



HENRY FORD

Drawn by S. J. Woolf for The New York Times

When Mass Production Stalls

The second of two articles on Henry Ford's Hired Men, giving some inklings as to what his change in cars has meant to them—and to Detroit

By PAUL U. KELLOGG

A CRES of modern glass and steel construction, huge cement works, high lines and ore bins, blast furnace stacks and towering ovens form the matrix of the ocean-going port Henry Ford has dug out of the River Rouge. This is his Fordson plant at Detroit—"home" of Model A; and in one of the swift new Fords I was swung along a concrete road that led into it. We passed a junk pile fit for such company. It seemed to stretch for blocks, a small hill. It was made up of the beams and plates of transports, built for the United States Government during the War, now cut up for scrap for the Ford furnaces. Its contorted shapes looked like the bones of prehistoric sea monsters. Doubtless, the skeletons of old Model T Ford cars, which will be thrown on the scrap heap in 1928, would, if they were gathered together from all parts of the country and piled high, make a small mountain. Such things can be imagined if not seen. But the broken hopes, the plans gone wrong, the households wrenched apart, the children uprooted from schooling, as result of such a lay-off as that in the Ford plants in 1927 are not so easily visualized. They are there nonetheless, as Detroit knows to its cost.

Yet so far as I could gather, no acid sense of responsibility had etched such a picture on the retina of Detroit's business leaders as something that should be dealt with realistically—like the urban fire hazard for example, to be prevented, controlled; the losses spread out over normal years by public action or mutually, industry by industry. One informant made an estimate that in ordinary times 500,000 people are affected, directly or indirectly, by Ford's operations in and around Detroit. Business men, city officials, social workers, like so many volunteer fire companies, responded at various points where the consequences of unemployment broke out, but not concertedly; much less in a way to get at the tinder of its abiding immanence.

What happened was registered statistically on the chart of the Employers Association of Detroit from which the diagram on page 684 is drawn and which shows a sag of from twenty to seventy thousand jobs throughout the last fifteen months. Detroit early experienced the industrial recession and a spokesman for the Ford Company maintains that "Ford was the last to feel the slump in this city, the last to begin the lay off and the first to rehire, and it is not to him that the general business slump was due." Certain it is that one of the other large automobile plants was running low throughout this period; but elsewhere I was given reason to believe that the fluctuations in these employment curves for 1925, -26 and -27 register fairly accurately the

fortunes of the Ford workers. A Ford official told me that in advance of their final lay-off of production crews last May, they set 25,000 as the figure they hoped to keep within, and he thought they had done it. Statistics given me by the company show 82,890 on the payroll last June, as against 99,739 for June, 1926—a spread of 17,000; but as against 120,275 for January, 1926—a spread of 37,000. These totals take no account of local companies supplying Ford parts, some of which shut down entirely. A social worker put the figure, between maximum and minimum production at the Ford plants and those serving them, at 60,000, which corresponds roughly with the Employers Association chart. A lay-off of 25,000 people at \$6 a day, means a loss in wages for one month of \$3,750,000; a lay-off of 60,000 means \$9,000,000 a month less income for men and families.

The situation was mitigated by the fact that several other cars manufactured in Detroit, with Ford getting off the market, had a boom year in 1927—Hudson, Essex, Chrysler, Cadillac. There were no signals of panic. Bank deposits were up. New skyscrapers were going up. Merchandising in the big downtown stores was satisfactory. But that of the outlying stores that serve the residence neighborhoods of factory people was poor. Home buyers and real-estate operators were in trouble all down the line. The leniency of banks in tiding people over, was not alone due to considerateness; it would have been disastrous to foreclose. Doctors were hard hit, and there was scarcely a trade or profession that did not feel the pinch. The municipality was confronted with a pyramiding load of relief. In its money-raising campaign last fall, the Community Fund appealed to well-to-do Detroiters for \$600,000 more than the year before (and they responded)—\$300,000 to make good the loss in collections from wage-earning families, \$300,000 to carry on the greater burden of work thrown upon the private medical and charitable agencies of the city.

THE Ford family was one of those to respond, giving \$175,000 in all. Yet I do not gather that Mr. Ford thought through his relations to his employes in a way that would altogether distinguish between their households and his idle coal seams and his timber reserves or the unused water that ran over his spillways. Since his comparatively short-lived foray in paternalism, he has hewn to the line of paying high for work and letting the workers take care of themselves. "Put it all in the pay envelope." Ford dealers had lean months after the fat of the years also; and I imagine Ford lumped dealers and workers together in his mind. "Just because a man can raise a big family," he said

"MANKIND PASSES FROM THE OLD TO THE NEW ON A HUMAN BRIDGE FORMED BY THOSE WHO LABOR IN THE THREE PRINCIPAL ARTS—AGRICULTURE, MANUFACTURE AND TRANSPORTATION"

—The wording of the Tablet above the main entrance to the office building and laboratories of the Ford Motor Company, at Dearborn, Michigan