the houses overturned. One interesting aspect of this case is that Hilary Payne successfully secured election to city council in 2010 and was therefore in the rather unusual situation of being a sitting councillor suing the council of which he is a part (Battagello, 2011b).

It is the case, therefore, that while Moroun is a rich and powerful businessman and property owner he has not been able to secure the support he wants from Windsor City Council in the debate over the border crossing. The city does not support the bridge company’s goal of building a second bridge and has not permitted the demolition of the houses the company owns in order to clear the way for this span. Nor has Moroun won his legal case against the city. In September 2011 an Ontario Superior Court ruled in favour of the city and against the bridge company and the local landowners’ group (Chen, 2011; Vander Doelen, 2011). After initially launching an appeal of this ruling, the company and group dropped their case in August 2012 and paid damages of over $1 million to the city (see Schmidt, 2012a; 2012b; Vander Doelen, 2012b). The company has not, however, abandoned its plan to demolish these houses (Brownell, 2012), or to construct a second crossing.

There are several reasons that explain Moroun’s apparent lack of influence over Windsor City Council. The first relates to municipal campaign finance laws in Ontario (Cobban, 2003). Although there are several sources that point to evidence of Moroun’s

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9 This amount did not cover the city’s entire legal bill for fighting this case. The City Solicitor informed council that the legal bill was $2.4 million as of November 2012 (see Schmidt, 2012c).
financial influence within Windsor (see Schmidt, 2012a; Jarvis, 2013b), the Ontario Municipal Act place a $750 limit on the amount that an individual or business can donate to a municipal candidate and a total maximum of $5,000 that can be given in one municipal jurisdiction. Windsor Mayor Eddie Francis’ financial report indicates that none of Moroun’s Canadian companies or family donated to the mayor’s 2010 election campaign. A sample of elected councillors and defeated candidates also fails to turn up evidence of donations by Moroun. This limited or non-existent financial impact on the Windsor municipal elections stands in stark contrast to the amounts that Moroun and his family and companies have donated to politicians at the state and local levels in Michigan. In the 2009-2010 Michigan election cycle, which include the gubernational election, Moroun’s family and businesses donated over US$1.5 million to Michigan state and congressional candidates (Christoff and Gray, 2011; Battagello, 2010d; Lessenberry, 2010). Moroun’s donations to politicians’ election campaigns are in addition to the money spent on independent advertising with respect to the border debate (Battagello, 2011c), including over US$30 million spent on the 2012 Proposal 6 campaign (Egan and Gallagher, 2012).

Moroun also donates heavily to politicians at the municipal level in Michigan, including Detroit. Significantly, for example, Moroun donated to the scandal-ridden Kwame Kilpatrick, who was Mayor of Detroit between 2001 and 2008, and had frequent meetings with the mayor (Battagello, 2008b; Nelles and Sutcliffe, 2013). While it is impossible to prove conclusively that these donations swayed Kilpatrick’s political opinions, it is the case that he opposed the Detroit River International Crossing project and advocated in favour of twinning the Ambassador Bridge (Henion, 2007). More recently a member of the Michigan House of Representatives, Fred Durhal, who is also planning to run for Mayor of Detroit, launched a lawsuit against the DRIIC crossing arguing that the Michigan Governor had no right to sign a deal with the Canadian government without the Michigan legislature’s consent. Durhal has received several thousands in campaign contributions from the Moroun family (Battagello, 2013d; Jarvis, 2013c).

Ontario’s Municipal Act therefore prevents Moroun from making campaign donations in an attempt to influence Windsor’s municipal decision-making on the scale that has been evident in Michigan. A second factor that helps to explain Moroun’s relative lack of influence is the extensive community opposition to the Ambassador Bridge Company’s Enhancement Project within Windsor, and particularly within the Sandwich community. Within this community, there has been vocal opposition to any prospect of a new crossing being built in the location of the existing Ambassador Bridge. In 2005, for example, Hildegard Ashe (then executive director of the Sandwich Community Health Centre and chair of the Sandwich Towne development corporation) stated that if the “goal is to facilitate trade at the expense of the people in Sandwich…this community is not going to stand idly by and let it happen…” (Battagello, 2005b). This view has been echoed by a number of local residents and business owners who have expressed absolute opposition to the Ambassador Bridge Enhancement Project (interviews with author). In these views the company has “not provided a penny” towards the community and rather seems intent on devastating the community through the loss of

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10 It is, for example, frequently suggested that Matty Moroun provides financial backing to Ed Arditti who is a prominent local blogger and activist (Jarvis, 2013b).
housing stock and the damage being caused to the neighbourhood’s reputation. One local business owner, Mary Ann Cuderman, for example, has frequently been vocal in her criticism of Matty Moroun. In one such comment, she asserted that Matty Moroun “has decimated a whole community and made us look like a ghetto on his own whim” (quoted in Battagello, 2008c).

While it is not the case that the entire city, or even the whole of the Sandwich community, is opposed to the Ambassador Bridge’s proposal (as is evidenced by the Boarded Up Homes Action Group noted above), community consultation data as well as election results indicate that the majority of the community are opposed (Detroit River International Crossing Partnership, 2008: 15). The city council, including the councillor representing the Sandwich community, Mayor Eddie Francis and the major city newspaper (*The Windsor Star*) all oppose the Ambassador Bridge Company (see, for example, “Land freeze,” 2008; “New bridge,” 2012). There is, then, a correlation between popular opinion and the positions adopted by city council and the mayor and both run counter to the goals of the Ambassador Bridge Company.

A third factor explaining the relative inability of Matty Moroun to influence Windsor City Council is the fact that the majority of his companies are located in Michigan and not Ontario. Studies of neoliberalism in urban settings indicate that it is the threat of relocation that is a central reason why business and commercial interests are able to influence municipal councils (Tindal and Tindal, 2009; Ruppert, 2000). In this case study, because the overwhelming majority of Moroun’s business interests are based in the United States, the threat of relocation carries little weight for the Windsor City Council. Moreover, the Canadian Transit Company, the holding company for the Canadian half of the Ambassador Bridge, cannot, by its very nature, be relocated. It is also not possible for Moroun to threaten to allow the existing bridge to become inoperable as this would be counter to his own interests and also add further weight to the arguments in favour of a publicly-owned crossing.

It is also difficult to argue that Matty Moroun is able to exercise the type of influence that is sometimes ascribed to property developers in Canada and elsewhere (Leo, 1997; Stone, 1989; 1993). In this case, although the bridge company is a major property owner in Windsor, it is not a traditional property developer in so far as its objective is to remove the properties and clear the land for a mega-project (in this case a new bridge) rather than to build a new housing or commercial development or redevelop existing residential or commercial property. In the event that it does proceed, the Ambassador Bridge Enhancement Project will not add to the city’s tax base in a manner that is commensurate with a new subdivision or redeveloped commercial district. It is certainly not the case that municipal politicians and the bridge company are part of a stable and secure governing relationship as described by Clarence Stone in his analysis of urban regimes (Stone, 1993: 9). Instead, the relationship has been divisive, as made apparent in the mayor’s frequent critical public statements about the bridge and in the bridge’s failed legal suit against the city (Chen, 2011; Vander Doelen, 2011; Schmidt, 2012b). Since the bridge company abandoned its legal appeal in 2012, the city and the company have been in talks about the future of the properties it owns in Windsor. They, nevertheless, remain divided about the future of these properties and the area in general, with the city maintaining its opposition to a second Ambassador Bridge (see Brownell, 2012; Schmidt, 2012c).
The fact that the Ambassador Bridge Company is proposing a mega-project has not helped the company influence the municipal council. As noted above, mega-projects are sometimes promoted by municipal councils because they can help to build the municipality’s reputation as a world class destination in the eyes of investors and businesses (see Sassen, 2001; Swyngedouw et al, 2002). In this case, the city does support the construction of a new bridge and is therefore in line with the major business interests that also demand a new crossing to facilitate their operations. The city is not challenging the premise that a new crossing is central to the integration of the North American economy, and particularly the automotive sector. The city does support construction of a new bridge in order to facilitate trade flow and Windsor’s position as a trade hub in the North American economy (Sutcliffe, 2011). This does not, however, strengthen the position of the Ambassador Bridge Company. A viable alternative to the Ambassador Bridge’s proposal exists in the form of the Detroit River International Crossing. The city is therefore not dependent upon Matty Moroun to provide the new border crossing that will facilitate the movement of trade in this region.

Conclusion
Matty Moroun is an important figure in the economics and politics of the Detroit River border crossing. His importance stems from his ownership of the Ambassador Bridge, which is the single most significant North American border crossing, his proposal to construct a second bridge, as well as his ownership of properties and land that will be required for the construction of a new Detroit River crossing. It is certainly the case that newspaper and popular perception assign Moroun a pivotal role in the future of the border (“They aren’t building that,” 2012; Fitch and Muller, 2004; Jang, 2007; Kidd, 2005).

Matty Moroun is intent on maintaining control of this vital component in the regional and North American economy for as long as possible and has already spent many millions of dollars in advertising, campaign donations, legal fees and property acquisitions in the attempt to secure this objective. Moroun’s influence over the local Canadian municipal government (and indeed the senior Canadian governments), has however been limited. Owning significant business interests and properties in the Canadian municipality has not translated into policy influence. The municipal government is opposed to Moroun’s goal of building a new bridge and has used by-laws, its powers with respect to heritage designation, and lobbying senior governments to demonstrate this opposition. Moroun has not been able to use the legal system to reverse this municipal opposition. In short, there is no shared interest between the municipal government and Matty Moroun and certainly no stable network of influence with respect to the border.

The situation in Canada, to some extent, stands in contrast to the United States where Moroun has been able to secure some support at the state and municipal levels (though by no means complete support). The case study therefore points to the importance of the regulatory setting in any examination of the interaction between business interests and a municipal government. In this case, the crucial differences between the United States and Canada are the considerable difference in the quantity of campaign contributions allowed in the former as compared to the latter, and the extent to
which Moroun’s business interests are located within Michigan rather than Ontario. It is also important to recognize the importance of community opinion in this case and consequently the democratic impulse. Windsor City Council has both responded to and led the local community in its opposition to Matty Moroun’s Ambassador Bridge Enhancement Project.

Matty Moroun does not dominate municipal policy-making in Windsor. At the same time, his importance cannot be completely downplayed. He has been able to create roadblocks to the construction of a publicly-owned bridge that will rival his own. He has acquired a considerable property portfolio with a negative impact on the local community. Finally, he continues to push for the construction of his own new bridge. At the time of writing, there is no guarantee that he will not succeed despite municipal opposition.
Map 1: Existing Detroit-Windsor Border Crossings

Source: Detroit River International Crossing Study Final Environmental Impact Statement
References


“They aren’t building that” (2012). *The Economist* 29 September.


Matty Moroun is owner of Detroit's Ambassador Bridge, the most important border crossing between the U.S. and Canada. He wants to stop Michigan and Canada from building a second bridge nearby, and says he'll build [...] I've been on the auto beat for more than 20 years at Forbes, Business Week and the Detroit Free Press. At the Boston Globe, I rode the tech bubble for a while, but I found there's nothing quite as fun as the auto beat. Whether you drive a car or not, everyone has an opinion about cars or car companies. Big business and local government: Matty moroun, the ambassador bridge and the city of Windsor. Article. Full-text available. Matty Moroun's main interest in this debate is to retain control of the primary border crossing in the region by preventing the governments from constructing a new bridge through the DRIC process and by arguing that his companies should be allowed to construct a replacement span next to the existing Ambassador Bridge (Battagello, 2008b; Multilevel Governance in a Canadian Setting: The Reform of the Detroit River Border Crossing. Article. May 2012. Reg Fed Stud. John Sutcliffe. This article examines the policy-making process surrounding the reform of the Detroit River border crossing Double crossing. Matty Moroun, a 90-year-old trucking magnate, has battled Ottawa for four decades to preserve his monopoly over the Windsor-Detroit bridge. In September, he won. John Daly. Like many Sandwich residents and business owners, Cardinal was appalled when the federal government granted Moroun the go-ahead, but not surprised. "Trudeau made a deal with the devil," he says. Even a highly optimistic 2010 study of the Detroit River International Crossing (as the proposed Gordie Howe bridge was then called), which forecast that cross-border traffic would climb strongly and the bridge would be completed in 2016, projected that tolls would fall far short of repaying building costs. "It is impossible to finance this project without a massive taxpayer subsidy," Rienas concludes. In this campaign Moroun has sought to influence local governments. This paper examines these efforts and the degree of their success in influencing the decisions taken by Windsor City Council with respect to the border crossing. The paper examines different explanations of Moroun's influence in local politics. The conclusions reached are that Moroun is a major player in local politics. Security is a third reason given to justify the construction of a new Detroit River border crossing. According to this argument, the economic importance of the Ambassador Bridge, combined with the example of the costly border delays in the immediate aftermath of the September 11th 2001 terrorist attacks, demands that a second bridge be constructed.