

HENRY FORD

HIS LIFE AND TIMES

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HENRY FORD ... MACHINIST, AUTOMOBILE MANUFACTURER, PEACEMAKER, MILITARY CONTRACTOR ... ALL THESE TITLES ANY MANY MORE COULD BE USED TO DESCRIBE THIS INTERESTING AND FAMOUS MAN.

HE WAS BORN IN A TIME WHEN IN DETROIT A DAYS WAGE WAS \$1.00 TO \$1.50; BEEF STEAK 6¢ PER POUND, AND A NICE EIGHT ROOM HOUSE RENTED FOR \$9.00 A MONTH.

HENRY FORD SPENT MOST OF HIS LIFE MAKING HEADLINES ... GOOD, BAD, BUT NEVER INDIFFERENT! HE WAS BOTH A TECHNOLOGICAL GENIUS AND A WORLDWIDE FOLK HERO. FORD WAS THE CREATIVE FORCE BEHIND AN INDUSTRY THE SIZE AND SCOPE OF WHICH HAD NEVER BEEN SEEN BEFORE, AND WHICH IN ONLY A FEW DECADES, PERMANENTLY CHANGED THE CHARACTER OF AMERICA. NO ONE COULD POSSIBLY HAVE DREAMED THE IMPACT THIS ONE MAN COULD HAVE ON THE LIFESTYLE OF A NATION REELING FROM A DEPRESSED ECONOMY AND UNEMPLOYEMENT.

WHEN YOUNG HENRY LEFT HIS FATHER'S DEARBORN, MICHIGAN FARM TO "LEARN ABOUT MACHINES" IN DETROIT, ONLY ONE OUT OF FIVE PEOPLE LIVED IN CITIES ... WHEN HE DIED AT THE AGE OF 83, THIS RATIO WAS EXACTLY OPPOSITE. WHEN FORD CAME TO REALIZE THE TREMENDOUS PART HE AND HIS "TIN LIZZIE" HAD PLAYED IN BRINGING ABOUT THIS CHANGE, HE WANTED NOTHING MORE THAN TO REVERSE IT AND BRING THE FACTORY BACK TO THE FARM. FORD'S FREQUENT ALMOST REVOLUTIONARY THINKING EXCITED EXTREMES OF ADMIRATION OR HOSTILITY. HENRY FORD MIGHT WELL BE CONSIDERED THE VERY SYMBOL OF THE TRANSITION FROM AN AGRICULTURAL TO AN INDUSTRIAL AMERICA. HENRY NEVER REALLY STRAYED FROM HIS SIMPLE HOMELY VIRTUES THAT FED HIS CONSTANT IDEALISM AND CONCERN FOR HIS FELLOW MAN.

FORD SHARED PROFITS WITH HIS EMPLOYEES (BY MEANS OF AN UNPRECEDENTED FIVE DOLLARS A DAY), AND WITH CUSTOMERS (WITH ANNUAL PRICE REDUCTIONS AND REBATES ON THE MODEL "T"). HE TRIED TO STOP WORLD WAR I AT GREAT PERSONAL EXPENSE BY SENDING A SHIPLOAD OF PEACE DELEGATES TO EUROPE FOR CONTINUOUS MEDIATION; AND SET UP THE FORD FOUNDATION, OR SOCIOLOGICAL DEPARTMENT, WHICH FED, HOUSED, TRAINED, AND EDUCATED EMPLOYEES AND THEIR FAMILIES.

IN A LIABLE SUIT PROVOKED BY THE CHICAGO TRIBUNE, WHICH CALLED FORD AN IGNORANT IDEALIST, HE WAS MERCILESSLY RIDICULED FOR HIS IGNORANCE OF U.S. HISTORY, HIS INABILITY TO READ VERY WELL, (THERE MAY BE HOPE FOR ME), AND FOR HIS PACIFISM. THIS MARKED A GREAT TURNING POINT IN HIS LIFE. THE MAN WHO HAD ONCE ENTERTAINED EUROPEAN ROYALTY WITH SQUARE DANCES, AND HOMESPUN HUMOR, BEGAN TO ISOLATE HIMSELF BEHIND A WALL OF STRONG MEN. ANTI-SEMITIC ATTACKS IN THE FORD NEWSPAPER, BLOODY ANTI-UNION CLASHES, EVEN THE UNKIND TREATMENT OF HIS OWN SON, EDSSEL, WERE THE UNFORTUNATE AFTER SHOCKS.

WHEN HENRY FORD'S ONLY CHILD (EDSEL) WAS BORN ON NOVEMBER 6, 1893 TIMES WERE NOT GOOD. ONE-THIRD OF DETROIT'S WAGE EARNERS WERE UNEMPLOYED. THE CITY'S RAILROAD EQUIPMENT MANUFACTURERS, EMPLOYING SIX THOUSAND, HAD SHUT DOWN, AS HAD THE STOVE INDUSTRY, SHIP BUILDERS, AND SEVEN HUNDRED OTHER MANUFACTURING COMPANIES, PUTTING TWENTY FIVE THOUSAND MEN OUT OF WORK. BEATEN MEN AND WOMEN WANDERED THE STREETS WITH NOWHERE TO GO, WHILE HUNGRY CHILDREN BEGGED FOOD FROM DOOR TO DOOR. THESE CONDITIONS, OF COURSE EXTENDED BEYOND DETROIT. SIX HUNDRED BANKS HAD CLOSED THEIR DOORS, ONE HUNDRED FIFTY-FIVE RAILROADS WENT BANKRUPT. TWENTY PERCENT OF ALL THE COUNTRY'S RAILROAD MILEAGE WAS IN RECEIVERSHIP; FAMILIES ALL OVER AMERICA WERE

HUNGRY. THIS WAS CALLED THE PANIC OF '93. AS A TECHNICIAN IN THE EDISON ILLUMINATING Co., HENRY FORD WAS SPARED (THE ECONOMIC CRISIS). A MONTH LATER, HENRY WAS PROMOTED TO CHIEF ENGINEER AT THE MAIN EDISON PLANT WITH A SALARY OF ONE HUNDRED DOLLARS A MONTH.

IT SEEMS HENRY'S SCHEME FOR A HORSELESS CARRIAGE HAD BEEN SPAWNED ON THE BACK OF A SHEET OF MUSIC PAPER. CLARA, HIS WIFE, BELIEVED IN IT JUST AS FIRMLY AS DID HENRY, WHO RECOGNIZED HER FAITH AS AN IMPORTANT FACTOR IN HIS SUCCESS. HIS FIRST ENGINE WAS IGENIOUSLY ASSEMBLED FROM SCRAPS OF MATERIAL FROM OLD LATHES, FLYWHEELS, AND OLD PIPES, AND EVEN WOOD. WHEN HE HAD FINALLY ASSEMBLED HIS CREATION, HE BROUGHT IT INTO THE KITCHEN TABLE WHERE CLARA WOULD HELP HIM START THE ENGINE BY DRIPPING GASOLINE FROM AN OIL CAN WHILE HENRY TURNED THE FLYWHEEL. THE ENGINE FINALLY ROARED INTO ACTION SHAKING WITH VIBRATION. (HIS FIRST WORKING ENGINE WAS COMPLETED IN DECEMBER 1893.) ON JUNE 4TH, 1896 AT 4:00 A.M. FORD COMPLETED HIS FIRST HORSELESS CARRIAGE, AND TO HIS HORROR FOUND IT TOO LARGE TO PASS THROUGH THE DOORS OF HIS SHED. WITHOUT HESITATION, HE PICKED UP AN AX AND KNOCKED DOWN PART OF THE WALL, AND DROVE OUT INTO THE RAIN DOWN GRAND RIVER AVENUE TO WASHINGTON BLVD. WHERE THE ENGINE STALLED FROM IGNITION TROUBLE.

FORD SOLD HIS FIRST AUTOMOBILE IN 1896 TO CHARLES ANSLEY FOR \$200. HE LATER BOUGHT IT BACK FOR \$100. FORD WAS TO WORK WITH TWO GROUPS IN THE UNSUCCESSFUL ATTEMPT TO MANUFACTURE CARS, BOTH DUE TO DISSATISFACTION WITH HENRY'S CONSTANT INSISTANCE ON IMPROVEMENT OF HIS MACHINE, INSTEAD OF THE PURSUIT OF PROFIT. HIS FIRST AUTOMOBILE COMPANY WAS CALLED THE AMERICAN AUTOMOBILE COMPANY. HE LEFT IT AFTER A SHORT AND UNSUCCESSFUL PERIOD.

THIS COMPANY LATER BECAME THE CADILLAC COMPANY. HIS SECOND COMPANY FAILED PRIMARILY BECAUSE FORD FELT COMPELLED TO BUILD A RACE CAR TO GAIN PUBLIC NOTICE. SO IN 1903, HE BUILT TWO 4 CYLINDER 80 HORSEPOWER RACE CARS. ONE NAMED THE ARROW, THE OTHER "999". IT WAS "999" WHICH WAS SELECTED FOR THE RACE. THE FEARLESS DRIVER OF THIS RACE CAR WAS A PROFESSIONAL BICYCLE RIDER FROM SALT LAKE CITY, WHO HAD NEVER DRIVEN A MOTOR CAR BEFORE. HE REACHED THE SPEED OF 80 M.P.H., WINNING THE RACE ONE-HALF MILE IN FRONT OF THE NEAREST CAR. THE DRIVERS NAME WAS BARNEY OLDFIELD.

THE FORD MOTOR COMPANY WAS FINALLY LAUNCHED ON JUNE 16, 1903 WITH \$28,000 IN CASH; \$21,000 IN NOTES FOR A TOTAL OF \$49,000; WHICH WITH HENRY'S AND ALEXANDER MALCOMSON, HIS PARTNER'S ADDED SHARE ROUNDED OUT AN ISSUE ON A CAPITOL STOCK OF \$100,000 (ACTUALLY \$150,000, BUT ONLY \$100,000 WAS EVER ISSUED.) WITH HENRY AND MALCOMSON HOLDING 51%. SINCE THEIR COMPANY WAS SO SMALL, THEY SUB-CONTRACTED FOR VARIOUS PARTS DOING ONLY THE ASSEMBLY THEMSELVES. THEIR PRINCIPLE SUPPLIER BEING THE DODGE BROTHERS. ASSEMBLY OF THE MODEL "A" BEGAN BY THE END OF JUNE 1903 IN AN EMPTY ICEHOUSE. HENRY WAS ONE MONTH FROM HIS FORTIETH BIRTHDAY.

BETWEEN THE YEARS 1900 TO 1908, 502 AUTOMOBILE MANUFACTURING COMPANIES WERE FORMED WHILE 302 RETIRED FROM BUSINESS. IN OTHER WORDS, THE ODDS WERE 3 TO 5 THAT AN INVESTMENT IN FORD MOTOR COMPANY, OR ANY OTHER MOTOR COMPANY WOULD BE LOST. ONLY 7% OF ALL ROADS IN THE UNITED STATES WERE PAVED, ALL THE REST WERE DIRT! THE FIRST BUYER OF AN AUTOMOBILE FROM FORD MOTOR COMPANY WAS DR. E. PFENNIG. AS A GROUP, DOCTORS WERE THE FIRST TO MAKE SIGNIFICANT USE OF THE AUTOMOBILE.

FIVE MONTHS FROM THE BEGINNING IN NOVEMBER 1903, THE DIRECTORS VOTED THE STOCKHOLDERS A DIVIDEND TOTALING \$10,000. SIX MONTHS LATER ANOTHER \$20,000 WAS DISTRIBUTED, AND ON THE FIRST ANNIVERSARY OF INCORPORATION ANOTHER \$68,000 MAKING A TOTAL OF \$98,000 IN ONE YEAR ON A CAPITALIZATION OF \$100,000. THIS WAS CERTAINLY GOOD NEWS, BUT THERE WAS A CLOUD ON THE HORIZON. IT SEEMS A GEORGE B. SELDON HAD A PATENT ON A GASOLINE AUTOMOBILE WHICH REQUIRED THE ISSUANCE OF A LICENSE TO MOTOR COMPANIES TO MANUFACTURE AUTOMOBILES. FORD THOUGHT THIS PREPOSTEROUS AND PROCEEDED TO FIGHT. THE GROUP OF AUTOMOBILE MANUFACTURERS WHICH HAD BOUGHT THESE RIGHTS FROM SELDON PROCEEDED TO TRY TO SQUEEZE FORD OUT.

By 1908, OVER FIVE MILLION WORDS IN TESTIMONY, EXHIBITS, AND BRIEFS HAD ACCUMULATED AS ATTORNEYS SOUGHT TO SUPPORT THE CASE FOR OR AGAINST SELDON'S PATENT. FORD WAS SO DISGUSTED WITH IT ALL THAT HE ALMOST SOLD THE COMPANY TO WILLIAM C. DURANT, A ~~B~~ILLIANT PROMOTER WHO CONTEMPLATED ESTABLISHING ONE BIG COMPANY THROUGH THE CONSOLIDATION OF FORD, BUICK, REO, AND MAXWELL, THE LEADING PRODUCERS. FORD SERIOUSLY CONSIDERED SELLING OUT BUT BY MID 1908 NEGOTIATIONS REACHED AN IMPASSE. DURANT WENT AHEAD AND FORMED THE MERGER WITHOUT FORD, CALLING THE COMPANY GENERAL MOTORS.

THE LONG BATTLE OVER PATENT RIGHTS INFRINGEMENT WAS FINALLY SETTLED IN FAVOR OF FORD IN JANUARY 1911. FORD'S VICTORY MEANT BOOM TIMES AHEAD FOR THE INDUSTRY. THE MODEL "T" WAS NOW THE CAR FOR THE MASSES, JUST AS FORD HAD PREDICTED. DUE TO THE DEVELOPMENT OF MASS PRODUCTION TECHNIQUES, A MODEL "T" COULD NOW BE TURNED OUT EVERY 24 SECONDS.

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FORD'S IDEAS WERE REVOLUTIONARY, BUT SIMPLE. HE WOULD PRODUCE ONLY ONE MODEL, AND WOULD CONTINUE TO DO SO IMPROVING ONLY ON THE PRODUCTION, SPEED, AND VOLUME SO THAT UNIT COST WOULD CERTAINLY BE CHEAPER. THE PRICE OF A MODEL "T" HAD GONE FROM \$950 IN 1909 TO \$490 IN 1913.

JANUARY 1914, FORD CALLED A DIRECTOR'S MEETING TO DISCUSS A BETTER DIVISION OF PROFIT BETWEEN STOCK HOLDERS, EXECUTIVES, CUSTOMERS, AND EMPLOYEES. FORD FELT HIS WORKERS WERE NOT SHARING IN THE GOOD FORTUNE OF THE COMPANY. THE AVERAGE AUTOMOBILE WORKER AT THIS TIME WAS BEING PAID ABOUT \$2.34 FOR A NINE HOUR DAY. AFTER LENGTHY NEGOTIATIONS, FORD CONVINCED HIS DIRECTORS TO NOW RAISE EACH EMPLOYEES PAY TO \$5.00 PER 8 HOUR DAY, INSTEAD OF THE USUAL 9 HOURS. FORD NOW CALLED A PRESS CONFERENCE TO ANNOUNCE THIS ALMOST UNBELIEVABLE NEWS IN THE MIDDLE OF A NATIONAL DEPRESSION. THE NATION WAS STUNNED, AS WERE FORD'S FELLOW INDUSTRIALISTS, AND LOCAL BUSINESSMEN WHO FELT FORD'S ACTIONS WERE UNWARRANTED, UNWISE, AND DESTINED TO CAUSE A MYRIAD OF PROBLEMS. THE "WALL STREET JOURNAL" CALLED IT BLATANT IMMORALITY, A MISAPPLICATION OF "BIBLICAL PRINCIPLES" IN A FIELD WHERE THEY DO NOT BELONG. FORD ALWAYS INSISTED THAT THE FIVE DOLLAR WAGE WAS PURE BUSINESS.

DESPITE CERTAIN INCONVENIENCES, FORD BECAME FACINATED BY THE NEW POPULARITY. IN ONLY A WEEK, HE HAD BECOME ONE OF THE BEST KNOWN MEN IN THE WORLD. NO PAID ADVERTISING COULD POSSIBLY HAVE ACHIEVED SUCH RESULTS. THE EDITORIALS AND HEADLINES IN NEARLY EVERY NEWSPAPER HAD MADE HIM INSTANTLY FAMOUS.

ABOUT 1912, FORD AND EDISON MET AND THROUGH A SERIES OF BUSINESS RELATIONS, PRINCIPALLY THE UNSUCCESSFUL DEVELOPMENT OF A BATTERY FOR THE MODEL "T". FROM THIS BEGINNING, THEY DEVELOPED A LIFE-LONG FRIENDSHIP WITH EDISON AND HIS FAMILY VISITING FORD, AND THE FORD FAMILY VISITING THE EDISONS IN FT. MYERS, FLORIDA.

IN NOVEMBER 1916, EDSSEL, HENRY'S ONLY SON WAS MARRIED. THE NEXT DAY FORD WAS TO DISCOVER HIS FRIENDS, THE DODGE BROTHERS; ONE OF WHICH WAS BEST MAN AT HIS SON'S WEDDING, THE NIGHT BEFORE WERE SUING HIM FOR RECKLESS EXPANSION, RECKLESS REDUCTION OF PRICES, AND DOMINATION OF THE COMPANY. THE DODGE BROTHERS OWNED 10% OF FORD STOCK. IT SEEMS THE DODGE BROTHERS HAD STARTED BUILDING AND SELLING THEIR OWN CARS IN 1913, BUT HAD CONTINUED SUPPLYING FORD WITH PARTS, BUT HIS RECENT PLANS TO EXPAND HIS PLANTS, AND SLASH PRICES OF HIS AUTOMOBILE FROM \$440 TO \$360 WOULD SERIOUSLY ENDANGER THE SURVIVAL OF DODGE MOTORS.

FORD IN HIS USUAL MANNER WENT TO THE PRESS. THE NEXT NIGHT IT WAS THE DODGES' TURN TO BE DISTURBED BY NEWSPAPER HEADLINES, WHICH READ: "FORD MAKES REPLY TO SUIT BY DODGE BROTHERS. SAYS PRESENT PLANS OF EXPANSION ARE ONLY IN LINE WITH PAST HISTORY OF COMPANY. DECLARES THAT ON AN INVESTMENT OF \$10,000 THE DODGE'S HAVE DRAWN OUT \$5,571,500 IN DIVIDENDS AND STILL HAVE HOLDINGS THAT THEY VALUE AT \$50,000,000.

THE DODGE'S WERE LIVID! CLOSER EXAMINATION REVEALS THIS WAS NOT THE FIRST DISAGREEMENT BETWEEN FORD AND THE DODGES'. IT SEEMS ONLY A SHORT TIME PRIOR TO THIS, FORD HAD MADE A REDUCTION ON THE MODEL "T" PRICE OF \$80, AND THIS WITH A LARGE BACKLOG OF ORDERS. WHOEVER HEARD OF CUTTING PRICES IN THE FACE OF RISING DEMAND ... FORD DID, AND OFTEN. EVEN TWO YEARS EARLIER, IN 1914, HENRY HAD ANNOUNCED THAT IF MORE THAN 300,000 "TIN LIZZIES" WERE SOLD IN A 12 MONTH PERIOD EVERY BUYER WOULD GET BACK \$50. 308,313 WERE SOLD, AND MORE THAN 15 MILLION DOLLARS IN CHECKS WERE MAILED OUT!

FORD, AFTER A LONG COURT BATTLE WAS FORCED TO RESTRAIN THE EXTENT OF HIS EXPANSION, AT LEAST TEMPORARILY. FORD WAS FOREVER IN THE LIMELIGHT. ONE OF HIS MOST OUTSTANDING MISADVENTURES WAS HIS PEACE SHIP SPONSORING, WHICH COST MILLIONS OF DOLLARS OF HIS OWN PERSONAL FORTUNES. THE ENTIRE EPISODE WAS FROUGHT WITH PROBLEMS AND FAILED MISERABLY. HENRY WAS TAGGED AS A PACIFIST AND RIDICULED BY MANY.

HOWEVER, THE TRANSFORMATION OF HENRY FORD FROM AN ACTIVE PACIFIST TO A WAR MANUFACTURER TOOK LESS THAN A MONTH. BEFORE THE U.S. SEVERED DIPLOMATIC TIES WITH GERMANY, FORD HAD MADE IT PERFECTLY CLEAR HE WOULD TAKE NO WAR ORDERS FROM FOREIGN BELLIGERENTS, BUT ONCE THE U.S. ENTERED THE WAR IN APRIL 1917, HE ANNOUNCED HIS WILLINGNESS TO SERVE THE WAR EFFORT. THIS SUDDEN SHIFT ASTOUNDED PEOPLE, BUT FORD HAD NEVER PREACHED PACIFISM TO THE POINT OF NON-RESISTANCE ... (NOTHING LIKE THE FONDAS').

OFFICIALS IN WASHINGTON IGNORED FORD'S ANNOUNCEMENT, ALTHOUGH FORD MOTOR COMPANY HAD MORE TO OFFER THAN ANY OTHER COMPANY IN AMERICA. THE BRITISH GOVERNMENT, HOWEVER, ASKED FOR TRACTORS AND HENRY FORD BEGAN FOR THE FIRST TIME TO MASS PRODUCE TRACTORS, THEN LIBERTY ENGINES FOR PLANES; AND FINALLY BOATS FOR THE NAVY.

SINCE THE BUILDING OF BOATS REQUIRED EXPANDED FACILITIES, FORD WAS ALLOWED TO CIRCUMVENT THE COURT ORDER FROM THE DODGE SUIT. AT THE END OF THE WAR, FORD IMMEDIATELY STOPPED THE PRODUCTION OF MUNITIONS. NO ONE IN THE INDUSTRY ACTED AS RAPIDLY AS FORD. FOR THE FIRST TIME SINCE 1908, A FEW IMPROVEMENTS WOULD BE MADE ON THE MODEL "T", A SELF-STARTER AND A NEW GENERATOR, RETOOLING REQUIRED ONLY THREE WEEKS.

IN 1918, FORD WAS NARROWLY DEFEATED IN HIS RUN FOR THE UNITED STATES SENATE. JUST 2,200 VOTES SEPARATED FORD FROM BEING SENT TO THE CAPITOL. PROBABLY SOME OF THE REASON FOR THIS NARROW DEFEAT OF SUCH A POPULAR HERO WAS DUE TO THE CHICAGO TRIBUNE'S INACCURATE STORY ABOUT THE FORD MOTOR COMPANY AND ITS PERSONAL ATTACK ON HENRY FORD AS AN ANARCHIST. THE ATTACK WAS ON THE PURPORTED LACK OF PATRIOTISM OF THE FORD MOTOR COMPANY AND HENRY IN PARTICULAR.

THE LONG LIBEL SUIT THAT FOLLOWED WAS SO TRAUMATIC ON FORD THAT HIS LIFE WAS RADICALLY AND FOREVER CHANGED. HE WAS TO BE PUBLICALLY HUMILATED BY THE PROSECUTION AND PRESS FOR HIS LACK OF EDUCATION, SPECIFICALLY IN HISTORY AND GOVERNMENT.

IN THE MIDST OF THIS UNFORTUNATE TRIAL, FORD'S FORTUNES TOOK A SPECTACULAR TURN. ON JULY 11, 1919, THE NEWS BUREAU ISSUED A SPECIAL BULLETIN, WHICH WAS HEADLINED IN NEWSPAPERS ACROSS THE NATION. "EDEL FORD AND FATHER TAKE COMPLETE CONTROL OF FORD MOTOR COMPANY, AND ARE FREE TO EXTEND POLICIES ALONG OWN LINES." FORD FINALLY HAD HIS WISH COME TRUE ... HE COULD CALL ALL THE SHOTS WITHOUT STOCKHOLDER INTERFERENCE.

THERE WERE SEVEN STOCKHOLDERS TO BUY OUT, SIX OF THEM FROM THE ORIGINAL TWELVE WHO FOUNDED THE COMPANY IN 1903. THE SEVENTH WAS A SCHOOL TEACHER WHO HAD INVESTED \$100 THROUGH ANOTHER STOCKHOLDER. THE SALE NETTED HER \$262,036. THIS ADDED TO THE DIVIDENDS SHE HAD RECEIVED FOR THE PAST 16 YEARS TOTALED \$355,000 ON HER ORIGINAL INVESTMENT OF \$100. THE DODGE BROTHERS EACH RECEIVED \$12,500,000 FOR AN INVESTMENT OF \$5,000. A DR. ZUMSTEIN RECEIVED \$1,250,000 FOR HIS INVESTMENT OF \$500. MANY OTHERS WERE TO RECEIVE SIMILAR RETURNS.

NEVER BEFORE HAD ONE MAN SO COMPLETELY CONTROLLED A COMPANY THE SIZE OF FORD MOTOR COMPANY. JOHN D. ROCKEFELLER AT MOST OWNED TWO-SEVENTHS OF STANDARD OIL.

FORD DID WIN HIS LIBEL SUIT AND WAS AWARDED THE LARGE SUM OF 6¢, BUT HE WAS TO WIN SOMETHING FAR MORE IMPORTANT, THE HEARTS OF THE RURAL AND SMALL-TOWN PEOPLE OF AMERICA. IN 1919, FORD PRODUCED 750,000 CARS, HALF OF ALL AUTOMOBILES PRODUCED IN THE UNITED STATES. THIS WAS 250,000 SHORT OF SALES GOALS, WHICH WERE HAMPERED BY THE FEDERAL RESERVE BOARD. ALARMED BY THE GROWING POPULARITY OF INSTALLMENT SELLING, THE BOARD RAISED THE DISCOUNT RATE FROM 4 3/4 TO 6% ... THE MOST DRASTIC INCREASE IN 50 YEARS. BY FALL 1920 THE MARKET FOR NEW CARS COLLAPSED. FORD CONFRONTED THIS CRISIS BY LOWERING PRICES BY 25 TO 30 PERCENT. SALES IMPROVED BUT CONTINUED TO BE SLOW FOR THE NEXT 2 OR 3 YEARS DUE TO A SEVERE NATIONAL RECESSION.

DURING THIS PERIOD, FOLLOWING HIS BOUT WITH THE TRIBUNE, FORD BEGAN TO SHOW DISSATISFACTION WITH THE SOCIOLOGICAL DEPARTMENT OF HIS COMPANY. THIS HAD ONCE BEEN HIS PRIDE AND JOY, AS WAS EVIDENCED BY HIS MANY EXPERIENCES OF GENEROSITY. FROM THE \$5.00 PER DAY BEGINNING IN 1914 UNTIL 1921, FORD SHOWED THE WORLD THAT A LARGE CORPORATION COULD HAVE A HEART. PEOPLE CRITICIZED THE FORD SOCIAL WELFARE DEPARTMENT FOR BEING PATERNALISTIC, BUT THE INDIFFERENCE OF OTHER MANUFACTURERS RESULTED IN SLUMS, VICE, CRIME, POOR SANITATION AND NEGLECTED CHILDREN.

FORD ALSO BELIEVED IN HIRING THE "UN-HIRABLE" OF THE DAY. NO JOB HUNTER WOULD BE TURNED AWAY BECAUSE OF PHYSICAL CONDITIONS. THE COMPANY HIRED THE BLIND, THE DEAF MUTES, EPILEPTICS, THOSE WITH MISSING LIMBS, HANDICAPPED VETERANS,

AND FINALLY CONVICTS STRAIGHT FROM PRISON. A MAN COULD NEVER BE FIRED BY HIS FOREMAN, ONCE HIRED ... UNTIL HE HAD BEEN TRANSFERRED AND TRIED IN THREE PLACES. PLANT SAFETY WAS STRESSED, AND ALL NEW EMPLOYEES WERE GIVEN MEDICAL EXAMS.

FORD WAS TEN YEARS AHEAD OF HIS TIME IN THE BIRTH OF THE SUPERMARKET, WHEN HE ESTABLISHED COMMISSARIES WHERE WORKERS COULD BUY GROCERIES, CLOTHES, AND DRUGS AT PRICES 10 TO 90% BELOW PREVAILING RETAIL PRICES. HE ESTABLISHED THE HENRY FORD HOSPITAL IN 1915 WITH MANY INNOVATIONS IN STAFF AND MANAGEMENT.

FORD'S PHILOSOPHY IN MANUFACTURING WAS SIMPLE ... THE SHORTEST TIME FOR RAW MATERIALS FROM GROUND TO FINISHED PRODUCT; THEN THE SHORTEST TIME TO DELIVERY. WHEN THESE IDEAL CONDITIONS EXIST THERE IS NO DEAD CAPITAL IN RAW MATERIALS, WAREHOUSES, AND FINISHED AUTOMOBILES NOT DELIVERED. FORD AT ONE TIME ESTIMATED HE HAD TWO HUNDRED MILLION DOLLARS TIED-UP IN WAREHOUSES, AND STOCKPILES, WHICH HE VOWED TO REDUCE. WHEN THE STOCKPILES HAD VANISHED AND THE LAST WAREHOUSE HAD BEEN TORN DOWN, THE PRODUCTION CYCLE (OR ELAPSED TIME) FROM ORE IN GROUND TO FINISHED AUTOMOBILE HAD BEEN REDUCED FROM 14 DAYS TO 3 DAYS AND 9 HOURS.

FORD WAS SOMETIMES PROPHETIC; AN EXCERPT FROM HIS BOOK, MY LIFE AND WORK, PUBLISHED ABOUT 1920: "IF THE HOG BUSINESS SLAKENS, WHY SHOULD NOT THE FARMER TURN HIS CORN INTO TRACTOR FUEL." "THERE IS FUEL IN CORN; OIL AND FUEL ALCOHOL ARE OBTAINABLE FROM CORN, AND IT IS HIGH TIME THAT SOMEONE WAS OPENING UP THIS NEW USE SO THAT THE STORED-UP CORN CROPS MAY BE MOVED."

DURING THIS PERIOD, FORD TOOK A SHINE TO TRAINS, OR MORE SPECIFICALLY ENGINES. HE LIKED THEM SO WELL HE BOUGHT THE DETROIT, TOLEDO & TORONTO RAILROAD. HENRY ONCE DECIDED MAINTENANCE EXPENSES WERE TOO HIGH. HE SUMMONSED HIS SUPER-INTENDENT WITH THE PROPOSAL TO BUILD TRACK ON STEEL TIES LAID IN CONCRETE. "IT WON'T WORK MR. FORD," THE SEASONED RAILROADER SAID. ON CURVES HE WAS SURE IT WOULD BE FATAL. "BUT WHY?", FORD RESPONDED, "YOU CAN'T OPERATE ON A RIGID RAIL." HE DEMONSTRATED WITH PENCIL AND PAPER HOW A TRACK MOVED UNDER A TRAIN. FORD DIDN'T BELIEVE IT. HE PROCEEDED TO CONSTRUCT A LONG STRETCH OF TRACK LAID ON STEEL SUNK IN CONCRETE. HE WAS FAIR ABOUT IT TOO ... HE PUT A CURVE IN IT, AND THE EXPENSE WAS A FEW HUNDRED THOUSAND DOLLARS.

NOW HE WOULD TRY IT OUT. A LOCOMOTIVE AND TWO PASSENGER CARS WERE DETACHED FROM REGULAR SERVICES TO TEST HIS SET-UP. FINDING A CREW WAS NOT EASY, BUT FINALLY HE FOUND TWO FEARLESS LADS AND THE TEST WAS ON. HENRY EVEN INVITED FRIENDS TO WITNESS. THE TRAIN CLATTERED DOWN THE TRACK TO THE CURVE, & CLIMBED THE RAIL AS PREDICTED. "DO IT AGAIN," HENRY WAS UNCONVINCED. THE SECOND RUN WAS A REPETITION OF THE FIRST, BUT FORD WAS STILL UNSATISFIED AND DEMANDED A THIRD PERFORMANCE. IT WENT NO BETTER THAN THE FIRST. "THAT'LL DO ... TEAR UP THE TRACKS." HE TURNED AWAY, "GUESS IT WON'T WORK." HE HAD TO SEE FOR HIMSELF. IT WAS THE WAY HE LEARNED.

UNFORTUNATELY, RELATIONS BETWEEN HENRY FORD AND HIS SON, EDSSEL, WERE ALWAYS STRAINED. PEOPLE WHO WERE CLOSE TO THE FORDS CLAIMED THAT THE DRIFT BETWEEN THEM STARTED WITH EDSSEL'S MARRIAGE, OR RATHER BECAUSE OF THE WOMAN HE WAS MARRIED TO. ACTUALLY, THE PROBLEM CAUSING THE MOST HARD FEELINGS WAS HENRY'S ANTI-SEMITISM WHICH HE EXHIBITED FREQUENTLY IN THE NEWSPAPER WHICH HE OWNED, THE DEARBORN INDEPENDENT. TO EDSSEL'S HORROR, HENRY ACTIVELY FOUGHT

TO EXPOSE JEWISH BANKERS AND FINANCIERS AS WAR MONGERS. THIS ATTACK LASTED ABOUT TWO YEARS, AND SINCE THE INDEPENDENT WAS READ BY ALL WHO BOUGHT FORD CARS. (HENRY ASKED ALL FORD DEALERS TO SELL A SUBSCRIPTION TO EVERY BUYER) WHICH WAS 55% OF ALL AUTOMOBILE OWNERS. MILLIONS READ THIS NEWSPAPER AND SINCE THE INTEREST WAS SO INTENSE, HENRY HAD ALL THE ARTICLES COMPILED INTO ONE PUBLICATION CALLED THE INTERNATIONAL JEW.

MUCH TO THE CONSTERNATION OF EDSSEL, THE INTERNATIONAL JEW BECAME A BEST SELLER IN GERMANY. IT WAS TRANSLATED BY THE NAZIS INTO DOZENS OF LANGUAGES AND DISTRIBUTED THROUGHOUT THE WORLD. HITLER ACTUALLY PRAISED HENRY FORD IN HIS FAMOUS BOOK, MEIN KAMPE. THERE WERE EVEN STORIES AND RUMORS OF STORIES OF FORD GIVING FINANCIAL BACKING TO HITLER, WHICH WAS VIGOROUSLY DENIED BY HITLER, AND FORD. NO DOUBT, HITLER WAS A FAN OF HENRY FORD, SINCE A PICTURE OF FORD HUNG ON THE WALL OF HITLER'S QUARTERS.

UNFORTUNATELY, THE DAMAGE WAS DONE. HENRY'S IMPACT CAN NEVER BE ACCURATELY ASSESSED IN REGARD TO HIS ANTI-SEMITIC ACTIVITIES, EVEN THOUGH HE DID APOLOGIZE ON VARIOUS OCCASIONS FOR THE INTERNATIONAL JEW, AND ITS PUBLICATION IN GERMANY. HE EVEN WENT SO FAR AS TO WARN THE KU-KLUX-KLAN TO STOP THE DISSEMINATION OF THIS PUBLICATION, AND ASKED THE HELP OF FOREIGN GOVERNMENTS IN SUPPRESSING ANTI-SEMITIC LITERATURE. HE HAD FINALLY RECOGNIZED THE ANTI-SEMITIC CAMPAIGN AS THE DISASTER IT WAS. IN SPITE OF HIS MISGUIDED ATTACK ON THE JEWS, HE REMAINED SOLIDLY IN FAVOR WITH RURAL AMERICA AND WAS EVEN SERIOUSLY CONSIDERED FOR PRESIDENCY OF THE UNITED STATES. IT IS LIKELY HE COULD HAVE HAD THE PRESIDENCY, SINCE NO OTHER MAN HAD SO WIDE AN APPEAL.

ON MAY 24, 1927, FORD MOTOR COMPANY ANNOUNCED IT WOULD BUILD A TOTALLY NEW CAR. THE NEXT DAY, EDSSEL, WITH HIS FATHER DROVE THE 15 MILLIONTH MODEL "T" OFF THE ASSEMBLY LINE. A FEW WEEKS LATER, THE HIGHLAND PARK PLANT SHUT DOWN TO PREPARE FOR THE NEW MODEL "A".

SIXTY THOUSAND WORKERS WERE LAID-OFF, BUT WORKERS ALL OVER THE COUNTRY WERE AFFECTED. FORD REPRESENTED 50% OF THE AUTOMOBILE INDUSTRY'S OUTPUT. TO ILLUSTRATE THE AUTOMOBILE INDUSTRIES AFFECT ON THE ECONOMY THEN (PERHAPS NOW?) CONSIDER THE FACT IT USED: 18% OF THE NATIONAL SUPPLY OF IRON AND STEEL, 74% OF THE PLATE GLASS, 85% OF THE RUBBER, 28% OF THE NICKLE, 28% OF THE ALUMINUM, 24% OF THE TIN, ALMOST 15% OF THE COPPER, AND ABOUT 19% OF THE HARDWOOD. IT WAS ESTIMATED THAT THIS STOPPAGE IDLED 500,000 WORKERS.

ON DECEMBER 1, 1927, ADS FOR THE MODEL "A" APPEARED IN THE NEWSPAPERS. MORE THAN 10 MILLION PEOPLE INSPECTED THE MODEL "A" IN THE FIRST 36 HOURS AFTER ITS RELEASE. 400,000 BUYERS SIGNED ORDERS THE FIRST DAY. THE PRICE OF THE NEW MODEL "A" RANGED FROM \$495 TO \$570, A LITTLE MORE THAN THE MODEL "T's" LAST PRICE OF \$290, BUT STILL A BARGAIN. SUBSTANTIALLY UNDER THE PRICE OF OTHER CARS.

LIFE FOR FORD IN THE THIRTIES WAS STORMY, BUT RELATIVELY STABLE. HE HAD HIS UPS AND DOWNS. HIS UPS WERE PRINCIPALLY THE CREATION OF GREENFIELD VILLAGE, A COLLECTION OF MID-TOWN AMERICAN CULTURE ... COMPLETE WITH BUILDINGS, MANY TO SIZE, AND MOST TO SCALE. THE DOWNS WERE HIS UNHAPPINESS WITH F.D.R. AND HIS MEDDLING WITH FORD MOTOR COMPANY. THIS MEDDLING CAME FROM A LONG PARADE OF GOVERNMENT AND LABOR ORGANIZATIONS AND ACTS, WHICH THROUGH THE '30'S USHERED IN THE UNIONIZATION

OF THE AUTOMOBILE INDUSTRY. NEEDLESS TO SAY, FORD MOTOR COMPANY WAS THE LAST TO BE UNIONIZED. FORD MOTOR COMPANY FINALLY VOTED IN THE UNION ON MAY 21, 1941, FIVE YEARS AFTER CRYSLER AND GENERAL MOTORS WERE ORGANIZED.

DECEMBER 7, 1941 USHERED IN THE ERA OF WAR PRODUCTION WHICH HAD ACTUALLY BEGUN FOR FORD MOTOR COMPANY A YEAR EARLIER. THE GOVERNMENT ASKED FORD TO BUILD 1200 B-24 BOMBERS. THIS WAS A NEW TYPE OPERATION WHICH WOULD ULTIMATELY REQUIRE A PLANT AT WILLOW RUN THAT WAS ONE MILE LONG, A QUARTER MILE WIDE AND ACCOMMODATING 100,000 EMPLOYEES. EDSSEL, HIS SON, ALONG WITH A PRODUCTION EXPERT VISITED A CONSOLIDATED AIRCRAFT PLANT IN CALIFORNIA TO STUDY PRODUCTION METHODS. FORD'S PRODUCTION ENGINEER WITH ONE DAYS DILIBERATION DETERMINED THAT A COLOSSAL PLANT WOULD BE REQUIRED TO HANDLE THIS LARGE PLANE AND THE 500,000 ODD PARTS NECESSARY FOR THE ASSEMBLY OF EACH. CONSOLIDATED'S GOAL WAS A BOMBER A DAY OR 350 A YEAR. SORENSON, FORD'S ENGINEER, TOLD THE AIR FORCE THEY COULD TURN OUT ONE PER HOUR. BY 1943, FORD WAS TURNING OUT B-24'S AT THE RATE OF ONE PER HOUR, AND OFTEN EXCEEDED THIS. FORD CHARGED THE GOVERNMENT \$238,000 PER BOMBER IN 1942, BUT HAD REDUCED THIS TO \$137,000 BY 1944.

AN INTERESTING CHAPTER IN AVIATION WAS WRITTEN BY FORD EARLIER. ACTUALLY IT WAS EDSSEL WHO WAS INTERESTED IN AVIATION. FORD PRODUCED A TRI-MOTOR AIRPLANE CALLED THE "TIN GOOSE". THE TRI-MOTOR PIONEERED A NUMBER OF MECHANICAL FIRSTS; MULTI-ENGINES, RADIO CONTROL, SAFETY GLASS WINDOWS, ADDED WHEELS INSTEAD OF TAIL SKIDS. IN 1925, FORD AIRPORT WAS COMPLETED AND REGULAR FLIGHTS WERE SCHEDULED TO MAJOR CITIES, BOTH FOR PASSENGERS AND MAIL. TO HELP PILOTS NAVIGATE HE SENT LETTERS TO ALL FORD DEALERS ASKING THEM TO PAINT THE NAME OF THEIR TOWNS ON THEIR ROOFS. SINCE THERE WERE 10,000 DEALERS, THIS WAS QUITE HELPFUL.

IN ADDITION TO THIS METHOD, RADIO DIRECTION BY BEAMS WAS PIONEERED. FORD EVEN PATENTED THIS SYSTEM, BUT ALLOWED ALL TO USE IT FREE, WHICH WAS TRUE WITH ALL FORD PATENTS.

MAY 30, 1943 EDSSEL, HENRY FORD'S ONLY SON WAS DEAD, AND WITH HIS PASSING WENT THE STABILITY OF THE COMPANY WHICH EDSSEL'S ORGANIZATIONAL TALENT HAD PRESERVED. TENSION AMONG THE EMPLOYEES CONTINUED TO PLAGUE THE COMPANY UNTIL THE BELATED ELECTION OF HENRY FORD, II TO THE PRESIDENCY OF THE COMPANY ON SEPTEMBER 21, 1945.

HENRY FORD DIED APRIL 8, 1947 LEAVING AN ESTATE TOO STAGGERING TO CONTEMPLATE. HIS GRANDSON, HENRY, II INHERITED THESE POWERFUL ASSETS: THE BIGGEST MACHINE SHOP ON EARTH ... ALL FULLY PAID FOR OUT OF PROFITS, SEVEN HUNDRED MILLION DOLLARS IN CASH, A COMPANY THAT HAD ITS OWN SOURCE OF RAW MATERIALS, AND AN IMMEDIATE OVER-SUBSCRIBED, POST-WAR PUBLIC WANTING MORE AUTOMOBILES THAN HE COULD POSSIBLY PRODUCE.

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