MARX'S THEORY OF ALIENATION AND HENRY FORD: AN ANALYSIS OF ONE CAPITALIST'S LIFE

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JOHN L. CAMPBELL JR.

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ABSTRACT

MARX'S THEORY OF ALIENATION AND HENRY FORD:

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By

John L. Campbell Jr.

Marx's theory of alienation specified that members of the capitalist class are alienated from (1) work-activity, (2) the products of that activity, (3) fellow men and women encountered through the mode of production, and (4) the development of their potentials as unique human beings. Biographical and autobiographical documents are employed to investigate and clarify this theory through the construction of a case-study focusing on the life of the first Henry Ford.

An historical analysis is developed emphasizing the interrelationship between the structural requirements of the competitive capitalist economy and their alienating influences and effects in Ford's life. Each of the four alienating relations Marx outlined are documented separately and later reintegrated illustrating the alienation Ford necessarily experienced as a competitive capitalist.

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"The work and the work alone controls us."

From Henry Ford's autobiography,
My Life and Work, p. 93.

"I have drove Fords exclusively when I could get away with one. For sustained speed and freedom from trouble the Ford has got every other car skinned and even if my business ain't strictly legal it don't hurt anything to tell you what a fine car you got!"

From a letter written to
Henry Ford in 1934 by Clyde Barrow
of Bonnie and Clyde fame.

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Finally, I would like to thank Orania for convincing me that just because it had not yet been done did not necessarily mean that it was impossible.

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CHAPTER I

INTRODUCTION

Marx developed a theory of alienation based on his observation of what he believed to be a laboring class alienated from their work-activity, the products of that work, their fellow men, and their unique potentialities as human beings. However, for a few short paragraphs, he mentions that the capitalists, the owners of the means of production and exploiters of labor, are similarly alienated from these same things.[1] Unfortunately, his discussion is quickly terminated and left, as if in a state of limbo, never to be completed.

The task at hand, then, is to clarify Marx's theory of alienation, as it applies to the capitalist, and, having accomplished this, to employ the theory in the analysis of one capitalist's life--Henry Ford. But before this can be undertaken, a basic explanation of Marx's original theory

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[1]Karl Marx, "Economic and Philosophical Manuscripts of 1844", in Karl Marx Early Writings, trans. and ed. T. B. Bottomore (New York: McGraw-Hill Book Co., 1963), p. 134.

of alienation is necessary, in light of the work done by Bertell Ollman.[2]

Marx's Theory of Alienation

In clarifying Marx's theory of alienation in advanced capitalist societies, Ollman employs one of the methodological tools suggested by Marx's own writings--the "force of abstraction".[3] This approach allows Marx, and therefore Ollman, to examine the theoretical constructs of alienation in detail by partitioning them into four distinct realms or abstractions. The four abstractions he defines are separation or alienation from (1) creative work-activity, (2) the product of that work process, (3) individual people connected with such activity, and finally, (4) a separation from man's "species powers".

Although it is important to comprehend each of the parts separately, it must be emphasized that a true understanding of Marx's theory of alienation cannot be grasped unless the isolated fragments, having been understood as abstractions from the whole, are later reintegrated into

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[2]Bertell Ollman, Alienation (Cambridge: Cambridge University Press, 1971).

[3]Paul Sweezy, The Theory of Capitalist Development New York: Modern Reader Paperbacks, 1942), pp. 11-22.

the total Relation of alienation.[4] Ollman's philosophical dialogue concerned with a philosophy of internal relations, underscores the point that it is absolutely critical to view such a Relation as being a collage of key concepts, temporarily segregated by the process of abstraction. Without such a synthesis, and reintegration, the true character of alienation will be missed.

The first type of alienation Ollman considers is that of the individual being alienated from creative work-activity. Through an increasingly specialized division of labor, restrictions are placed on the quantity and quality of talents and skills necessary to perform a job. The individual becomes involved with certain very specific operations which require only limited skill to carry out. As a result, a number of other aptitudes the person may possess or could develop go untapped and fail to develop because his labor does not call for them or because so much of his time is expended laboring that he has no chance to cultivate alternative abilities on his own.

Furthermore, what skills he does articulate while laboring are also limited in development due to the severely specialized application of that skill required by the job. Although the assembly line worker, for example, may have

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[4]Ollman uses the capital "R" to distinguish between the total phenomenon of alienation that consists of the four abstractions, i.e., partial relations, previously mentioned.

tremendous talent for rebuilding engines, his actual operation may require only that he assemble one small section of a carburetor in an incredibly monotonous routine. Again, this results from a highly developed division of labor necessary to the capitalist mode of production.

Finally, such labor activity tends to affect nature in such a way as to inhibit future development of human potentiality. Since individual potentialities are developed through an interaction with the natural environment, i.e., the appropriation or active use of nature, capitalist labor tends to be alienating in that it tends to destroy the very environment necessary for human development.

In essence then, what was once creative work activity, becomes alienating labor activity as the capitalist mode of production evolves. Labor is undertaken in order to subsist rather than for the enjoyment and gratification of the work process and is, therefore, coercive rather than voluntary. The result is an individual greatly restricted in human development physically and mentally.

The second type of alienation Ollman describes, alienation from the product of labor activity, is an outgrowth of the earlier discussion regarding labor activity itself. Summarily, he maintains that alienated labor becomes objectified in the product of such labor and, being the embodiment of that labor, the product itself is alienated from

the individual. Before proceeding, however, it should be noted that all work activity, whether it is part of the capitalist mode of production or not, results in the creation of products and the objectification of activity in the product of that activity. It is only when the capitalist system of production creates products through a process of alienating labor that the product is alien from the individual creating it.

Because the labor involved in production was repugnant and unfulfilling, the resulting product is symbolic of that unpleasantness and the laborer becomes alienated from it. Furthermore, the product exists outside of the laborer in that he does not own it and has no control over what happens to it once it is completed.

Most importantly, the product is reified by the laborer and is perceived by him as something which exerts power over him. Due to the nature of capitalist production bent upon the constant accumulation of capital, the product seems to "demand" production. The laborer has no voice in determining the nature, quantity, or quality of the product, yet he is compelled to produce it.

As will be discussed later, a critical distinction can be drawn between simple commodity production, where the labor force directly owns the means of production, and the capitalist mode of production, where the means of production

are separated from the labor force and owned by a distinct capitalist class. Consequently, in the capitalist mode of production, the laborer is no longer able to determine the product of his labor but, instead, must produce what commodities the capitalist designates simply because it is no longer the laborer, but the capitalist who owns (1) the means of production and also (2) labor-power which he has purchased in the form of wage-labor. It is in this sense that the product controls the laborer and "demands" to be produced on its own terms. In short, because the capitalist determines the nature of commodity production, the product, being controlled by another man removed from the laborer's view, i.e., the capitalist, appears as a reified entity that mystifies the laborer.

Thirdly, Ollman describes alienation from one's fellow men and women. He deduces that the proletariat, of which we have been speaking, will come to realize that all of their toil and oppression is to the benefit of the capitalist class--those who won and control the means of production, in the strict Marxian sense. It is the capitalist who forces them to labor at dehumanizing tasks and grovel in the filth of the shops and it is also the capitalist who commands what will be the product of such a mode of production and what shall be the fate of those products. The capitalist is ultimately responsible for the laborer's

alienating activity and the tearing away of the product from him later. It is from this set of social relations that Ollman derives the concept of men being alienated from other men, a conception which Marx outlined earlier.[5]

In all discussion of alienation, perhaps this is the point at which Marx's theory of class struggle becomes most obvious, for it is at this point that antagonism between proletarian and capitalist is most apparent. What is detrimental for the laborer is generally beneficial for the master in his quest for capital accumulation and it is through this quest that the capitalist intensifies the horrors of labor.

The final type of alienation Ollman outlines is alienation from one's species, a conception which is deeply enmeshed within the second section of his book dealing with Marx's conception of human nature. It is there that Ollman defines, in rather vague terms, what differentiates species man from natural man, who is really no different than any other animal.

The critical demarcation between humans and all other species lies in the notion that humans have various abilities and potentials which an individual may consciously articulate through the fulfillment of certain corresponding needs, i.e., desires. Such capacities are termed "powers"

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[5]Karl Marx, "Economic and Philosophical Manuscripts of 1844", p. 129.

by Ollman and are defined as "potential, the possibility ... of becoming more of what already is."[6] The abilities to see, hear, feel, think, and love are all examples listed under species powers.

Now, Marx maintains that an individual, through creative work-activity, creates objects or products which allow him to develop his species powers. A painter for example, uses oil, canvas, and brush to paint a portrait. When complete, his talent as a painter has been improved and developed through his creative activity, resulting in a finished work. However, under capitalism the laborer is alienated from that activity and the objectification of that activity, i.e., the product he creates. To secure an economic livelihood, the painter is compelled to manufacture paintings in quantities and styles acceptable to the prevailing market conditions--a situation that may lead to the creation of "art" he has no desire to produce. As a result, his species needs are not met and, therefore, his unique human powers are left unnourished. The result is an alienation or separation from the development of species powers--a separation from his unique humanness.

Ollman does not leave his interpretation of the component parts of Marx's theory of alienation without making a

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[6]Bertell Ollman, p. 77.

crucial distinction between this final species alienation and the three preceding types. He stipulates that the first three types of social alienation are qualitatively different from the final species alienation, although the former are essential to an understanding of the latter. The former three are tangible and can be observed in the present moment while the final type is a conceptualization of potentiality and merely a, "category of the possible".[7] While this follows logically, in a philosophical sense, from his earlier dialogue, it seems highly difficult to actually observe the non-development of potentiality, of something which never existed, in terms of the operationalization of the research question. How can such an entity, an abstraction, be examined in the present or historically? Theoretically and philosophically this fourth type seems perfectly reasonable. Methodologically it seems highly perplexing.

The theory of alienation is focused on the working class and the reader comes to understand the four types of alienation and the general Relation itself from the perspective of social labor as Marx envisioned it, i.e., from the perspective of the proletariat. Perhaps this is because Marx's sympathies lay with the oppressed and his condemnation was for the oppressors. Briefly, however, he

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[7] Ibid., p. 151.

takes another perch from which to examine the phenomenon explaining that all men involved with the capitalist mode of production should be alienated in similar ways, including the masters of labor themselves.[8] The alienation experienced by the capitalist may also be understood in terms of the four types of alienation.

A number of critical statements are offered in this respect. First, "everything which appears in the worker as an activity of alienation, of estrangement, appears in the non-worker as a state of alienation."[9] The state of alienation mentioned is the alienating environment the capitalist is forced to thrive in, that is created through the activity of the worker's alienated labor. The capitalist, indeed everyone connected with the capitalist mode of production, lives in an environment dominated by alienating activity, products, and relationships with other individuals--an environment where human powers are not able to be expressed, i.e., an environment fostering species alienation.

The capitalist is responsible for the perversion of the creative work process through the promotion of an

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[8]Karl Marx, "Economic and Philosophical Manuscripts of 1844", p. 134.

[9]Bertell Ollman, p. 154. The implication here is that those who own the means of production, i.e., capitalists, are referred to as non-workers while those who actively work to transform the means of production into saleable commodities by their physical labor are referred to as workers.

increasingly specialized division of capitalist labor. By creating the conditions for alienating labor activity, he sets the stage for alienating products and relationships. Although the capitalist does not actively participate in the labor process, he is responsible for that form of alienation which, in turn, creates an environment inhibiting to the development of human powers, both mental and physical. All members of the society must experience such alienation in one form or another.

Furthermore, the capitalist must have alienating relationships with the laboring class since their active participation in the mode of production causes them to have such relationships with him. A relationship between two people is exactly what the statement says. If one party is alienated from the other, the second party will soon reciprocate. In addition, due to the competitive nature of capital accumulation, the capitalist is often alienated from fellow capitalists as well.

Similar to the product reification experienced by the proletariat, the capitalist succumbs to the pressures of the reified market. He must produce what will sell in the proper quantity and quality acceptable to the current market conditions.[10] The product has no use-value for him and,

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[10]It has been shown by James O'Connor, The Fiscal Crisis of the State (New York: St. Martin's Press, 1973),

indeed, he promotes its manufacture simply to increase his relative possession of exchange-value. The product then, in no way reflects the development of his species powers or their objectification through work-activity of any sort and it does not matter what he produces as long as it is profitable. The culmination of product reification is seen in a relation where the capitalist becomes obsessed with a "fetishism of commodities" based upon the manufacturing of exchange-values. Perhaps this is the most characteristic symptom of product reification as evidenced through the wealthier classes.

In short, the capitalist is responsible for creating an environment stifling to the development of human potential, not only for the proletariat, but for all members of capitalist society. Such an environment, produced by labor activity, is the state of alienation Marx alludes to.

A second statement is offered by Marx where, "the worker's real practical attitude in production and the product (as a state of mind) appears in the non-worker confronting him as a theoretical attitude."[11] Since the

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that under conditions of monopoly capitalism, the capitalist assumes more control over market conditions through advertising and governmental alliances. Also see Baran and Sweezy, Monopoly Capital (New York: Modern Reader Paperbacks, 1966), for a discussion of advertising in this context.

[11]Karl Marx, op. cit., p. 134.

capitalist does not actively participate in the labor process, that is, he is not actively engaged in the physical process of transforming the means of production into saleable commodities, he is unaware of what that labor process is really like, in terms of its effects on the frustration and perversion of human development. He cannot understand the ramifications of the labor process as the worker does, since his experience is that of the exploiter and not that of the exploited individual. Therefore, the capitalist's attitude and understanding of the labor process, and consequently the product, is theoretical, i.e., abstract, and a distortion of reality, as it is experienced by the worker. He does not truly understand the laborer's plight since he has never experienced it himself. Perhaps this is one reason why he continues to advocate such a system of production.

The third and final aspect of alienation, as experienced by the capitalist, is discussed by Marx in mentioning that, "the non-worker does everything against the worker which the latter does against himself; but he does not do against himself what he does against the worker."[12] The capitalist causes labor activity to be an alienating process through tactics such as expansion of the division of labor, work speed-up, etc. The proletariat is forced to comply

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[12]Karl Marx, "Economic and Philosophical Manuscripts of 1844", p. 134.

with his wishes in light of the capitalist's ubiquitous control over the means of production. Furthermore, until the proletariat develops a revolutionary praxis, they are also responsible for their subservient role in the production process. The capitalist forces the worker to the work bench and the worker dutifully responds.

Although the capitalist is responsible for the conditions of alienation, he does not actively participate in the labor process as do the workers. He escapes this form of alienation. However, he does not remain unscathed, as we have mentioned, since his oppression of the proletariat creates his own state of alienation. Greed, cruelty, and hypocrisy all surface as traits of the capitalist--not because he wants to illustrate such traits; not because he possesses a unique psychological perversion; but because the structural characteristics of the capitalist mode of production necessitate the growth of such qualities for his economic survival. The capitalist is responsible for creating the environment in which human potentialities can only be developed in a restricted and bastardized manner, i.e., a state of alienation. Since all members of society must exist in such a state, all are alienated in similar ways.

A mentioned earlier, Marx choses to examine alienation as it affects the laborer and only briefly discusses

alienation as displayed by the capitalist class, devoting only a few paragraphs to the subject.[13] Although the argument seems plausible on theoretical grounds, no substantive evidence is presented to illustrate his discussion and, in this respect, Marx, and later Ollman, are to be criticized. Furthermore, the brevity of his philosophical discussion leaves the idea extremely vague and his terms ambiguously defined. Most notably, he fails to systematically define the capitalist's work-activity--a conceptualization which is at the very core of his theory of the capitalist's alienation. Without a clearly delineated notion of the capitalist's work-activity, it is most difficult to grasp the meaning of the alienation he experiences. So, having reviewed the basic theory of alienation Marx formulated, and Ollman briefly discussed, the capitalist's work-activity must now be examined in detail.

Capitalist Work-Activity

Marx's discussion of alienation in capitalist societies revolves around one critical assumption: all men who are

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[13]It should be noted that when Marx wrote of the capitalist's alienation he was a young man and had yet to develop the labor theory of value. Since a clear conceptualization of that theory is critical to an understanding of the capitalist's alienation, he may have been unable to develop his thoughts beyond this vague and incomplete stage at that time.

involved with the capitalist mode of production are alienated from the products of their work, fellow men, and species powers because they are all estranged from their creative work-activity. In developing the theory from the standpoint of labor, both he and Ollman are quite explicit when discussing alienated work-activity, i.e., wage-labor. However, when emphasis is shifted to the capitalist's alienation, both writers neglect to develop any substantive description of estranged work-activity carried out by the master of labor himself. The tenor of Ollman's discussion implies that such activity creates a "state of alienation"[14] in which all must survive, yet how such an environment is created by, and affects the capitalist is unclear and remains to be inferred by the reader.

Since alienated work-activity is the core from which Marx develops his other notions about the capitalist's alienation, it is highly disturbing that he fails to define the estranged work-activity of the capitalist. It seems obvious then, that a true understanding of the capitalist's alienation can only be fathomed after careful consideration is given to defining exactly what his work-activity is within the context of the capitalist mode of production. Without this foundation to work from, the potential for

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[14]Bertell Ollman, p. 154.

grasping the meaning of alienation, as Marx and Ollman intended it, is limited. What follows then, is a brief discussion of the basic structural conditions of competitive capitalist production and a clarification of the capitalist's activity that emanates from those conditions.

The work activity of the capitalist is, simply enough, that which will facilitate the accumulation of capital. But in order to understand the ramifications of such work, it is equally important to digress for a moment and become familiar with the process of capital accumulation itself, a process which must be distinguished from both commodity production and simple capital reproduction. This is necessary so that a clear understanding of the structural conditions which underpin the capitalist's behavior can be attained.

It should be noted that these three categories are all merely elements of one dialectical process and in reality it is difficult to establish such clear distinctions. However, this method of abstraction from the whole will help underscore certain critical structural conditions of capitalist accumulation. In this case, "the power of abstraction must be employed to isolate (each category), to reduce it to its purest form, to enable it to be subjected to the most painstaking analysis free of all unrelated

disturbances."[15] Once this has been done, the relation between the three will be reintegrated into the whole dialectical process of an evolving mode of production.

Societies based on commodity production and capitalist production, as discussed by Marx, are both competitive economic systems. The difference is that, "under simple commodity production ... each producer owns and works with his own means of production; under capitalism, ownership of the means of production is vested in one set of individuals while the work is performed by another."[16] In essence then, the divergence between the two modes of production occurs when one group of individuals, owning the means of production, purchases labor-power from another group of individuals and institutes the phenomenon of wage-labor. The significance of this, as Ernest Mandel emphasizes, is that the separation of labor from the basic means of production and subsistence is the prelude to the develcpment of alienated labor within the capitalist system,[17] a notion recurring through many of Marx's writings.

Now, Marx explains that, "the labor process, turned into the process by which the capitalist consumes

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[15]Paul Sweezy, p. 16.

[16]Ibid., p. 56.

[17]Ernest Mandel and George Novack, The Marxist Theory of Alienation (New York: Pathfinder Press, 1970), p. 20.

labor-power, exhibits two characteristic phenomena. First, the laborer works under the control of the capitalist to whom his labor belongs.... Secondly, the product is the property of the capitalist and not that of the laborer,"[18] since it is the capitalist who now owns the means of production in the first place. The capitalist commands both labor and its products, a command he exercises to accumulate vast sums of capital.

This brings us to the process of simple capital reproduction--a point from which we can begin to understand the importance of wage-labor as it effects the development of capital. In the course of a day's labor, the worker produces more value, i.e., exchange-value, than he is payed for through his daily wage; more value than that necessary to provide himself with subsistence. "Consequently, the working day can be divided into two parts, necessary labor and surplus labor. Under conditions of capitalist production, the product of necessary labor accrues to the laborer in the form of wages, while the product of surplus-labor is appropriated by the capitalist in the form of surplus-value."[19]

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[18]Karl Marx, Capital I, trans. Samuel Moore and Edward Aveling (New York: International Publishers, 1967), p. 185.

[19]Paul Sweezy, p. 61.

To reiterate, the wage-laborer produces an exchange-value in excess of that which he receives in the form of a wage. The difference between the exchange-value he produces and the exchange-value he receives in wages is surplus-value, embodied in the finished product, and is the property of the capitalist.[20]

If all the surplus-value produced was consumed by the capitalist through the (1) replenishing of constant and variable capital employed in the production process and (2) through his own personal consumption, a state of equilibrium would exist with respect to the creation of greater amounts of surplus-value and the capitalist would post neither gain nor loss of surplus-value. However, were he to reinvest steadily increasing amounts of surplus-value into the production process, his return would expand accordingly.

As Sweezy illustrates, this is, in fact, the method employed by the capitalist, "converting a portion--frequently a major portion--of his surplus-value into additional capital. His augmented capital then enables him to appropriate still more surplus-value, which he in turn converts into additional capital, and so on. This is the process

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[20]For an indepth discussion of the theory of surplus-value see Karl Marx, Capital I, or, for a brief overview, see Sweezy.

known as accumulation of capital; it constitutes the driving force of capitalist development."[21]

It should be emphasized that the conceptualization of capital accumulation hinges on Marx's theory of surplus-value; a theory thoroughly ground in the phenomenon of wage-labor. Now it becomes obvious why the distinction between commodity production and simple capital reproduction is so important. As Marx said, "capitalist production is not merely the production of commodities, it is essentially the production of surplus-value,"[22] and is possible only after the means of production and the work force have been separated to provide for the development of wage-labor. Surplus-value is dependent upon the development of a society based on class distinctions and, in turn, creates the conditions for the maintenance and development of class distinctions within that society.

As the dynamic of capital accumulation unfolds, a tendency toward the concentration of capital develops where the quantity of capital under an individual capitalist's control tends to increase. Furthermore, due to the nature of the competitive struggle centered around cost reduction, specifically reduction of variable capital, i.e., labor

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[21]Sweezy, op. cit., p. 79.

[22]Karl Marx, Capital I, p. 509.

expenses, smaller amounts of capital tend to gravitate toward the larger masses and become absorbed.[23]

It is critical to note that, "the development of capitalist production makes it constantly necessary to keep increasing the amount of capital laid out in a given industrial undertaking, and competition makes the immanent laws of capitalist production to be felt by each individual capitalist as external coercive laws. It compels him to keep constantly extending his capital, in order to preserve it, but extend it he cannot except by means of progressive accumulation."[24] The capitalist, then, is motivated by the relentless drive for capital accumulation; a drive that is absolutely essential for his survival within the capitalist mode of production; a drive that is structurally conditioned by the mode of production! Were he to become lackadaisical and fail to maximize his capital, the forces of competition, i.e., centralization of capital, would soon absorb his interests and spell his destruction as a capitalist.

Since, "capital is stored up labor,"[25] i.e., accumulations of surplus-labor and therefore reserves of surplus-value, it becomes obvious that the primary method to extend

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[23]For further discussion of the phenomenon of centralization see Karl Marx, Capital I, pp. 626-627.

[24]Paul Sweezy, p. 81.

[25]Karl Marx, "Economic and Philosophical Manuscripts of 1844", p. 85.

and increase capital is to exploit the wage-laborer in such a way as to maximize his production of surplus-labor in the course of a day and thereby increase the surplus-value of the commodity produced. This brings us to the work-activity of the capitalist whose major drive in life is accumulation of capital by (1) extracting a maximum amount of surplus-value from the labor force by severely exploitive methods and (2) by competing as viciously as possible with his fellow capitalists in order to prevent the centralization of his capital by that of another. These are the activities which he performs in the pursuit of capital.

The basic technique the capitalist commands to increase the surplus-value of his products is to exploit his labor force, a task which may be accomplished in various ways. His primary aim in this respect is that of increasing relative surplus-value, or surplus-value dependent upon the productivity of labor.[26]

Relative surplus-value can be augmented in two basic ways, either by (1) reducing wages and holding the rate of production constant or by (2) maintaining a constant wage and increasing the rate of production.[27] Both situations

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[26]Marx distinguishes between relative surplus-value and absolute surplus-value, i.e., surplus-value dependent upon the length of the working day.

[27]Various combinations of the two principles are often used, but the intent is always the same--to increase relative surplus-value.

result in labor producing increased amounts of exchange-value for the capitalist without increasing its own return in the form of wages, i.e., labor produces more surplus-labor and more relative surplus-value. The capitalist has reduced his variable capital costs relative to the amount of exchange-value he receives from his workers in the form of products. The capitalist exploits the laborer by constantly pushing him to increase his productivity without being reimbursed with a corresponding wage increment. In short, the capitalist strives to minimize his outlays for variable capital in order to maximize relative surplus-value. Consequently, it becomes clear that relative surplus-value is derived from technological innovation increasing productivity or affecting labor intensity, i.e., the time required to produce a commodity.

Outstanding among the devices used to maximize relative surplus-value is the division of labor where job specialization results in the reduction of time required for commodity production. The production process is divided into an array of highly specialized tasks distributed in such a way that each task is performed by a different individual. Since the laborer is responsible for only one operation, he soon acquires a certain deftness for that job, through experience and familiarity, and is able to complete his chore at a quicker pace. It is obvious that when all the isolated

tasks are connected in a cooperative fashion, the production process becomes an exceedingly efficient means to increase the productive power of labor. For example, an increase in the division of labor was instituted by nineteenth century capitalists to revolutionize the English textile industries, replacing the "putting out" system with a more efficient factory system which served to increase capital holdings through an increase in labor intensity.[28]

In light of this manufacturing process, the capitalist will stand to increase the production of relative surplus-value if he maintains constant wage levels while allowing the rate of production to rise. As discussed earlier, this exploitation of the laborer leads to a decline in the relative amount of variable capital invested per product and leads to an increase in surplus-labor and relative surplus-value. This type of, "cooperation based on division of labor ... becomes the recognized methodical and systematic form of capitalist production,"[29] since its exploitive manipulation of the labor force is a potent force for minimizing variable capital and maximizing relative surplus-value.

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[28]For an excellent study regarding the division of labor and its effects here, see, E. P. Thompson, The Making of the English Working Class (New York: Vintage Books, 1963).

[29]Karl Marx, Capital I, p. 363.

The automation of the work process is another technique employed by the capitalist to increase relative surplus-value. "Machinery becomes, in the hands of capital, the objective means, systematically employed for squeezing out more labor in a given time. This is affected in two ways: by increasing the speed of machinery, and by giving the workman more machinery to tent."[30] Increasing the speed of machinery, i.e., work speed-up, results in the increased productivity of labor-power in the same way that a more specialized division of labor does. The rate at which the cooperative manufacturing process creates products, i.e., exchange-values, increases as machines are sped up. When wages are static, the amount of surplus-labor produced increases and an increase in relative surplus-value accrues to the capitalist at the expense of the laborer--a laborer who is exploited by the capitalist as he works harder, produces more, yet is unrewarded for his extra efforts.

Furthermore, by utilizing machines instead of men to perform various productive tasks, laborers are displaced from the work force. Since one man may simultaneously operate more than one machine, as was the case in the English textile industry with the invention of the power loom, the capitalist is wise to incorporate a maximum amount

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[30]Ibid., p. 412.

of machinery into the manufacturing process, thereby reducing the absolute size of his work force. Obviously, such a labor reduction also reduces his variable capital expenses causing the productivity of the remaining labor-power to soar.

The utilization of machinery, then, is a means to increase the production of relative surplus-value by extracting a maximum of surplus-labor from the laborer. By minimizing variable capital and exploiting the remaining labor force, an increased amount of relative surplus-value falls into the capitalist coffers.

However, the capitalist's activity of labor exploitation does not end with the tendency to reduce the relative costs of variable capital. He must also discipline the labor force so that it will not rebel against his exploitive advances. Were the capitalist unable to maintain a disciplined labor force and they did move to increase their percentage of exchange-value, the effect would be to increase the relative cost of variable capital--a tendency that would undermine the maximization of relative surplus-value. The underpinning logic here is simply the reverse of that we have already discussed. Labor movements for increased wages, work slow-downs, etc., all serve to increase the amounts of variable capital needed for production.

For example, work slow-downs increase the time a laborer expends on each commodity he produces. Assuming the amount of variable capital invested remains constant, as the number of products, i.e., exchange-values, created in the course of a day decreases, the amount of surplus-labor produced, and, therefore, the amount of relative surplus-value produced, declines. Profits for the capitalist are reduced in accordance with an increase in relative variable capital. The capitalist, striving for maximized capital and profit, moves to prevent this by appeasing labor.

Such disciplinary action can be achieved in a variety of ways. For example, coercive labor practices, i.e., the threat of dismissal, demotion and loss of seniority, physical abuse, etc., are often brandished against the laborer who is forced to "buckle under" or face replacement by other laborers waiting in, what Marx termed, the industrial reserve army. Furthermore, processes of cooptation are often successfully engineered to dispel labor dissidence, and insure that the production of surplus-value will proceed unimpeded.[31]

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[31]An excellent critique of such cooptation is offered by James O'Connor where he discusses the social expenses of production as funds used for this purpose. Also, James Weinstein, The Corporate Ideal in the Liberal State (Boston: Beacon Press, 1968) discusses workmen's compensation as a form of cooptation.

As mentioned earlier, the second aspect of the capitalist's work-activity is competition with his fellow capitalists. However, in a sense, we have already addressed this point when we realize that, "the battle of competition is fought by cheapening commodities. The cheapness of commodities depends, ceteris paribus, on the productiveness of labor,"[32] which is manipulated by the capitalist's efforts to minimize variable capital expenses and maximize relative surplus-value, through the process of labor exploitation. Again, it must be remembered that the capitalist is coerced toward the competitive struggle or, failing to do so, will suffer financial ruin by succumbing to the forces of capital centralization. His activities of competition and exploitation are necessarily defined by the structural conditions of the capitalist mode of production; in order for him to survive and protect his capital within the system, he must abide by its laws. "The capitalist, as Marx observed, 'shares with the miser the passion for wealth as wealth. But that which in the miser is a mere idiosyncrasy, is, in the capitalist, the effect of the social mechanism of which he is but one of the wheels'."[33] As Marx and Ollman have

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[32]Karl Marx, Capital I, p. 626.

[33]Paul Sweezy, p. 80.

attempted to show, alienation from one's work-activity is the core from which alienation from the products of that labor, one's fellow men, and one's human potential, all manifest themselves. The entire theory is based on estranged work-activity, i.e., labor, and in terms of the laborer they present convincing evidence in support of the thesis. However, the question remains to be resolved, first, theoretically, then by way of example, whether or not the capitalist's work-activity is estranged work-activity. Is the capitalist alienated from his work-activity?

Marx obviously believed this to be the case but abruptly stopped his speculation before satisfactorily proving his point.[34] Furthermore, Ollman takes up the subject again stating that the capitalist creates a "state of alienation" in which all men must live, but such a statement is extremely tenuous and merely reiteration of what Marx had claimed earlier. Ollman barely moves beyond Marx's original statement at all, thereby failing to shed any new light on the problem.

However, having defined specifically what the work-activity of the capitalist is, it is now possible to

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[34]Karl Marx, "Economic and Philosophical Manuscripts of 1844", p. 134. At this point in his discussion, Marx abandons his train of thought regarding the capitalist's alienation and never returns to finish it.

demonstrate that he is, in fact, estranged from his work-activity and that this results in alienation from the products whose creation he sponsors, from his fellow men, and from his species being. The logic of the argument is derived from the idea that, "the real basis of the forms of alienation within capitalist society is found in contradictory relations of its mode of production and in the class antagonisms arising from them."[35] Alienation is rooted in the structural conditions which surround it.

Remember that the capitalist creates a mode of production involving exploitation of labor and competition among capitalists based on that exploitation. It is apparent that conflict between capitalist and proletarian arises from the exploitive nature of the relations of production where the capitalist's sole purpose is to extract a maximum amount of surplus-labor from the labor force. Capitalists are pitted against each other in the competitive struggle to avoid having their respective capitals centralized by another. He is forever struggling with the class he wishes to exploit and with members of his own dominant class. In essence, this is the logic Marx developed to explain the existence of class struggle--a phenomenon firmly embedded in the capitalist mode of production. Herein lies the capitalist's alienation from his fellow men.

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[35]Ernest Mandel and George Novack, p. 70.

Furthermore, the product comes to dominate the production process and, in a sense, is reified by the process. Obviously, a capitalist must produce commodities with value in the market place so he must produce (1) what others wish to exchange for and (2) produce it at a cost which does not prohibit its exchange. The capitalist is forced to produce certain commodities in certain ways that the market will find acceptable. He may be forced to manufacture products he has no interest in producing simply because that is what will bring him the greatest return on his capital investment in the market place. Conversely, he may be prohibited from offering certain commodities he finds personally satisfying to produce because they will not sell. Also, under competitive market conditions, he may have to minimize production costs and create a product of inferior quality than that he would chose to produce ideally. In short, the product appears to "demand" to be made in accordance with the structural conditions of the situation. Herein lies the capitalist's alienation from the product since he is forced to produce what will sell in the competitive market place.

Since, the capitalist must constantly be concerned with competition, minimizing production costs, disciplining the labor force, etc., little time is left for him to pursue alternative interests. His attention is constantly demanded

in the sphere of production and, therefore, distracted from other areas of potential human development. As a result, the capitalist is alienated from his species powers as Ollman describes them. The only power he develops is that of "having"; of owning; of accumulating and this development becomes most blatent in the capitalist's enslavement to or fetishism of commodities.

All three of these types of alienation develop directly from the capitalist mode of production--a mode of production which is created by the actual work-activity of the capitalist. These estrangements from fellow men, the products of his labor, and himself, comprise the "state of alienation" as experienced by the capitalist, that both Marx and Ollman refer to. The capitalist's work-activity creates that state of alienation and, therefore, his work-activity also must be an indirect source of alienation for him. Since the capitalist's activity produces such a variation of alienating relations, the activity itself must be defined as alienating, and common to all capitalists. His activity simultaneously creates and becomes enmeshed within the structural framework of that state of alienation; that capitalist mode of production!

So, "capitalist production produces not only commodities, not only surplus-value, but it also produces and reproduces the capitalist relation; on the one side the

capitalist, on the other the wage-laborer."[36] This is the root of class struggle arising from the exploitation of the labor force; it is the field over which the competitive battle for surplus-value is fought among capitalists. Finally, it is critical to note that the production and reproduction of antagonistic class relations perpetuates a state of alienation--a phenomenon the capitalist reinforces by maintaining the capitalist mode of production.

The work-activity of the capitalist is that which creates and carries out the capitalist mode of production which is the state of alienation both Marx and Ollman refer to. His activity is rooted in that system and represents the class struggle, from the angle of capital.

The Necessity for Studying the Capitalist's Alienation

Throughout the preceding discussion, it has been implied that an understanding of the capitalist's alienation is, for some reason, an important theoretical perspective to develop. But why is it necessary? Was such a conceptualization required by Marx to decipher the nature and process of the capitalist mode of production, or was his

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[36]Karl Marx, Capital I, p. 578.

interest merely an esoteric fancy? From the limited discussion devoted to the problem in the Economic and Philosophical Manuscripts of 1844, it can be inferred that he did emphasize the issue, however briefly, as an important theoretical underpinning to the essence of his theory of alienation.

Marx's work is rooted in the notion that the formation of capital is contingent upon the capitalist's exploitation of the labor force. It has been mentioned earlier that such exploitive advances are deliberate attempts, on capital's part, to facilitate the maximization of surplus-labor and surplus-value through the reduction of variable capital expenses. Furthermore, Marx offers substantive evidence indicating that the labor which is necessary for capital formation, i.e., wage-labor, is alienated labor in that its exploitation results in the worker's estrangement from his creative work-activity, the product of that activity, his fellow men, and his potentialities as a human being. Defining the relationship between alienated labor and capital, Marx stresses that, "private property (capital) is ... the product, the necessary result, of alienated labor,"[37] and that a firm grasp of the theory of alienated

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[37]Karl Marx, "Economic and Philosophical Manuscripts of 1844", p. 131.

labor is essential to an understanding of capital accumulation since alienated labor, i.e., exploited labor, is the foundation upon which the capitalist mode of production rests.

Marx wrote an entire chapter in order to develop the crux of the theory of alienation--a chapter which primarily discusses the worker's alienated labor as it is both an outgrowth and basis for the capitalist mode of production.[38] Toward the chapter's end, however, he digresses momentarily and begins an explanation of alienated labor as experienced by the capitalist. Unfortunately, this dialogue extends for only a few paragraphs before being abandoned and left incomplete.

Perhaps due to the brevity of the discussion, the capitalist's alienation seems to serve merely as an appendage to the theory of alienated labor. However, the significance of this discussion is far greater than first impressions would indicate, once it is realized that the alienated labor of the capitalist and of the worker <u>both</u> assume roles of equal prominence at the core of Marx's conception of alienated labor. He maintains that private property, i.e., capital, can only come to exist through an alienated labor

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[38] Ibid., pp. 120-134. The chapter is entitled, "Alienated Labor".

process and that, "private property as the material summarized expression of alienated labor includes both relations; the relation of the worker to labor, the product of his labor and to the non-worker, and the relation of the non-worker to the worker and the product of the latter's labor."[39] Now it becomes clear that the Relation of alienated labor is not simply specific to the worker's alienated labor, but rather, it consists of the relation between (1) the worker's alienated labor and (2) the capitalist's alienated labor. In fact, Marx set out to explain both relations as important parts of the broader theory of alienated labor but, failed to systematically expand the latter portion regarding the capitalist.

As illustrated earlier, the work-activity of the capitalist is that which serves to accumulate capital through the exploitation of the laborer and it is through such a process of exploitation that the worker becomes estranged from his work-activity. The capitalist's work-activity, i.e., exploitation, creates the conditions which facilitate the development of the worker's alienated work-activity, i.e., wage-labor. Through such exploitive activities, the capitalist creates the state of alienation through which he comes to experience his own estrangement from product, men,

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[39]Ibid., p. 134.

species being and, therefore, work-activity itself. This is the essence of Marx's theory of alienation in that the alienated labor of both worker and capitalist necessarily develop and exist simultaneously. Were it not for one, the other would not exist. This point is underscored by Marx in noting that, "the relation of man to himself is first realized, objectified, through his relation to other men,"[40] and that the capitalist's alienation can only develop as his own work-activity causes the worker to become alienated too.

Now the significance of an explanation concerning the capitalist's alienation becomes evident. In order to comprehend alienated labor in capitalist society, not only the worker's alienated labor but, also the capitalist's alienated labor must be considered since the two are so highly interdependent. What Marx attempted was an abstraction of the two categories of alienated labor from the whole relation so that this interdependency might be clarified. Without an understanding of the capitalist's alienation, it is difficult to comprehend the origin and meaning of the worker's alienation which arises from the exploitation of his labor-power. Since the two types of alienation are co-determinate, a familiarity with the capitalist's alienation

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[40]Ibid., p. 130.

is vital for understanding the broad meaning of alienated labor, i.e., that which encompasses all classes of capitalist society--a concept that embodies the essence of the capitalist mode of production itself!

As emphasized earlier, Marx never completed this portion of his work and Ollman provided little more than a reiteration of Marx's statements. Perhaps due to its illusive significance, a theory of the capitalist's alienation has, heretofore, been neglected, although its development may have shed considerable light on the process of capital accumulation as a process of alienation.

Since alienated labor is one of the cornerstones necessary to the foundation of capital accumulation, it seems reasonable to conclude that a comprehensive understanding of capital accumulation is dependent on securing the meaning of alienated labor and its derivatives, i.e., alienation from product, men, and species. Furthermore, unless both of the relations that comprise alienated labor are perceived, a firm grip on the theory of alienated labor will escape us. For this reason, the study of the capitalist's alienation becomes critical and the development of Marx's theory must be initiated.

CHAPTER II

CASE-STUDY METHODOLOGY AND THE USE OF BIOGRAPHY

The Nature of Marx's Method and the Advantages of Case-Study Methodology

The previous discussion implied that Marx's theory of capitalist alienation describes a process that develops through time. A methodological approach sensitive to such a process must be chosen, so that the dynamic nature of the theory can be clearly understood. That is, a particular methodology should be selected because it possesses certain strengths which make it beneficial to the study of the sociological phenomena under observation.[1] In this case, a method of investigation must be chosen that is capable of detecting the dynamic nature of alienation.

Throughout his writings, Marx employs a dialectical method of inquiry and exposition that consists of two critically important elements: (1) an historically based

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[1]Martin Trow, "Comment on 'Participant Observation and Interviewing: A Comparison'", in Qualitative Methodology, ed. William J. Filstead (Chicago: Markham, 1970), pp. 143-150.

conceptualization of social reality and (2) a broad perspective where particular, i.e., abstracted, social phenomena can only be fully understood after reintegrating them within the social system as a whole.[2] Both of these elements are necessary to an understanding of the theory of capitalist alienation. Without such knowledge, Marx's epistemological roots are lost and it is difficult to grasp the meaning Marx imparted to the notion of alienation.

In the Marxian scheme, social reality can only be comprehended from an historical viewpoint which takes note of the dynamics of social change. "Social reality is not so much a specified set of relations, still less a conglomeration of things. It is rather the process of change inherent in a specified set of relations. In other words, social reality is the historical process."[3] When Marx describes the social reality of capitalist society, a reality permeated with the alienating relations of work, products, and men, his discussion is clearly of a temporal nature where the state of alienation created by the capitalist, evolves through time and is simultaneous with the evolution of a social structure revolving around the accumulation of

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[2]For a more detailed discussion of Marx's use of the dialectic see Bertell Ollman, Alienation (Cambridge: Cambridge University Press, 1971), pp. 27-42 and pp. 52-70.

[3]Paul Sweezy, The Theory of Capitalist Development (New York: Modern Reader Paperbacks, 1942), p. 20.

capital. Any methodology used to examine the phenomenon of alienation must incorporate this historical dimension into its design.

In order to achieve this historical perspective, it is necessary to examine alienation as a phenomenon whose development directly corresponds with the development of a particular mode of production. As discussed earlier, alienation, as described by Marx, can only be clearly understood after the process of capital accumulation and the capitalist mode of production itself are conceptually developed. For Marx, alienation is inextricably rooted in the material conditions of capitalist production and, while it is important to understand this, it is equally important to note that the converse is true. Capitalist production itself, springs from a series of alienating relations, i.e., the alienated labor of workers and capitalists. The two perspectives are inseparable in the sense that the historical dynamic of alienation can only be ascertained by coming to grips with the historical dynamic of capitalism. For this reason, "Marx's dictum: 'the relations of production of every society form a whole', is the methodological point of departure and the key to the historical understanding of social relations ... these can only be discerned in the context of

the total historical process of their relation to society as a whole."[4]

The study of alienation must take into consideration both aspects of Marx's dialectical method, and the methodology employed for such an investigation must provide the researcher with the necessary tools for an examination of the dynamic interconnections which develop historically between society, as a whole, and the individual's alienating experience. It is essential that, "alienation must be studied as an historical phenomenon, which can only be understood in terms of the development of specific social formations,"[5] i.e., the capitalist mode of production.

The question which must be addressed now is what methodological avenue should be pursued in order to provide an opportunity to study alienation within the historical and structural context Marx advocated. The construction of a single case-study is appropriate for the problem at hand. Through an in-depth analysis of one capitalist's life, both the historical nature of alienation and the surrounding structural conditions which serve as its catalyst can be

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[4]Georg Lukacs, History and Class Consciousness, trans. Rodney Livingstone (Cambridge, Mass.: The MIT Press, 1968), p. 9.

[5]Anthony Giddens, Capitalism and Modern Social Theory (New York: Cambridge University Press, 1971), p. 19.

examined. Furthermore, due to the longitudinal nature of this case-study design, i.e., its capacity to focus on an entire life-history, it is useful for clarifying Marx's general theory and producing new insights necessary for further elaboration and explanation of the theory of capitalist alienation.

The case-study technique lends itself to sociological investigation of an historical nature because it focuses on a particular "case" or series of events related in some way through time. It is, by nature, a method of historical orientation--a vitally important orientation whose passing from the mainstream of sociological methodology has been mourned by many.[6] Such a methodology has been referred to as, "the core of sociological procedure.... There is no other method that can treat of historical data,"[7] as well as the historical case-study and, for this reason, the method seems most appropriate for an examination of a theoretical notion, alienation, that is cradled within the historical logic of the dialectic. Indeed, one of the most effective ways to grasp the developmental process of the

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[6]C. Wright Mills, in particular, laments the absence of historical sociology in The Sociological Imagination (New York: Oxford University Press, 1959), pp. 143-165.

[7]J. O. Hertzler, "The Sources and Methods of Historical Sociology", in The Fields and Methods of Sociology, ed. L. L. Bernard (New York: Farrar and Rinehart, 1934), p. 270.

capitalist's alienation is to subject his life to close historical scrutiny by constructing a case-study that captures the historical dimension.

It is necessary to reiterate that the dialectical nature of alienation requires that it be studied in terms of its relation with the surrounding social structure, in this case the capitalist mode of production. Utilizing the case-study, the researcher is able to incorporate the existing structural conditions of society into the design as a backdrop against which to illustrate a particular life-history. The necessity for the case-study here can only be understood when it is clear that, "the biographies of men and women, the kinds of individuals they variously become, cannot be understood without reference to the historical structures in which the milieux of their everyday life are organized."[8] This methodology provides a medium where both levels of analysis, i.e., the individual and societal, the microscopic and the macroscopic, may be considered simultaneously in their dialectical relationship.

Because the case-study is a method conducive to such multi-level analysis, it has been widely used by anthropologists, social workers, psychologists, and psychoanalysts. Erickson's investigation of Gandhi's life-history is a

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[8]C. Wright Mills, p. 158.

noteable example where a case-study is effectively employed to analyze individual psychological development in relation to the mitigating socio-structural conditions.[9] The result Erickson achieves is to integrate a man's biographical development, Gandhi's, with the historical conditions of a developing society--a phenomenon not unlike that described by Marx where the capitalist's alienation is deeply enmeshed in the structural milieu of the capital accumulation process.

Unfortunately, the trend toward case-study research, which marked the early years of the "Chicago School" during the 1920's and 1930's, has subsided and, "American sociology has been criticized for having departed from the historical concerns of its nineteenth century European founders."[10] What might be called historical sociology has only recently begun to creep back into the repertoire of methodological techniques acceptable to the major sociological community. The absence of the case-study and the historical perspective in sociology has been noted by historians claiming that sociology has become ahistorical--if not anti-historical--

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[9]Erik Erikson, Gandhi's Truth (New York: W. W. Norton and Co. Inc., 1969).

[10]Seymour Lipset, "History and Sociology: Some Methodological Considerations", in Sociology and History: Methods, eds. Seymour Lipset and Richard Hofstadter (New York: Basic Books, 1968), p. 20.

due to its obsession with precise empirical measurement.[11] The upshot of such compulsive quantification has been a failure on the part of many sociologists to integrate their results with the underlying social system as a whole. Consequently, historical sociology, and the case-study method in particular, remain at a very crude level of development methodologically and exist as, "another of sociology's more or less undiscovered countries."[12]

Despite the, "evident poverty of case-study theory,"[13] and the fact that the technique is not methodologically well developed, there is one other significantly positive attribute that the method does possess making it useful for studying the theory of capitalist alienation. It should be recalled that Marx's theory was left incomplete like some sort of theoretical skeleton, in need of further elaboration and clarification. The case-study, in this situation, may be used as an exploratory device to fill in the often vague theoretical model provided by Marx.

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[11]Richard Hofstadter, "History and Sociology in the United States", in Sociology and History: Methods, eds. Seymour Lipset and Richard Hofstadter (New York: Basic Books, 1968), p. 13.

[12]J. O. Hertzler, "The Sources and Methods of Historical Sociology", in The Fields and Methods of Sociology, ed. L. L. Bernard (New York: Farrar and Rinehart, 1934), p. 270.

[13]Paul B. Foreman, "The Theory of Case Studies", in Research Methods: Issues and Insights, eds. Billy J. Franklin and Harold Osborne (Belmont, Ca.: Wadsworth Publishing Co., 1971), p. 204.

To achieve this end, it is imperative that in the early stages of theoretical development, the researcher keep his mind, "flexible, formulating and testing alternative hypotheses. The premature substitution of tests for documentary or observational material, i.e., case-studies, interferes with this process ... theoretical research, especially in the early stages, is much more a matter of finding the right categories than of measuring within them."[14] Because Marx's theory is still quite general, it seems more important to develop the broad conceptualizations within that theory than to immediately subject it to detailed testing. In fact, the vague nature of the theory may make it extremely difficult to formulate the detailed hypotheses necessary for such rigorous quantitative testing in the first place.

The case-study, i.e., life-history, may be used in this context as a mechanism for generating new theory because it is a qualitative method with great flexibility. Rather than limiting the researcher to work within rigidly defined boundaries, as in an experimental situation, the case-study permits movement to new areas of importance as they are discovered in the course of investigation. The researcher

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[14]Robert Angell, "A Critical Review of the Development of the Personal Document Method in Sociology", in The Use of Personal Documents in History, Anthropology, and Sociology (New York: Social Science Research Council, 1951), p. 224.

is able to focus on what may appear to be relevant events to the problem under consideration and skim over those that seem less important, through a selective process unique to qualitative methodology. Furthermore, since the method is one of integration, where a vast array of diverse bits and pieces of information are collected, the researcher is allowed the freedom to formulate hypotheses as the research progresses.

These attributes of the case-study method enable the researcher, "to gain familiarity with a phenomenon or to achieve new insights into it, often in order to formulate a more precise research problem or to develop hypotheses.... The major emphasis is on discovery of ideas and insights,"[15] as opposed to rigorous measurement and testing. Since Marx's theory of capitalist alienation is in an undeveloped stage, this methodological approach seems most compatible with the ambitions of this investigation which strive for a broader analysis of the capitalist's alienation than Marx undertook.

The Necessity for a Single Case Derived from Biographical Sources

The advantages of the case-study method have been illustrated above. But why is it necessary to limit

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[15]Claire Selltiz, Marie Jahoda, Morton Deutsch, and Stuart Cook, Research Methods in Social Relations (New York: Holt, Rinehart and Winston, 1951), p. 50.

research to one particular case in lieu of the numerous life-histories available? Would it not be more advisable, from a methodological standpoint, to select a large, perhaps more representative, sampling of capitalist biographies for investigation? The rationale for such a decision is quite pragmatic.

Remember that, "the theory of alienation is the intellectual construct in which Marx displays the devastating effect of capitalist production on human beings, on their physical and mental states, and on the social processes of which they are a part."[16] The deleterious effect capital accumulation has on the individual forms the axis around which Marx's theory of alienation revolves. Since his emphasis is placed on the individual, the focal point of research should also come to rest on the individual's predicament. Now, the necessity for the extensive exploration of each case in the manner previously described, coupled with the time constraints imposed by the thesis project itself, serve to restrict this research to one particular example. This investigation will be limited to studying the alienated existence of only one capitalist, i.e., Henry Ford.

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[16]Bertell Ollman, p. 131.

This case-history will be derived primarily from information compiled and published in the form of biographies, since there appear to be sound methodological reasons for the extensive use of biography as the central data source--reasons that will be discussed shortly. But before the methodological attributes of biography can be appreciated, a brief examination into the nature of the genre is necessary.

A biography is a documentary source of information consisting of descriptive evidence pertaining to (1) an individual's life history, (2) the sequence of past experience and situations he or she has encountered and, (3) the social and cultural environment he or she has lived in.[17] Consequently, biographies are idiographic, i.e., descriptive, documents and should be considered secondary sources of historical information in the sense that they represent the testimony of someone who was not an eyewitness to the events described.[18] However, it should be mentioned that

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[17]Norman Denzin, The Research Act (Chicago: Aldine Publishing Co., 1970), discusses this definition in more detail.

[18]Louis Gottschalk, "The Historian and the Historical Document", in The Use of Personal Documents in History, Anthropology, and Sociology (New York: Social Science Research Council, 1951), defines primary evidence as eyewitness testimony to an event. Autobiography, then, is a primary source of information.

biographies are often written from vast amounts of primary source material, i.e., personal documents, legal papers, etc., and are valuable as a reference to such information. Their historical value is enhanced because they frequently contain particular pieces of primary information in the form of quotations, pictures, reproductions of documents and other "original" historical data.

Given the time constraints mentioned earlier, the biography appears to be an exceedingly useful source of documentary information since it is an accumulation of primary historical data that would take weeks to piece together--time unavailable to this research. In addition, however, it has been noted that primary documents are merely bits and pieces of the truth, not sufficiently explanatory, in and of themselves, to be helpful in this type of historical research. A perspective must be developed for the events and times surrounding the detail provided by such documents. Here lies the major strength of biography for the development of a case-study. Biographical material is vital because it integrates the scattered details into a cogent whole.[19] In formulating a case-study, what is most,

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[19]Sidney and Beatrice Webb, Methods of Social Study (London: Cambridge University Press, 1932), p. 100, discuss the necessity for such integration and biography's role in attaining that goal.

"important in biography are description and analysis of the behavior of the individual in terms of the social roles played by him, the structure of the various organized systems of interaction in which he found himself, and the patterns of sanctions to which he was exposed in playing those roles."[20] Biography, then, is a unique form of historical material, compiling a diversity of facts and events in a summary expression of an individual's life--an idiographic case-study!

In light of this discussion, another methodological advantage in using biography becomes apparent. There are a plethora of subtle pitfalls to be accounted for in working directly with primary documentary resources[21] and it takes an experienced researcher to avoid these entrapments, weeding out accurate from inaccurate data in order to construct a reliable historical report. As a result, "sociologists must inevitably rely extensively on secondary authorities, without going back to the original sources. They do this partly because life is too short to do anything else ... and partly because original sources are very tricky things

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[20] Theory and Practice in Historical Study: A Report of the Committee on Historiography (New York: Social Science Research Council, 1946), p. 67.

[21] Eugene Webb, Unobtrusive Measures-Nonreactive Research in the Social Sciences (Chicago: Rand McNally & Co., 1966), discusses these difficulties in working with various types of archives.

to use,"[22] especially for the sociologist lacking experience in historiography. Consequently, it becomes the responsibility of the biographer and historian, rather than the sociologist, to maintain an accurate representation of historical reality by sifting through the complexities of the original historical data. Although the sociologist must be aware of the biography's quality, a topic that will be addressed shortly, he is relieved of the majority of the burden for developing an accurate picture from the primary sources of information.

Considering the time limitations and the relative expertise of the professional historian, competent in the techniques of historiography, the use of biographical material seems to be an acceptable source of information, i.e., a pre-packaged case-study, from which to develop the investigation at hand and examine the capitalist theory of alienation. It should be reiterated, however, that most biographical reporting tends to be descriptive in nature, lacking a sufficient level of analysis and explanation on a theoretical level. In general, historians have been criticized for being remiss in utilizing sociological concepts for the explanation of historical trends and it has been suggested that historical sociology assume an active role

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[22]Seymour Lipset, p. 52.

in reinterpreting such descriptions that have been provided by historians.[23] The task of this research, then, is to evaluate the biographical case-study in nomothetic terms, employing Marx's analysis of capitalist alienation.

Before turning to a critique of the proposed methodology, the problem of accessibility should be addressed since it is, perhaps, the most significant factor in selecting biographies as a methodological starting point. As a group of individuals, competitive capitalists are a scarce breed today, disappearing in the rising wake of monopoly capital. They remain an elite crowd noted for their tendencies to retreat from public scrutiny. As a result, the possibility of assembling a reasonable sample for interviewing seems remote indeed, and the potential for observation and experimentation as techniques of sociological investigation becomes highly problematic.

As a result, documentary research, and the biographical technique in particular, seems to be one of the few remaining avenues to pursue if the problem is to be examined at all. Because biographies are a matter of public record, and readily available through libraries and archives, the problem of accessibility to pertinent information is

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[23] Ibid., throughout the article Lipset is critical of historians for this reason and calls for an increase in historical sociology as a result.

considerably reduced, although not totally overcome. It would be beneficial to directly observe and communicate with subjects. However, it seems to be out of the question at this time and researchers must content themselves with available methods of a more practical nature, i.e., the biographically based case-study.

A Critique of the Method

It should be noted from the very beginning that every investigative technique has its own methodological problems in terms of internal and external validity. The biographical procedures outlined above are particularly hazardous in this respect since their use has been extremely limited in the social sciences and methodological refinement has not yet been achieved on a scale commensurate with the more traditional approaches, i.e., questionnaire and experimental designs. Both these problems should be examined in some detail so that the weaknesses and the strengths of the method may be assessed.

In developing this type of research, the sociologist is confronted with many of the same problems historians must resolve through the use of what has been termed the historical method. The success of this biographical case-study method is dependent, in part, "upon the completeness and accuracy of the diagnosis made of each event or case....

All the general requirements and precautions of the best historical method must be kept in mind in this connection such as an examination of the genuineness of the sources, completeness and impartiality of the descriptions ... the amiability of the historical composite, that is, the conjoined descriptions or observations of several competent writers or investigators, and the presence of means of adequately and critically checking the data."[24]

There are three topics that must be addressed with respect to the internal validity of the proposed methodology: (1) the reliability of data sources, i.e., biographies, in particular, and the accuracy with which they portray the historical trends and events in question, (2) the interpretive bias of the writer who presents this information and (3) techniques that may be beneficial in determining the reliability and bias of biographical information so that it may be controlled for, to a certain extent.

In judging the reliability of biographical information, it must be remembered that this type of data is a secondary source of information derived from other primary materials and that its value is partially determined by the quality of those primary materials upon which it is based. In reviewing biographies, then, it is necessary to assess the

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[24]J. O. Hertzler, "The Sources and Methods of Historical Sociology", p. 271.

reliability of materials the author employed in his work. In the case of Henry Ford, a number of biographies have relied heavily on information found in archives maintained and compiled by the Ford Motor Company. Clearly, the company has a reputation and corporate image to uphold, i.e., presumably favorable, that may grossly influence the type of documentary materials they have chosen to accumulate and disclose to the public. Hopefully, biographers utilizing this archive have been cognizant as to the problems of selective deposit and selective survival that are often encountered by researchers working with this type of collection--collections that purport to be objective but often attempt to disguise historical reality by overemphasizing one particular perspective.[25] It is important, therefore, to be aware of the sources of the biographer's information in an effort to determine its relative accuracy. In short, "we should recognize that using archival records frequently means substituting someone else's selective filter for your own. Although the investigator may not himself contaminate the material, he may learn that the producer or repository already has."[26]

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[25]Eugene Webb, p. 54, outlines the problems of selective deposit and survival of documents that are accumulated within an archive whether it be public or private in nature.

[26]Ibid., p. 111.

Biographers have often placed major emphasis on individual personal documents, i.e., letters, diaries, etc., that may be subject to similar kinds of distortions. Personal documents are written after an event has transpired, often a considerable time after, and are subject to, "errors of omission, rather than commission, because of lack of completeness or lack of balance in observation, recollection, and narrative. Such errors give a picture that is out of perspective because it leaves out some data or overemphasizes those it does include."[27] Although the modus operandi may differ from the distortions found in the archive, personal documents may also be slanted historical representations and may cause the historiographer to unintentionally misconstrue the progression of historidal events. The reliability of his interpretation and description would suffer accordingly.

Furthermore, every personal document is written by an author with a particularly unique perspective. "Every document, no matter how thoroughly the author strove to be objective, must exhibit to a greater or less extent the author's philosophies and emphases, likes and dislikes, and hence betray the author's inner personality."[28]

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[27]Louis Gottschalk, p. 40.

[28]Ibid., p. 13.

The biographer must be conscious as to the source of the documents he is using so that the biased nature of that document may be clearly recognized as a product of one individual's personal experience. Without such a perspective against which to interpret a document, the biographer may incorporate evidence into his research that heavily distorts the actual historical situation.

The point to be stressed is that biographers must select information that is necessarily subject to errors of reliability and, as mentioned earlier, it is his responsibility to be conscious of such pitfalls so that his work may remain as objective as possible. Be that as it may, it would only be the most naive of sociologists to accept the biographer's word as final and completely truthful and objective. The sociologist utilizing biography, must also appreciate these obstacles to reliability and recognize the distorting influences that may have affected the original work, unbeknownst to its author. For example, the researcher should note biographies that rely primarily on information retained by the biographer from the Ford collection since that work, being a product of a potentially propagandizing archive, may exhibit exceedingly favorable attitudes toward Henry Ford--attitudes purposefully slanted through a positively oriented collection. In short, although the biographer assumes responsibility for presenting the life-history in an historically accurate fashion, the sociologist

would be naive to assume that he has accomplished this task without some distortion. For this reason, the researcher must be careful to note the potential sources of error in biography due to the documentary impediments encountered by the writer--impediments that the biographer may or may not have been aware of.

Distortion may result from unreliable documentary material but, it may also be attributed to the biographer's own biased perspective that permeates his work. In the type of case-study research proposed here, it is critical to separate descriptive fact from the author's own interpretation--a challenge that has been experienced in all phases of research within the social sciences. No matter how vehemently the investigator attempts to maintain his objectivity in describing the historical image, he, "will still unconsciously interpret it in terms of (his) own habits, norms, beliefs or prejudices ... such limitations are important when dealing with the enormous amounts or mass of descriptive material contained in historical chronicles, accounts, (and) biographies."[29] It is imperative to become familiar with the author's personal bias in order that an accurate description of the case-study may be ascertained

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[29]Florian Znaniecki, The Method of Sociology (New York: Farrar and Rinehart, 1934), p. 194.

through the potentially biased mist that may surround it. One must avoid being blindly led astray as a result of a biographer's particular coloring of the data.[30]

While the difficulties in obtaining reliable and unbiased data are manifested as imposing threats to the internal validity of this research, there are certain procedures that may be prescribed to reduce the problem considerably. First, and implicit throughout the previous discussion, the researcher should be conscious of the interpretive bias of those who have both written and compiled the information he is using. Without recognizing the slanted perspectives in biographical materials, he will become embedded in a quagmire of contradictory and highly perplexing evidence.[31] While this process of recognition may seem almost too elementary to mention, it is an issue raised here simply because it is the critical prerequisite to any historical research and, indeed, is the fundamental root to critical thought itself. However, another, more formal and technically precise, method may be employed to ensure a respectable degree of internal validity.

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[30]This problem is similar to that discussed by Denzin as the "reactive effects of the observor" in the section previously noted.

[31]Specific resources are available for gaining this perspective. Roger Burlingame, Henry Ford (Chicago: Quadrangle Paperbacks, 1954), pp. 185-194, provides an excellent annotated bibliography of biographies sighting the author's bias for each book.

The methodological literature accumulated in the social sciences, and sociology in particular, has advocated a multi-method approach to social research where the findings of one method verify and reinforce the findings of another--a procedure referred to as "triangulation". Researchers familiar with a plethora of methodological techniques have maintained that, "the internal consistency, or self-confrontation of evidence obtained by such polydimensional approaches is almost the only test we have for the validity of our researches,"[32] and that such procedures should be pursued wherever possible to insure that data is reliable. Similarly, this logic has been advanced within particular methodological spheres through the replication of studies where a researcher's evidence is greatly enhanced if it can be reproduced by a different research team in a different place and time. In short, when results are substantiated by (1) processes of triangulation or (2) reconfirmed through replication of the original investigation, they stand as strikingly reliable and internally consistent evidence.

While a multi-method design is not applicable to the present investigation, for the temporal and accessibility problems previously outlined, a similar sort of double-checking procedure may be implemented that has a flavor

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[32]Denzin, p. 121.

reminiscent of both triangulation and replication. To insure the internal validity of the Ford case-study, a system of cross-references will be devised that draws upon the general rule followed by historians and journalists, "to accept as historical only particulars which rest upon the independent testimony of two or more witnesses."[33] Since the investigation is to be based on biographical information, only that information reported by at least two biographies or a biography and some other reliable source of information, i.e., government document, eyewitness accounts, etc., should be accepted as internally consistent data. Once the, "proposition has been confirmed by two or more independent measurement processes, the uncertainty of its interpretation is greatly reduced."[34]

The advantages of such a method are two-fold. First, the reliability of specific historical information--the idiographic detail upon which the case-study is to be constructed--is enhanced. Confidence in research conclusions will be strengthened considerably since the data has been "replicated" by two different sources and perhaps two different measurement devices, i.e., biography, letters, public documents, etc. Secondly, and equally as significant, this

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[33]Louis Gottschalk, p. 45.

[34]Eugene Webb, p. 3.

procedure provides a means to control the inevitable interpretive bias of the biographer. By constantly cross-checking information from one biography against that of another, not only will the contrasting perspectives of each biographer become obvious but, each biographer's personal bias, reflected through his errors of omission and commission mentioned earlier, will become apparent. For example, if a particular author chose to overemphasize Ford's volatile labor policies in an attempt to degrade the man, the bias will be exposed when contrasted with another writer's deemphasis of the same material. Obviously, this method calls for a diverse set of biographical references whose mean impressions will provide a relatively objective view of the case.

A similar technique was employed by Thomas and Znaniecki's famous study of Polish peasants during the early 1900's.[35] They believed that, "the possibility of controlling the assertions of the author determine prevalently the relative reliability of the document,"[36] which were personal letters of correspondence in this case. They devised a system of double-checks comparing statements of similar people

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[35]William I. Thomas and Florian Znaniecki, The Polish Peasant in Europe and America (Boston: Gorham Press, 1920).

[36]Florian Znaniecki, The Method of Sociology, p. 189.

who had all been present at an historical event at the same time as well as statements by the same person taken at various times, in an effort to increase the reliability and minimize bias in the descriptive data pertaining to the events.[37]

Despite the tenacity with which these problems of reliability and bias are pursued, another more subtle impediment needs consideration--a phenomenon referred to as the "reality distance problem". Historical reality, subjectively perceived, is interpreted and translated into documentary form by an individual. That document is then perceived, interpreted, and analyzed by the biographer and redeveloped in the biography which the sociologist now takes up to perceive, interpret, and analyze once again. The result can be envisioned as a, "chain of interpretations",[38] becoming progressively distant from the historical problem at hand. Although certain measures may be developed to eliminate a considerable amount of interpretive bias, i.e., the cross-reference system discussed above, what may be done to control the interpretive bias resulting from the final stage of analysis? How is the sociologist, using biographical

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[37]It is interesting to note the use of what might be called cross-sectional and longitudinal verifications of data sources in this study.

[38]Norman Denzin, p. 247, discusses the reality distance problem in more detail.

material, to eliminate his own personal bias which will inevitably permeate his research interpretations and conclusions?

While attempts to enforce objectivity on one's own research should be stressed as an ideal, it does not seem realistic to assume that such endeavors will be completely successful. The researcher's own perspective, philosophy, and beliefs will undoubtedly color his work in subtle ways, despite his efforts to pursue objectivity. Perhaps the single most positive measure he can promote is to delineate his own point of view so that those who review his work will be conscious of his perspective and keep it in mind when examining the finished product. In keeping with this approach, it should be obvious that the general tenor of this research stems from an appreciation of Marx's conception of alienation--an appreciation that finds his theory of capitalist alienation quite applicable to the case-study the research will focus on. Nevertheless, despite the potentiality for biased interpretation of data, the research will be carried out as objectively as possible.

Having discussed the problems anticipated in terms of the reliability and bias of the biographical method, consideration should now be directed toward external validity. Indeed, the basic question that must ultimately be faced is to what extent are the results obtained by investigating one

specific case-history generalizable to a broader population of cases?

The foremost criticism of this research design is as simple as it is poignant. Expressed in its most basic form, when the sample drawn from a population is as limited as this research proposes to be, generalizability becomes extremely difficult, if not impossible. The investigator, "can hardly expect to represent accurately by a single case the many other unstudied cases of possible interest."[39] In fact, there is substance to such a critique and it is a point well-taken, especially if one were to desire the degree of generalizability often associated with quantitative methodology and statistical analysis employing large sample sizes. To generalize about society as a whole, from such an extremely limited sample size is admittedly hazardous and for this reason many sociologists question the case-study method as an externally valid sociological tool, especially when those employing the method as an idiographic end in itself, "lapse into a kind of historicism that denies the existence of a generalizing science of sociology."[40]

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[39]Matilda W. Riley, Sociological Research (New York: Harcourt, Brace and World, Inc., 1963), p. 74.

[40]Gideon Sjoberg and Roger Nett, A Methodology for Social Research (New York: Harper and Row Publishers, 1968), p. 264.

Granted, the case-study is generally not as powerful as experimental, statistical, and comparative methods, in terms of generalizability. However, as earlier discussion has indicated, the major emphasis of this research is not on the development of sweeping generalizations that transcend the sample and encompass broad populations. Instead, "the primary objective of such studies is not to generalize, but to provide fresh insights into the nature of a particular system, to suggest new ideas that might later be subjected to rigorous testing on larger samples of cases."[41] This particular case-study has been undertaken to fill out the theoretical skeleton left incomplete by Marx and to develop a more lucid understanding of the theory of capitalist alienation. The focus of the research is on the elaborate analysis of one representative case for purposes of theoretical clarification. Attempts at generalization, while important, are of secondary concern at this time due to the exploratory nature of the research.[42]

However, to the extent that this particular case-study is representative of other cases, i.e., other capitalists, a certain degree of informal generalization may be attempted

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[41]Matilda W. Riley, p. 74.

[42]Expanding the sample size to include more cases may be a possible avenue for future research and a technique which will improve the external validity of the research. Such an expansion would facilitate an ability to generalize with more confidence.

in order to ascertain characteristic similarities among other capitalists experiencing alienation. If, indeed, it can be demonstrated that Henry Ford is a case sufficiently similar to other capitalists as to be representative of a broader population, then perhaps, a few reserved inferences could be offered about the total population Marx referred to in his theory of capitalist alienation. Whether or not Ford is typical of the "average" capitalist Marx described, is a question that will be addressed when discussing the reasons for selecting him as the subject of this research--a topic that will be pursued shortly.

A Note on Autobiographies

Although most of the material for the case-study will be the product of biographical printings, there are a series of autobiographies available, produced by Ford in collaboration with another writer, that may provide useful insights into this case. Autobiography, as a documentary source of information, presents a few unique problems in terms of reliability and bias that do not appear in biographical studies. Since this data will be utilized in a peripheral role, its shortcoming should be briefly explored.

Autobiographies are a primary source of information that can be classified as a personal document or one,

"which reveals a participant's view of experiences in which he has been involved. It is not absolutely essential that the individual whose conception of a situation is set forth should have written the document himself,"[43] as is the case in Ford's collaborative efforts at writing his own histories. Although the autobiography is most helpful as a primary source of information and may provide intriguing insights into the life-history under investigation, there are a number of unique hinderances that researchers should be aware of when using this type of information including (1) reactive measurement effects, i.e., demand characteristics, and (2) interviewer effects.

Reactive measurement effects may arise when, "the research subject's knowledge that he is participating in a scholarly search (confounds) the investigator's data."[44] In other words, an individual who understands that he is being subjected to close observation, either voluntarily or otherwise, may purposefully exhibit behavior or divulge information which might not be offered under normal circumstances, i.e., where he was not being observed. Henry Ford may, in fact, have presented biased descriptions of his behaviors and attitudes through his autobiography so that

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[43]Robert Angell, p. 177.

[44]Eugene Webb, p. 13.

his audience would be impressed with an image he chose to portray rather than one that was representative of the historical truth. This type of "demand characteristic" has been anathema to social scientists, especially experimentalists and interviewers, for years and is a realistic concern for the writer collaborating with a subject on autobiographical material in a situation similar to the one that produced Ford's autobiographies.[45]

Furthermore, and closely linked to the bias introduced through reactive measurement effects, the problem of interviewer effects presents serious dilemmas to anyone collaborating with subjects in an interviewing situation. When Ford's collaborator wrote the books, his demeanor, method of questioning, type and wording of question, etc., all could have elicited certain pointed responses from Ford that other interviewers might not have obtained. The result may have been autobiographical material containing subtly distorted images and impressions of Ford's life and attitudes.

Research has been conducted to determine the hidden dimensions of the interviewing process and, "the evidence is overwhelming that a substantial number of biases are

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[45]See M. T. Orne, "On the Social Psychology of the Psychological Experiment: With Particular Reference to Demand Characteristics and their Implications", American Psychologist, 17 (1962), 776-783, for a detailed discussion of demand characteristics.

introduced by the interviewer."[46] While these problems are quite subtle, they are, nevertheless, significant and should be recognized since the case-study will be derived, in part, from collaborative autobiography. However, these difficulties can be reduced to provide a reasonable degree of internal validity if a system of cross-references is carefully employed where evidence from another reliable source.

Why Henry Ford as a Case-Study?

The foregoing discussion has implied that, "the processes of behavior are matters not discoverable by enumeration and statistical comparison. Hence, the method of the case-study calls for fewer cases but more elaborate and thorough data. The best cases are hand picked."[47] But why has Henry Ford, in particular, been selected for investigation rather than some other personality from the broad field of available capitalists? First, Henry Ford seems to be representative of the type of capitalist Marx referred to in his theory of capitalist alienation. Secondly, the

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[46] Webb, op. cit., p. 15.

[47] E. T. Krueger, "The Technique of Securing Life History Documents", Journal of Applied Sociology, 9 (1925) p. 291.

nature of Ford's involvement with the capitalist mode of production offers an especially vivid case for studying the process, i.e., the historical development, of alienation. Finally, his is a well-documented case providing an extensive range of materials available for use as data sources.

It was mentioned earlier that the ability to generalize one's research conclusions from the sample to the population of interest is directly contingent upon the degree of similarity between that sample and its corresponding population. In other words, the researcher must demonstrate that his case is representative of the population he wishes to infer to, or those inferences will not be externally valid. This problem is especially difficult in this case where a single case-study is the investigation's focal point. The question then becomes, to what extent does Henry Ford provide an adequately "typical" capitalist case, similar to that envisioned by Marx?

The capitalist systems Marx observed were operating on a competitive basis and, as a result, the theory of alienation presupposes a competitive capitalist economy. His theory of alienation provides a conceptual framework for understanding the effects such an economy has on its participants as individual human beings. The study of alienation within the Marxian framework, necessitates the examination of a capitalist involved in a competitive capitalist system.

Henry Ford was such a man, being absorbed with the automobile industry from its most competitive origins where a multitude of manufacturers battled for pieces of a virgin market. In this sense, Ford is representative of the capitalists Marx sought to portray throughout his writings.

Furthermore, Ford was perhaps the most successful industrialist of his time, having established what proved to be the world's third largest industrial corporation, in terms of sales.[48] Because he was such an overwhelmingly capable entrepreneur, he may be considered most useful as an "ideal type", i.e., the ultimate example of a competitive capitalist, more so than others of lesser financial and industrial accomplishment. Ford's extraordinary career as a capitalist makes him an especially appropriate subject for this research because, "in an exploratory study, cases that provide ... striking features are most useful."[49] His colossal achievements as a capitalist may reveal alienated behavior equally as prominent since his "striking features" may serve to illuminate and magnify the subtleties of behavior that might otherwise be overlooked in an example of lesser contrast and extreme. It seems then, that Ford

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[48]David L. Lewis, The Public Image of Henry Ford (Detroit: Wayne State University Press, 1976), p. 483.

[49]Claire Selltiz, p. 64.

provides an exceptional case representative of the "ideal" capitalist Marx referred to.

Ford is also a positive example to select because he was deeply involved with the development and construction of mass-production systems premised on a Tayloristic sort of efficiency model--the same model Marx condemned as the primary exploitive mechanism by which capital extracted surplus-value from labor. Many authors consider Ford the pioneer of these techniques in the automobile industry and note that he was personally involved with their design and perfection. This being the case, it may be possible to observe the historical development of his own alienation as it corresponds to the alienation of his work force that grows out of an increasing division and refinement of labor.

In this same historical vein, Ford first experienced the production of automobiles as a non-profit avocation; a spare time curiosity. Gradually, the hobby manifested itself as a financial endeavor emphasizing capital accumulation causing him to transcend the role of non-capitalist tinkerer and to become a capitalist intent on the maximization of capital. This transformation from one role to its polar opposite may again reflect the process and historical development of alienation as it is experienced by the capitalist.

Finally, Ford's life-history is an accessible story widely documented through biography and autobiography. As mentioned earlier, this is one of the major advantages in using this type of material where alternative methodological approaches are limited.[50] In a similar fashion, the extensive documentary resources available on Ford's life provide an excellent range of data representative of diverse viewpoints. Because some of the material is slanted favorably, some unfavorably, and some relatively unbiased, an objective historical image of the man's life may be constructed by taking all these perspectives into consideration. In essence then, Ford's life seems to be a case with a number of advantages lending themselves to this type of case-study research.

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[50]It may be necessary to note that while a multitude of data seems to be an ideal reason for selecting Ford as a case-study, it may also indicate another consideration. There may be some characteristic peculiar to this case that has provoked such voluminous comment. While this may imply that Ford is not representative of competitive capitalists as a population and thereby imply that external validity is threatened, it seems reasonable to assume that the great coverage devoted to his life is a by-product of his tremendous financial and industrial success as a stimulator of public curiosity.

CHAPTER III

THE CAPITALIST'S ALIENATION FROM WORK-ACTIVITY

The capitalist's alienation springs from two general types of alienating work-activity nurtured by the structural conditions of competitive capitalism. First, he exploits the labor force by pushing the productive capacity of labor to its uppermost limit through refinements in the division of labor, automation, work speed-ups, etc. Simultaneously and of equal importance, he attempts to repress any wage increases corresponding to improvements in that labor productivity. If this approach to labor is successful, increasing amounts of surplus-labor and therefore relative surplus-value accrue to the capitalist and his holdings of capital tend to accumulate.

Furthermore, the capitalist must command an adequate share of the market so that his capital is not absorbed by other competitors. His price must be kept low enough relative to the competition's so that his products will sell and increase his capital holdings. As mentioned earlier, the logic behind prices in the competitive market is merely reiteration of the processes of labor exploitation and cost

cutting. A manufacturer is only capable of reducing prices insofar as he is capable of reducing production costs, i.e., increasing labor productivity and minimizing constant and variable capital expenses. Assuming that cost for materials or constant capital is the same for all competitors in a given market, prices then become a function of wages and labor productivity. The capitalist must maintain sufficiently low prices in the market place and therefore correspondingly low production costs in the shop or face financial extinction through inadequate sales.

These are the structural prerequisites to survival in a competitive capitalist economy--requirements the capitalist must not violate. Marx maintained that such activity created a "state of alienation" that facilitated the capitalist's alienation from products, man, and species and therefore alienation from that activity itself. In this chapter, attention will be focused on those specific activities pursued by Henry Ford that were responsible for the creation of a state of alienation similar to that proposed by Marx. While that state of alienation will not be fully discussed until later chapters, it will be shown here that each activity was molded within the structural framework of competitive capitalism as it developed in the American automobile industry during the first half of the twentieth century. That structuring is itself indicative of alienation from work-activity.

Selection of Indicators

A multitude of significant events transpired during Ford's life that are indicative of the alienating work-activities capitalists necessarily become involved with. Since Ford engaged in a wide range of activities during his directorship of the Ford Motor Company, the rationale underpinning the sample of particular activities selected for discussion here should be addressed. Sound theoretical reasons have been responsible for the selection of each example and these should be clearly explicated.

Marx's theory of alienation implies that capitalists are constantly seeking to improve the productivity and efficiency of labor so that relative surplus-value may be increased. So that these activities may be investigated, Ford's obsessive involvement with new and more refined methods of mass production will be explored culminating with his special curiosity for assembly lines. Attention will also be directed toward his notorious reputation for work speed-ups--a technique Marx alludes to specifically as a method of devilish labor exploitation. Finally, Ford's famous gesture offering a five dollar minimum wage to his workers will be examined as it too is indicative of his wish to maximize labor productivity and increase capital accumulation. Since Ford's offer was voluntary and, therefore,

seems to be philanthropic, it seems to contradict Marx's conception of capital striving to exploit labor through the maintenance of minimal wage levels. However, it will be demonstrated that most evidence supports the theory that Ford did, indeed, propose the wage increases to squeeze increased production from his workers and refutes the theory suggesting his philanthropic nature.

In addition, emphasis will be placed on Ford's techniques involving the minimization of wages and variable capital expenditures through deliberate wage cuts and devices for preventing worker advancement to higher pay levels. The instances chosen for analysis were generally coupled with production increases as described above and, therefore, are especially enlightening as to the complexities involved in the capitalist's quest for increased relative surplus-value--something that is only attained through the manipulation of both labor costs and rates of production. In essence, Ford's activities of labor exploitation will be discussed as they are indicative of the capitalist's desire to (1) increase labor productivity and (2) minimize variable capital outlays.

The activities representative of capitalist behavior selected in these two respects are quite revealing for another important reason. Each manipulation of production rates and wages was predicated by historical and economic

conditions so severe as to pose a direct threat to the Ford Motor Company's financial stability. The five dollar day may be the only exception to this trend. Whether the crisis was a decline in sales, a labor upheaval, etc., is relatively inconsequential when it is realized that each predicament was a direct threat to profits and the accumulation of capital. In other words, the examples that have been selected are especially illustrative of the activities capitalists must perform in order to sustain capital accumulation and their own economic livelihood.

It seems logical to conclude that focusing on situations of impending crisis, where the company's economic survival is at stake, should reveal the essence of the capitalist's activities as structured by the capitalist mode of production. During times of crisis, the capitalist's behavior must be strictly in line with the requirements of the market or he may perish financially. Therefore, examination of such activity during such catastrophic periods ought to be exceptionally beneficial in highlighting the capitalist's behavior--behavior that is accented by the urgency of the times.

If indeed it is demonstrated that these activities are of an alienating nature, then it will also be shown that alienation from work-activity is structured by the capitalist mode of production and that Ford had no alternative but to sway under the pressures imposed upon him by that system.

Having discussed Ford's exploitation of the labor force, his dealings with the competitive market will also be addressed. Particular attention will be paid to his method of competing on the basis of price reductions. Again focus will come to rest on particular periods of historical crisis for the Ford Motor Company where the competitive struggle for a major share of the market is being lost. During these times, intense structural pressures are brought to bear on Ford and his actions are most illuminating, reflecting the pressures of the capitalist mode of production and the resulting activities he engages in. It will be shown that the competitive struggle does indeed revolve around the determination of prices and that those prices directly influence production and wage policies, i.e., the degree of labor exploitation.

In short, the examples chosen from Ford's life are indicative of his activity as a capitalist who sets production, wage, and price policies in an effort to maximize surplus-value and accumulate a maximum amount of capital. Furthermore, the examples have been selected because they are especially illustrative of the capitalist activities that are conditioned by the capitalist mode of production.

Ford's Alienation from Work-Activity

Marx maintained that, "an increase in the productiveness of labor causes a fall in the value of labor-power and a consequent rise in surplus-value,"[1] an objective that the capitalist must pursue in order to survive in the competitive market place. Henry Ford personified this logic and grappled with the problem of increasing the surplus-value of automobile production to the point where it would ensure a maximum profit and still appeal to a market encompassing individuals of modest means. To this end, he became obsessed with the refinement of the division of labor convinced that mass production of the automobile as a profitable commodity was only possible by continuously striving to produce cars faster and more efficiently. As a result he pioneered automotive mass production techniques in general and the assembly line in particular. The guiding principle for these activities was simply to increase the speed at which cars could be produced through, "the reduction of the necessity for thought on the part of the worker and the reduction of his movements to a minimum. (The worker) does as nearly as possible only one thing with only one movement,"[2] thereby

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[1]Karl Marx, Capital I, trans. Samuel Moore and Edward Aveling (New York: International Publishers, 1967), p. 521.

[2]Henry Ford, My Life and Work (Garden City, New York: Doubleday, Page and Company, 1923), p. 80.

insuring the utmost efficiency and increased rates of production.

With the help of Charles Sorensen, P. E. Martin and others, Henry Ford set about to revolutionize the automobile industry's production methods in a manner reminiscent of Frederick Taylor's principles of scientific management. "The placing of machines and men in a well planned sequence of operations to save time and labor ... was too obvious a contribution to efficiency to be neglected,"[3] and finally led Ford to develop a system where tools and men were arranged in order of the jobs to be performed resulting in reduced production time per vehicle. Furthermore, for the first time in the industry work was brought to the worker rather than moving the worker to the job. Continuously moving conveyors were installed to facilitate labor efficiency and were constructed at waist level to eliminate the numerous stooping motions that wasted time, slowed the rate of production, and caused the company to exceed the necessary variable capital investments.[4]

In 1910, the Ford plant at Highland Park began production utilizing these principles and immediately received

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[3]Allen Nevins, Ford: The Times, the Man, the Company (New York: Charles Scribner's Sons, 1954), p. 464.

[4]For detailed information on Ford's methods see Horace Arnold and Fay Faurote, Ford Methods and the Ford Shops (New York: The Engineering Magazine Company, 1915).

accolades as the, "best factory arrangement for car production known in the country."[5] As conveyor systems and job specialization were extended throughout all phases of the operations, production speeds and savings in variable capital soared. For example, before efficiency techniques were introduced, Ford workers spent roughly twelve and a half man hours building one chassis, a quick pace compared to the industrial average. Nevertheless, Ford was dissatisfied and refined the division of labor, breaking down the task into a series of sample operations and reducing the average labor time per chassis to a mere two and a half hours.[6] Eventually similar systems were extended, "to motors, fenders, magnetos, and transmissions. One by one these operations were revamped ... savings in labor time were enormous; some parts were put together six times as fast."[7]

At a time when the automobile industry was just blossoming and competition for a share of the market was most intense, the logic behind Ford's method became readily apparent. An examination of operations at Highland Park reveals

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[5]Allan Nevins, p. 454.

[6]Ibid., p. 473.

[7]Charles Sorensen, My Forty Years with Ford (New York: W. W. Norton and Co., Inc., 1956), p. 130.

that, "the urgent demand for maximum production (was) the dominant condition which governed every activity of the Highland Park shops."[8] Every effort was made to cut labor costs by increasing the speed of production.[9] Through the implementation of such mass production techniques, surplus-labor extracted from the worker could be increased and the costs of producing an automobile would be reduced enabling Ford to lower his prices while maintaining the same margin of surplus-value. Obviously lower prices would attract an increasing share of the market and his capital would tend to accumulate, a process that will be investigated in greater detail later.

Ford had no recourse but to minimize his production costs so that he might survive in that early competitive market. Had he not reduced costs and prices, his product would probably not have sold as successfully as it did and he would have been forced to withdraw from the market place. It is interesting to note that Ford's two earlier attempts to manufacture cars, the Detroit Automobile Company (established in 1899) and the Henry Ford Automobile Company (established in 1901), both failed because prices were so high that only the wealthiest individuals could afford the

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[8]John B. Rae, Henry Ford (Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1969), p. 66.

[9]Sorensen, op. cit., p. 130.

product. A volume of production could not be generated to justify either company's continued existence.

Technological improvements were not the sole tools Ford wielded to increase production rates and squeeze maximum amounts of surplus-labor from his workers. Often, and especially during times of impending financial crisis, he resorted to work speed-ups. At those times, "production could never become fast enough until the worker's motions were almost automatic and without thought."[10] Near disaster forced him to push workers to their extremes in the early 1920's and again in the 1930's.

In 1920, the post World War I economic boom finally ground to a staggering halt casting the nation into depression. Many automobile manufacturers were forced out of business and the Ford Motor Company was in dire financial straights as a result of declining sales and profits. In an effort to revitalize flagging sales and keep the company afloat, Ford resorted to work speed-ups so that he might cut costs of production, reduce his prices, and attract a wider market for his product. "The speed-up at this time ... a period when company heads felt that ruin was impending, was probably the most intense in Ford history."[11]

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[10]Roger Burlingame, Henry Ford (Chicago: Quadrangle Paperbacks, 1954), p. 64.

[11]Allan Nevins and Frank Hill, Ford Expansion and Challenge 1915-1933 (New York: Charles Scribner's Sons, 1957), p. 519.

Furthermore, Ford instituted policies for increased "stretch-outs" where many employees were given additional operations to oversee. Production rates were increased by having workers run five or six machines where they had previously been responsible for only three.[12] "It was as logical for (the man on the line) to call the effect of the stretch-out a 'disguised wage cut' as it was for management to describe the same process as a 'means of lowering costs'."[13]

The result of both tactics was to increase the rate of production while keeping wages, i.e., variable capital, constant--a practice that led to increases in surplus-labor and, therefore, relative surplus-value. Just before Ford shut down to retool from late 1920 to 1921, he was employing 4,000 fewer workers than the previous year, using them five days a week rather than six, yet still maintaining constant levels of production.[14]

Reopening in 1921, Ford resumed the relentless speed-ups along the assembly lines. Prior to the closing, Ford employed an average of fifteen workers for every car driven

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[12]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 519.

[13]Keith Sward, The Legend of Henry Ford (New York: Rinehart and Company, Inc., 1948), p. 354.

[14]Allan Nevins and Frank Hill, Ford, Expansion and Challenge, p. 519.

off the line, yet after production had resumed, only nine workers were employed for each car manufactured while production rates remained unchanged. Production costs had been cut from $143 per car to $93--an annual saving of some $60 million![15]

During the Great Depression of the 1930's, the automobile industry was crippled by reduced sales and profits. Consequently, Ford and other corporations ordered the assembly lines sped-up in another effort to reduce costs and maintain constant margins of surplus-value. The Ford Motor Company was a source of abusive "driving tactics" by harsh bosses who told workers, "that times were hard, the company was straitened by competition, costs must be cut, and production must rise."[16] For example, open hearth workers who were previously accustomed to breaking down 130 cars a day for scrap metal had their quotas increased to 190 while supervisors urged them toward 225 a day.[17]

While labor was acquiescent for the most part, there were outbursts of protest during those lean years. A communist organized "Hunger March" demonstrated against the

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[15]Anne Jardim, The First Henry Ford: A Study in Personality and Business Leadership (Cambridge, Mass.: The MIT Press, 1970), p. 122.

[16]Allan Nevins and Frank Hill, Ford: Decline and Rebirth 1933-1962 (New York: Charles Scribner's Sons, 1962), p. 152.

[17]Ibid., p. 152.

Rouge plant in 1932 demanding among other things the abolition of work speed-ups.[18] Furthermore, in February, 1934, that same plant was hit by an unprecedented wild-cat strike where workers walked off the line in defiance to speed-up tactics promoted by hard driving foremen. "Of all the grievances at the Rouge during this period, none was sharper than the speed-up. Martin, Sorensen, and other bosses had always driven their men, but never so much as now. A flip of the switch would put the assembly line into higher gear compelling workers to strain themselves to the utmost."[19]

Clearly it can be seen that when methods of capital accumulation had to be most efficient; when the economic survival of the Ford Motor Company was hanging in the balance, Henry Ford immediately moved to exploit labor to the fullest extent possible through ruthless speed-up and stretch-out tactics. During both crises, in 1920 and later in the 1930's, the speed-up was used as the ultimate tool for turning up the rate of production and circumventing financial disaster.

Since prices had to be reduced in both cases to rejuvenate the dying market and guard against financial losses,

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[18]William Simonds, Henry Ford, His Life, His Work, His Genius (New York: The Bobbs-Merrill Co., 1943), p. 229.

[19]Nevins and Hill, op. cit., p. 151.

the economic situation for Ford was structured in such a way that increased surplus-labor had to be produced.[20] If he failed to produce increases of surplus-labor and relative surplus-value, price reductions might easily have wiped out all surplus-value and profit margins. The Ford Motor Company would have been producing cars at or below cost--an activity that would have soon led to its financial destruction. As a result, the structural conditions of the competitive system left Ford little alternative but to force production rates upwards by pushing his workers to their limits. One of Ford's closest advisors during the early years of the company claimed that, "the sole end of industry was production and profits, and the one sure way of getting these things out of labor was to curse it; threaten it; drive it; insult it; humiliate it; and discharge it on the slightest provocation, in short ...: put the fear of God into labor."[21]

To instill such fear was a task accomplished by Ford with precision and skill during the crises. Foremen tried to outdo production on previous shifts in an attempt to win the favor of superiors. Brutality and terrorism were common

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[20]Ford's structurally defined price policies and their relationship to surplus-value and labor exploitation will be discussed later in the chapter.

[21]Samuel Marquis, Henry Ford An Interpretation (Boston: Little, Brown, and Company, 1923), p. 141.

methods for speeding production--methods refined and perfected by Harry Bennett's gestapo-like Ford Service Department. Labor stood relatively idle in light of the situation because, "always over the men hovered the fear of slowing down and losing their jobs,"[22] to the thousands waiting for work in the reserve pool of unemployed. Interestingly, these reserves were also structurally created products of the capitalist system and tended to grow as crises developed thereby assuring capitalists an effective prod to use against sluggish workers.

The preceding discussion has been explicit in suggesting that conditions of the capitalist mode of production necessarily elicit particular behaviors and activities from the capitalist. Henry Ford had to maximize the creation of relative surplus-value so that his company would survive financially during the early 1920's and the Great Depression of the 1930's. Implicit to this argument is the notion that contractions in the capitalist economy similar to those occurring in the 1920's and 1930's, cause the capitalist's behavior to become more competitive. As the requirements for economic survival in the marketplace become more rigidly defined, i.e., when prices and therefore production costs must be cut to the bone, the economic activities of the

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[22]Nevins and Hill, Ford: Decline and Rebirth, p. 152.

capitalist must also become more rigid if he is to survive in that competitive environment. As discussed above, Ford's exploitation of the labor force necessarily increased as a function of the competitive pressures he experienced in the market place.

If this logic is sound, one would assume that the reverse might also be true. That is, during times of prosperity when activity in the marketplace is more relaxed and not a daily life and death struggle; when it is a seller's rather than a buyer's market, the degree to which Ford exploits the labor force may decrease. In 1914, that is precisely what happened when Ford offered his workers an unprecedented five dollar minimum wage for an eight hour work day--a figure that virtually doubled the standard wage rate in the industry.

Detroit was besieged with labor discontent from 1900 through 1914. Industrialists feared the rising presence of the International Workers of the World (IWW) and were especially alarmed when the "wobblies" organized a strike at the Studebaker plant during the summer of 1913. Labor grievances generally focused on, "the militancy of the open-shop movement and the shattering effect of the subdivision of work on craft skills and craft cohesion."[23] Obviously this discontent, as it was displayed by Ford's workers,

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[23]Allan Nevins, p. 522.

was percipitated partially by continuously refined methods of mass production--methods that were the direct result of Ford's continued activities devoted for perfection of a specialized division of labor.

Nevertheless, despite labor turnovers ranging from forty to sixty percent a month and reflecting worker dissent,[24] Ford's dollar sales had been mushrooming at a phenomenal rate, more than doubling in the year ending September 31, 1913.[25] Clearly prosperity was shining on the Ford Motor Company. Why then, with business so favorable, was the announcement made in January, 1914, that Ford would institute a "profit sharing" plan raising the minimum wage to five dollars a day for eight hours work--an action that apparently voluntarily reduced Ford's own profits to the benefit of the workers? Indeed, the gesture piqued his industrial contemporaries and baffled the world.

Three major trends of thought have emerged to explain the action. Ford's antagonists in the labor camp maintained that the decision was a product of the mounting labor tensions of the times; that it was a device designed for labor cooptation and appeasement. Others suggested that Ford simply had a philanthropic heart and wanted to share the

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[24]Keith Sward, p. 51.

[25]Allan Nevins, p. 645, show that Ford sales jumped from $42,477,677 to $89,108,884 in that year.

wealth with his workers. Still others believed that the gesture was a shrewd tool for increasing labor productivity in his shops. While all explanations are plausible in varying degree, the most overwhelming body of data indicates that Ford was predominantly concerned with increasing labor productivity.

On January 14, 1914, Ford and his three top executives met to discuss the possibility of offering the five dollar minimum wage. A member of the group, Charles Sorensen later reported that as he listened to Ford's argument he, "began to see how the (wage) would give greater incentive to workers and that savings resulting from lower costs and resulting higher production might be sufficient to take care of the major part of the increases."[26] Furthermore, Sorensen revealed that he had been instructed by Ford to compile sales projections for the next five years, which he presented at that meeting indicating that the current trend of rapid growth would probably continue. James Couzens, another member of the quartet, noted that Ford's proposal would enable the company to "skim the cream" of the labor market and acquire the most diligent labor force available.[27]

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[26]Charles Sorensen, p. 139.

[27]Keith Sward, p. 52.

Supporting the proposition that his decision was rooted in a philosophy devoted to increasing labor productivity, Ford revealed that in 1913, he had ordered time studies conducted of all operations in the shops, "to determine what a man's output should be ... and how much is expected from the man in the job in return for the wage,"[28] information he utilized in determining the degree to which labor efficiency might be increased by higher wages.

While the general impression was that Ford simply wished to extend his company's good fortune to the workers, the facts and events cradling the decision cannot be ignored. Obviously the ramifications of the plan were carefully weighed by Ford and his staff. The company's ability to counterbalance increased wages with increased production was examined in order to ascertain the potential for maintaining and perhaps increasing the margin of surplus-value. Ford's logic was simple, "labor in the country (was) said to be forty percent efficient. If a more liberal grant of the earnings of labor were made to labor, possibly it would draw out enough of the unused sixty percent to make the experiment profitable to both labor and capital."[29]

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[28]Henry Ford, My Life and Work, p. 125.

[29]Samuel Marquis, p. 50.

Indeed, Ford may have first conceived the plan out of humanitarian interests. But it was only operationalized after he had convinced himself and others that the offer would not undermine the company's ultimate goal of profit maximization. In fact, it was the executive staff's hope that the gesture would eventually produce increasing accumulations of capital by increasing production and service to a rapidly expanding market. In short, Ford's generous activities were subject to the structural conditions governing survival in the market--a situation he clearly understood and acknowledged in planning the wage increase. His activity, as philanthropic as it may have originally been, still had to be carried out in adherence with the prerequisites of the capitalist mode of production.[30]

The increased productivity Ford had expected was realized when the average daily motor output rose from 6,125 for nine hours work to 7,200 for eight hours work shortly after the new minimum had been established.[31] Net earnings after taxes doubled in the next two years reaching $60

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[30]Shortly it will be illustrated how increasingly competitive and less prosperous economic conditions caused Ford to rescind the offering and others like it.

[31]John R. Lee, "The So-called Profit Sharing System in the Ford Plant," Annals of the American Academy of Political and Social Science, LXV (May, 1916), p. 308.

million in 1916, more than compensating for the additional $10 million in wages Ford estimated he would spend annually as a result of the wage hike.[32] Without a doubt, Ford had increased his labor force's efficiency and productivity by offering higher wages.

However, while receiving higher wages, the degree of labor exploitation also increased as the surplus-labor generated by that work force was augmented. Increases in Ford's profits clearly exceeded the new wage increment. The "profit sharing" plan had heightened labor exploitation without creating new dissent among the rank and file--a feat that led him to proclaim that, "the payment of five dollars a day for an eight hour day was one of the finest cost cutting moves we ever made."[33] Rather than impinge on the margin of surplus-value produced by labor, the five dollar minimum increased that margin and caused profits to soar. Furthermore, regardless of Ford's intentions it also served to squelch labor tension and effectively coopt the labor force for a number of years. Ford's philanthropy was extremely profitable.

To summarize briefly, it has been shown that even during times of great financial prosperity, when the Ford Motor

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[32]Keith Sward, p. 55.

[33]Henry Ford, My Life and Work, p. 147.

Company was on top of an exceedingly lucrative market, Ford's activity, as generous as it seemed, was structurally conditioned by that market. His activities were financially practical and he knew it. Even gestures of good will were tempered by conditions of the competitive capitalist market. Furthermore, as demonstrated earlier, when those conditions became less permissive Ford increased his exploitive activities and deliberately raised labor productivity by methods indicative of the urgency of the times, i.e., speed-ups, stretch-out, etc. In either situation, he displayed behavior that would not threaten his goals of capital accumulation--goals that were structurally dictated by his participation in the capitalist mode of production.

Until this point, only one side of a two-sided coin has been examined here. Marx stipulates that increases in labor productivity alone will not insure the capitalist expansion of his surplus-value and profits. The capitalist must take additional measures to minimize any wage increments that might offset increased production. In short, simultaneously labor productivity must be maximized and variable capital expenditures minimized to produce the highest levels of surplus-labor and surplus-value. Optimum capital accumulation can only be achieved when both of these objectives are vigorously pursued by the capitalist. In order to understand the second objective, discussion will

now be directed toward those activities of Henry Ford that were geared to the minimization of wages, i.e., variable capital expenses.

Ironically, even the example of the five dollar minimum wage that seems to be most contradictory to Marx's theory of variable capital minimization, ultimately turns out to be exemplary of the capitalist's activity of minimizing wage levels. The five dollar minimum wage was only conditionally granted to the workers. Certain rigid qualifications had to be met by each worker before he would receive the raise. Among those who were excluded from the offer were women, males under twenty-two years of age, those married and involved in divorce action, family men that were not living with or supporting their families and new employees with less than six months experience on the job.[34] Furthermore, there were indications that men were often hired for six months and then unexpectedly fired in order to maintain a work force below the new minimum wage.[35] Also, if an individual was discovered to be of "bad personal habits" like gambling, drinking, taking in boarders, or living in unsuitable home conditions, he was immediately excluded from receiving the standard.

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[34]Keith Sward, p. 57.

[35]Ibid., p. 58.

It appears then that Ford's generosity was indeed couched in a series of broad and often ambiguous conditions many workers were not able to meet. During the first six months of the offer, only sixty-nine percent of the labor force qualified and it was not until 1916, two years later, that ninety percent were receiving the five dollar minimum.[36] Clearly the incentive that spurred workers to such incredible levels of production was not remunerated in pay checks for quite some time. At least for awhile, Ford effectively minimized variable capital expenses while squeezing new production records from labor. As mentioned earlier, by 1916, net income to the Ford Motor Company had doubled since the five dollar wage was officially instituted in 1914. Net earnings accruing to the company from 1914 to 1916, increased by $30,000,000 while wages payed out increased only $20,000,000.[37] Once again Ford's generosity was tempered to his advantage.

Previously it was illustrated that in 1921, economic conditions in the United States were worsening and Ford was operating in an increasingly competitive market that forced him to generate higher rates of production. However, to significantly widen the margin of surplus-value, he came to

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[36]John R. Lee, p. 303.

[37]Keith Sward, p. 55.

recognize that simultaneous wage reductions would have to be imposed. Having raised the minimum pay in January, 1919, to six dollars a day, regardless of worker tenure, he was faced with a contradiction. "On the one hand, it was the publicly announced intention of the company to maintain wage rates; on the other economic necessity demanded a reduction."[38]

While employees hired before 1921, continued to receive the six dollar minimum, new employees were hired at rates well below that figure and were not eligible for increases until satisfactorily surviving a probationary period. Fledglings often encountered difficulty ascending to higher pay scales and employees in general found promotions were slower.[39] In 1921, then, economic conditions caused a transition in the character of Ford's activity. Before the crisis he had been relatively good to his workers when possible, but now the economic crunch forced him to speed-up production and resort to, "a good deal of wage-chiselling."[40]

When the Great Depression hit in 1929, the Ford Motor Company's financial condition was critically impaired. Interestingly, Ford increased his minimum wage to seven dollars a day in December, 1929, hoping that such a maneuver

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[38]Nevins and Hill, Ford Expansion and Challenge, p. 329.

[39]Ibid., p. 330.

[40]Ibid., p. 329.

would initiate successes reminiscent of the five dollar era and eke out additional productivity from workers. Unfortunately his plan was a failure and he, "quietly reduced his base pay to six dollars a day in October, 1931,"[41] By 1932, he had been coerced by sluggish sales and declining profits to offer a simple laborer no more than a four dollar minimum daily wage![42]

The effects of depressed economic activity during the period are vividly reflected in historical production figures. For example, "finishers of crankshafts early in the 1930's had turned out five to seven every sixty minutes for seventy-five cents (per hour); in 1935 they were turning out eleven and being asked for twelve, while the hourly wage had dropped to fifty cents."[43] It is critically important to note that Henry Ford came to grips with this crisis in the same manner he had a decade earlier in 1921, by: (1) increasing labor productivity through speed-up, stretch-out, etc., and (2) minimizing his investments in variable capital through reductions in minimum wage levels.

Additional tactics were developed at the Ford Motor Company during the depression as means of decreasing

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[41]David L. Lewis, The Public Image of Henry Ford (Detroit: Wayne State University Press, 1976), p. 233.

[42]William Simonds, p. 224.

[43]Nevins and Hill, Ford: Decline and Rebirth, p. 152.

variable capital expenses. Seniority privileges were all but forgotten in the shops as management turned to, "young green labor because it was cheaper; it would work for less money, (and) it could be pushed faster in production."[44] Experienced hands were often the first fired and the last rehired, a practice United Auto Worker labor organizers were enraged by and focused on as a central issue in their quest for unionization. The literature generally sights evidence indicating that Ford never hesitated to cast employee tenure to the winds during the 1930's--an interesting observation to make in light of an earlier comment by Ford himself. In 1922, he remarked that, "long service by either employer or employee should be a reason for continued service--for the experience gained should render their service better than that which anyone else can give."[45] Apparently economic pressures on the company during the 1930's caused a recantation of this philosophy.

Furthermore, Ford implemented procedures for firing and then rehiring the same employees at reduced wages--a tactic developed during this period and continued until the shops were unionized in 1941. Hiring and firing policies were used to cut the wage level and reduce variable capital

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[44]Keith Sward, p. 350.

[45]John B. Rae, p. 42.

expenses. Skilled workers testified later that they had suffered pay reductions ranging up to four dollars a day through such methods.[46] Harry Bennett, Ford's closest executive during the late 1930's reported that it was the custom, "when changing models, to pay everyone off and close down the plant. Upon reopening, all the men would be rehired at the flat rate. Thus a man who might have worked his way up to eight or even ten dollars a day, would be rehired at the wage of a beginner."[47] Clearly, after 1921, the emphasis at the Ford Motor Company was on efficient labor at reduced wages.

Labor grievances reflected the truculence with which Ford acted after 1929. As late as 1941, "all workers in the Ford plant ... suffered from speed-up, the possibility of brutal treatment from Ford's service men, and (enjoyed) a wage which (was) about ten cents an hour below that of workers in other automobile plants,"[48] at General Motors and Chrysler. Issues of low wages, reduced seniority, and speed-up formed an axis around which the UAW tried to rally the workers--an organizational drive that was thwarted at

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[46]Nevins and Hill, Ford: Decline and Rebirth, p. 154.

[47]Harry Bennett, We Never Called Him Henry (New York: Gold Medal Books, 1951), p. 109.

[48]Art Preis, Labor's Giant Step (New York: Pioneer Publishers, 1964), p. 103.

nearly every turn by Ford and his men. His resistence was so vehement that he was convicted by the National Labor Relations Board for nine violations of the Wagner Act between 1937 and 1941.[49]

Even after signing with the UAW in 1941, Ford continued to minimize wage levels. At the Canadian plant in Windsor, Ontario, he hired unskilled women at fifty cents an hour to replace men at higher wages. In Detroit, he transferred men from the Rouge plant to neighboring factories in an effort to reduce their salaries by one dollar a day and reduce labor costs.[50]

The historical evidence conclusively indicates that Ford responded to economic upheavals by driving labor to increase production while trying to maintain and often reduce wages. Without question, contracting economic conditions and increased competition threatening the Ford Motor Company's ability to maximize its capital resulted in increased labor exploiting activity. Even when times were prosperous, his generosity was couched in the realization that philanthropy could only be extended if it would not deter the quest for maximized profit. The five dollar minimum wage is most exemplary of this conditional generosity.

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[49]Keith Sward, p. 425.

[50]Ibid., p. 425.

When economic conditions soured later, Ford's generosity was immediately rescinded in order to maintain adequate profit margins. Indeed, it seems that Ford's activity was conditioned by the structural characteristics of the capitalist mode of production.

Conditions in the competitive market dictated the degree to which Ford exploited his workers. So far, discussion has focused on Ford's specific exploitive activities while only peripheral attention has been devoted to the economic conditions structuring that activity. The competitive nature of the market that played such a critical role in the determination of Ford's activities must now be addressed. Without an understanding of those structural prerequisites, it is difficult to fully appreciate the economic pressures underlying Ford's exploitive activity.

As mentioned earlier, the capitalist is motivated by the relentless drive for capital accumulation--a drive that is structured by the capitalist mode of production. Were he to fail at this task, his capital would eventually be centralized and absorbed by other capitalist's. It is imperative therefore, that the capitalist amass as much capital as possible in order to avoid full financial ruin in the competitive marketplace.

Competitive capitalism is organized around price competition.[51] Assuming that other variables like product quality, style, durability, etc., are held constant for all competitors, the capitalist who is able to maintain the lowest prices will generally succeed in dominating the market. By attracting more customers with lower prices, sales will increase and he will accumulate more capital than his adversaries, thereby insuring his continued and profitable existence in the system. This is precisely the logic Henry Ford pursued in the automotive industry where success was simply the result of reducing prices to the lowest levels possible so that sales and profits would be boosted. He maintained that, "the point at which to start the wheel rolling is the buying end. Make things easy for the plain people to buy. That makes work. That makes wages. That makes surplus."[52]

When depression descended in 1920, Ford's first move to stem the tide of falling sales was to institute the largest price cut the industry had yet experienced.[53] Both variations of the Model T were drastically reduced to

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[51]Paul Baran and Paul Sweezy, Monopoly Capital (New York: Modern Reader Paperbacks, 1966), p. 67.

[52]Henry Ford, Today and Tomorrow (New York: Doubleday, Page, and Company, 1926), p. 18.

[53]Anne Jardim, p. 112.

attract more customers. The runabout, which had been selling for $550 was reduced to $395 and the touring car dropped from $575 to $440.[54] The effects were staggering when company officials reported that total annual sales in the United States, formerly at $530,780 when price cuts were first offered, had skyrocketed to $1,006,948 within a year. The rising trend continued corresponding to steadily declining prices until 1926 when the Model T was discontinued.[55]

The plan had been overwhelmingly lucrative but not on its own merits alone. Juxtaposed to reduced prices had been tactics of speed-ups and wage tampering that were necessary to sustain adequate margins of relative surplus-value and, therefore, profit. Apparently constricting market conditions forced Ford to lower his prices in order to keep pace with competition--a decision that necessitated corresponding increases in exploitive labor tactics. The connection between market conditions, price, and labor policies was summarized by Sorensen revealing that Ford, "reduced the price to a point where we thought the most sales would result; then we went ahead and tried to meet that price.... Actually the new price forced costs down; and one way to force costs down was to name a price so low that everybody

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[54]John B. Rae, p. 91.

[55]Nevins and Hill, Ford: Expansion and Challenge, p. 685.

in the shop would be forced to higher efficiency."[56] In part, the task of fitting profit into new prices was left to production speed-ups and wage revisions.

It becomes evident then, that there is a critically important connection between conditions in the marketplace and Ford's economic behavior. When competition was intensified during the 1920's; when automobile manufacturers were fighting over a shrinking market, Ford dropped his prices. Furthermore, as those prices were reduced means had to be developed to cut production costs and protect the margin of relative surplus-value per car. If this was not accomplished, the Ford Motor Company would have had to face financial catastrophy and possible annihilation at the hands of their competitors through the process of capital centralization spoken of earlier.

In order to survive in such a dynamic environment, Ford had to increase the amount of surplus-labor extracted from the labor force. In doing so, he (1) insured a relatively stable margin of relative surplus-value and (2) gained a larger share of the competitive market thereby increasing sales and accumulating more capital.

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[56]Charles Sorensen, p. 143.

Conclusions

However, the question still remains whether or not Henry Ford was alienated from his work-activity. What has been illustrated so far is simply that Ford's economic behavior, his capitalistic activity, was conditioned in response to the structural characteristics of the capitalist mode of production. Depending upon the degree of competition and flexibility in the competitive market, Ford attempted to maximize his capital accumulation through various production methods and policies of wage and price manipulation. His primary concern at all times was with the maximization of relative surplus-value--a goal he accomplished with great skill through various tactics of labor exploitation.

From the evidence presented thus far, it can be inferred that Ford was in fact alienated from his work-activity. As Marx described it, alienation from one's activity means a lack of control over that activity. The activity is coercive of the individual in a reified sense. In other words, an individual's, "work is not voluntary but imposed, forced labor."[57]

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[57]Karl Marx, "Economic and Philosophical Manuscripts of 1844", in Karl Marx Early Writings, trans. and ed. T. B. Bottomore (New York: McGraw-Hill Book Co., 1963), p. 125.

Indeed, this was the case as experienced by Henry Ford; a man whose corporate behavior was constantly subject to the conditions and requirements of the capitalist mode of production. Even his generosity had to be defined and exhibited in ways that were conducive to the overriding goals of capital accumulation. In short, Ford's activities were dominated and proscribed by the structural characteristics of competitive capitalism. Ironically, those dictatorial characteristics were the very roots of the capitalist system his activity reinforced and perpetuated.

The remaining chapters will pay particular attention to the "state of alienation" created by these and other similarly conditioned activities exhibited by Ford during his life. It will be illustrated how participation in the capitalist system not only caused Ford to become estranged from his work-activity, but also to become alienated from the product of that work, the men and women he encountered through that work, and his development as a human being, i.e., his species alienation. Once this has been accomplished, the "state of alienation" Marx and Ollman refer to will become exceedingly clear as illustrated by Ford's case. Henry Ford's alienation, as a totally integrated Relation will become evident as a structurally conditioned phenomenon of the capitalist mode of production.

CHAPTER IV

THE CAPITALIST'S ALIENATION FROM THE PRODUCT

It has been shown that competitive market conditions structure the capitalist's activity in such a way that he loses control over his economic work-activities and is, therefore, alienated in that respect. Similarly, Marx maintained that the structural characteristics of the market dictate and in a sense exert control over the types of products the capitalist is able to manufacture. In short, the products of the capitalist's work-activity must be produced in such a way as to bring him the greatest profit and facilitate the capital accumulation process. Only those products that yield such dividends may be manufactured by the capitalist. Such a loss of control results in the capitalist becoming estranged from the products whose creation he promotes.

For example, demand for a specific commodity may be so great and potentially so profitable that the capitalist, striving to maximize his capital, may see no alternative but to manufacture that commodity. Aside from its profitability, he may have no interest whatsoever in its production

yet feels compelled to produce it in order to increase his capital holdings. Conversely, the capitalist may find the production of certain goods--goods he would take personal satisfaction in offering--to be prohibited simply because there is no market for them and their manufacture would cause him to incur financial losses in the market place.

If this logic is extended one step further, it becomes obvious that competitive market conditions also tend to prescribe the quality of the capitalist's product. As discussed earlier, production costs must be minimized so that the individual capitalist may establish competitive prices in the market place. Accordingly, he may find it necessary to offer products of inferior quality to those he would like to produce ideally simply because it is comparatively cheaper to manufacture low quality goods than it is to produce high quality goods.

In order to maintain competitively low prices, the capitalist often finds it necessary to minimize constant and variable capital expenses. Products of comparatively better quality require more costly materials and more fastidious workmanship resulting in increased constant and variable capital costs. To sustain adequate levels of profit, the capitalist counterbalances increased production costs with higher prices--a practice that significantly compromises his competitive position in the market and may

lead to the centralization of his capital at the hands of his adversaries. To remain competitive then, the capitalist is compelled to manufacture products whose quality may be less than desirable to him. He loses control over the quality of his product as he conforms to the requisites of a market founded upon the principles of price competition.

The essence of Marx's argument centers around the issue of control. The theoretical implication is that the capitalist engaged in a competitive market loses control over the type and quality of the product he promotes. Just as the wage-laborer has no voice in determining the nature of the product he creates, since its specifications are dictated to him by the capitalist, so the capitalist is only able to manufacture products in accordance with the dictates of the market. In this sense, the laws of the competitive capitalist market become reified and structurally condition the capitalist's activity such that he produces only those products that are profitable and facilitate capital accumulation.

In turn, the product comes to be viewed in a reified manner by the capitalist; it "demands" to be manufactured in particular forms and, "stands opposed to him as an autonomous power ... an alien and hostile force."[1] The product

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[1]Karl Marx, "Economic and Philosophical Manuscripts of 1844", in Karl Marx Early Writings, trans. and ed. T. B. Bottomore (New York: McGraw-Hill Book Co., 1963), p. 123.

becomes the objectification of that activity over which the capitalist has lost control and as a result is a source of alienation for him. Consequently, the capitalist becomes alienated from the product of his work-activity.

This chapter will specifically explore the alientation Henry Ford experienced in relation to the products he created as a competitor in the American automobile industry. Particular attention will be payed to the structural mechanisms of the competitive capitalist economy that resulted in the loss of control and product reification mentioned earlier. It will be shown that while Ford often resisted the dictates of the market, he eventually met those demands and produced the kinds of automobiles whose manufacture he had originally opposed.

Selection of Indicators

Marx's theory suggests that the capitalist is alienated from his product since his control over that product is superseded by structural conditions of the competitive market. In an effort to explore this proposition as it applies to Henry Ford's life, it is necessary to examine the motivations underpinning the production of each fundamental automobile design he developed. An historical perspective must again be employed so that Ford's personal reasons as

well as the economic factors contributing to the inception and withdrawl of each basic model from the market may be ascertained.

Ford's first models, marketed as luxury cars and priced accordingly, are exemplary of the kind of automobiles thought to be most lucrative during the early twentieth century. Despite their noted profitability, Ford was committed to the notion of producing inexpensive automotive transportation for the masses and felt that the luxury field was a passing fancy that should be ignored by serious manufacturers. Nevertheless, since he was responsible to financeers who on three separate occasions favored the classic design, Ford was forced to produce luxury automobiles despite his personal distaste for them. Each case is most useful in illustrating how the capitalist, coerced by the demands of the market, is forced to manufacture a product that will turn a profit regardless of his personal desires for alternative designs.

Even when Ford was not directly competing in the capitalist market; when he was merely planning his entrance as a manufacturer, he was compelled by financial pressures to develop particular types of automobiles. Attention will come to rest on Ford's racing exploits as they illustrate this phenomenon admirably.

In the early 1900's, Ford felt obliged to construct racing machines as a means of establishing a favorable reputation in automotive circles and thereby attracting entrepreneurs with sufficient amounts of capital to subsidize a manufacturing company. The Detroit Automobile Company, the Henry Ford Automobile Company, and the Ford Motor Company were all financed in this menner. All three examples are particularly intriguing illustrating that alienation from one's product, i.e., the loss of control over that product, is a phenomenon occurring in the earliest stages of the capitalist's development.

Perhaps the most impressive examples of Ford's alienation from the product concern those designs he marketed to rejuvenate his flagging position in the indsutry--a position that was being threatened by competitive surges from General Motors and Chrysler. Both the Model T and Model A had to be abandoned due to declining sales despite Ford's bitter protests that they should be manufactured indefinitely. It will become clear that in both instances the industrialist had no recourse but to drop the models in favor of more stylish designs commensurate with those his competitors had employed to loosen his grasp on the low-priced market. These examples provide evidence in support of Marx's theory that the product in conjunction with competitive market conditions does indeed come to dominate the capitalist as a reified entity.

While there appear to be numerous instances supporting the idea that the capitalist is estranged from his product, there are two bits of evidence that seem to prove contradictory to theoretical expectations. First, in 1906, Ford manufactured a low-priced design, the Model N, when in fact there had never been a market for such inexpensive automotive transportation. Secondly, in 1922, the Lincoln car was marketed by Ford and soon achieved the reputation of a financial white elephant. Despite the model's poor showing, Ford was adamant in refusing to remove it from production and, as a result, manufactured it at a loss for a number of years. In view of Marx's conception of a reified product dominating the capitalist and demanding to be produced profitably, the cases of the Model N and Lincoln remain highly perplexing and deserve thorough investigation.

Overlooking these exceptions for the moment, the events selected for analysis are generally indicative of the alienating nature of the capitalist's relationship to his product. Some examples emphasize Ford's inability to produce the kinds of automobiles he would have liked; others illustrate why he was compelled to produce models he was basically opposed to. However, almost all the examples reveal the structural characteristics of the competitive capitalist economy that cause the product to become reified in Ford's eyes. Ironically, the data suggest that the capitalist who

exercises his control in promoting the product's original manufacture eventually comes to be manipulated by those same products in accordance with the structural conditions of the capitalist economy.

Ford's Alienation from His Products

The Detroit Automobile Company was incorporated on July 29, 1899, by a group of wealthy Detroit entrepreneurs striving to carve themselves a niche in the rapidly expanding automobile industry. Sponsored by men of prestigious rank like William C. Maybury, the mayor of Detroit, the company set out to manufacture expensive luxury cars derived from one of Henry Ford's early designs. Although Ford, "was wholly dedicated at the time to the concept of a low-priced car ... this idea had no other supporters,"[2] in the executive ranks and as a result the company marketed twenty automobiles priced at $1,000 apiece by August of that same year.[3]

Despite Ford's prominence as production manager and chief engineer, he held no stock in the company and, therefore, could not be considered a capitalist in the strict

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[2]Roger Burlingame, Henry Ford (Chicago: Quadrangle Paperbacks, 1954), p. 32.

[3]Allan Nevins, Ford: The Times, the Man, the Company (New York: Charles Scribner's Sons, 1954), p. 184.

Marxian sense. Nevertheless, it is interesting to note that even in those early days prior to his own financial commitments in a manufacturing company, he experienced the same loss of control over the product that he would later encounter as a full fledged capitalist. Ford's disgruntlement was obvious when he remarked that, "the whole thought (of the stockholders) was to make to order and to get the largest price possible for each car ... I found that the new company was not a vehicle for realizing my ideas, but merely a money making concern,"[4] governed by the laws of a market where profits were currently being generated by the sale of expensive luxury cars.

Not only was Ford prohibited from manufacturing the inexpensive car he had envisioned, but he was also prevented from improving the quality of those models that were actually marketed. "There was not much concern as to what happened to the car once it had been sold. How much gasoline it used was of no great moment; how much service it actually gave did not matter, and if it broke down and had to have parts replaced, then that was just hard luck for the owner."[5] Various sources have reported that Ford was keenly aware of

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[4]Henry Ford, My Life and Work (New York: Doubleday, Page and Company, 1923), p. 36.

[5]Ibid., p. 38.

his car's shortcomings and constantly tried to correct them.[6] Nevertheless, his attempts at augmenting quality were often thwarted by stockholders restless to increase production and profits--a situation that produced conflict between Ford and his backers. Ultimately this situation led to the company's failure in 1900.[7]

Clearly Ford was not capable of controlling the type or quality of his product. Being financed by the capital of other men and in a sense being indebted to that capital, he was obliged to manufacture the type of car that had traditionally proven to be profitable during the industry's brief history. Due to the absence of rapid mass production methods, low-priced automobiles were unprofitable since their slow rate of production and narrow profit margin would not produce sufficient profits to justify their manufacture. Despite Ford's wishes to do otherwise, investors saw no alternative but to offer costly luxury cars that could be produced in small quantity while returning sizeable profits.

Furthermore, there was no time to devote to improving the quality of engineering and design. Since the company

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[6]Allan Nevins, Ford: The Times, The Man, the Company, p. 185.

[7]David Lewis, The Public Image of Henry Ford (Detroit: Wayne State University Press, 1976), p. 17.

was plagued with financial losses,[8] automobiles had to be produced and sold rapidly to provide new capital in an attempt to insure the company's continued existence. Ford's protests that the machines were not yet perfected or ready for marketing fell on deaf ears. Paradoxically, those improvements that could not be developed for financial reasons eventually contributed to the company's demise as their products were not of sufficient quality to generate adequate sales.[9]

In retrospect, it becomes clear that while Ford did not have capital invested himself, his control over the product was still being restricted by the structural conditions of the market. He had no alternative but to build luxury cars of inferior quality--cars that were anathema to him--simply because that was the product that seemed to offer the greatest profit to his investors. Although he was not a capitalist at the time, his behavior was molded by the same market conditions that affected his financeers;[10] the same

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[8]During the company's brief history, it lost approximately $86,000. Anne Jardim, The First Henry Ford (Cambridge, Mass.: The MIT Press, 1970), p. 44.

[9]Allan Nevins, p. 190.

[10]This is an interesting case in that it supports the proposition that management internalizes the same values and is affected by the same structural conditions as the capitalist--a notion discussed by, Paul Baran and Paul Sweezy, Monopoly Capital (New York: Modern Reader Paperbacks, 1966), pp. 37-40.

conditions that would affect him later as a capitalist; and the same conditions that Marx described as causing the product to become the objectification of an individual's alienated activity. Due to this loss of control, Ford appears to have been alienated from the product of his activity. Shortly, it will be illustrated how these pressures and relationships were mere foreshadowings of the alienation Ford experienced toward his products as a competitive capitalist.

A minor event in the Ford biography, but one that commands attention within the context of this discussion, is the racing machine Ford created after the Detroit Automobile Company collapsed in 1900. On the one hand, Ford was faced with the goal of producing an inexpensive motor car for the public. On the other, he experienced a lack of funds with which to pursue that goal. As a result, Ford set about to attract a new set of entrepreneurs to underwrite his vision of a low-priced car feeling that the only way to entice such an audience into financing him was to establish himself as a dominant force in the racing field. The logic was as straightforward as it was sound. "In the back of Mr. Ford's mind was the determination to establish himself so thoroughly with the public that financial support would be enlisted and a company could be organized which would follow more closely his own ideas. To do this he had to compete in the

hazardous racing field and this meant he must build a new and faster type of speedster."[11]

While Ford never thought much of racing and expressed a lack of interest in manufacturing racing machines per se, he felt compelled to do both to raise new capital.[12] By November, 1901, he had produced such a machine and raced to victory at Grosse Point, Michigan, amidst a field of world reknown drivers. Not only did the victory provide Ford with laurels as a fresh racing star but also enough financial support to establish the Henry Ford Automobile Company soon thereafter. "Thus the racer had produced fully the effect at which Ford ... had aimed almost a year before, lifting up a shining phoenix from the ashes of the Detroit Automobile Company."[13]

This example is sighted to illustrate how Ford was again forced to produce a specific type of automobile in order to fulfill certain unique financial requirements. Although he still wanted to manufacture inexpensive roadsters, Ford had to develop racers as a means of attracting speculative capital. Even before he was involved with the

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[11]William Simonds, Henry Ford: His Life, His Work, His Genius (New York: The Bobbs-Merrill Company, 1943), p. 68.

[12]Henry Ford, My Life and Work, p. 36.

[13]Allan Nevins, p. 207.

traditional public market, he had to sacrifice his preferred product, i.e., the inexpensive motor car, for one more suitable as a means of establishing himself in the business. His control over the type of product manufactured was relinquished to the demands of another more exclusive market--a market in which men struggled to attract financial patronage. Through this process, Ford constructed an automobile other than that he would have produced under ideal circumstances. According to the Marxian definition then, Ford became alienated from that product since its development was precipitated by the structural conditions of the market rather than its producer's personal interest.

The history of the Henry Ford Automobile Company seems to be a reenactment of Ford's earlier involvements with the Detroit Automobile Company. Although he was now a stockholder himself, his fellow investors still, "wanted to join the parade of new companies manufacturing high-priced vehicles, while Mr. Ford held stubbornly to his idea that the big market was in the low-price field."[14] Furthermore, and equally reminiscent of earlier days, his compatriots put money before quality insisting that he put a product on the market as soon as possible in order to inaugurate a

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[14]William Simonds, p. 72.

profitable cash flow into their coffers.[15] Once again, Ford's control over the product was being torn asunder by men who were exceedingly conscious of current market demands for luxury designs and emphasized that capital be accumulated as quickly as possible.

Perhaps anticipating a recurring historical pattern, Ford resumed his experiments with racing cars utilizing company time and materials. This practice resulted in increasing managerial conflict and pressure to produce in quantity a car he did not consider satisfactory. Such dissatisfaction caused him to delay production which the company had to have in order to survive.[16]

Two theories have been proposed to explain Ford's resignation in March, 1902, from the company. First, he is said to have left the company since development of the inexpensive motor car was stifled once again by stockholders.[17] Secondly, a few biographers suggest that his retirement was the result of a renewed interest in racing.[18] While the majority of evidence supports the former conclusion, both seem plausible and when viewed in juxtaposition are highly

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[15]Booton Herndon, Ford: An Unconventional Biography of the Men and Their Times (New York: Weybright and Talley, 1969), p. 67.

[16]Allan Nevins, p. 212.

[17]Ibid., p. 211.

[18]Anne Jardim, p. 46.

indicative of Ford's estrangement from his products.

For the second time in three years Ford supplanted his visionary low-priced design with one more plush and expensive--a model that was forced upon him by his fellow capitalists in response to the norms and demands of the contemporary competitive market. He had to produce a model most investors thought to be profitable. Furthermore, it seems reasonable to conclude from this evidence as well as data that will be developed shortly, that he anticipated his own resignation and was simply developing a new racing machine to attract fresh capital as he had done before.

While it is too early to develop the second analysis in terms of the theory of alienation, it is obvious that Henry Ford was again alienated from the product he marketed--a luxury car that he had no desire in building and whose design he considered personally unappealing despite the structure of the contemporary high-priced market. Clearly, by creating a commodity in conjunction with the prevailing market conditions--a commodity he consistently opposed--Ford had lost control of his product and had become alienated once again from the product of his own activity.

After submitting his resignation, Ford returned to the development of racing machines in the hope that a great victory would again attract financeers to subsidize production of an inexpensive automobile. On October 24, 1902,

less than a year since his departure from the Henry Ford Automobile Company, his famous "999" racer averaged over sixty miles per hour in establishing a new world record at Grosse Point, leaving its rivals in the dust. Ford's name once more resounded in the press and a fresh group of backers led by Alexander Malcomson, a wealthy Detroit coal merchant, lined up to finance an automobile business. As Ford recalled later, "the '999' did what it was intended to do: it advertised the fact that I could build a fast motor car. A week after the race I formed the Ford Motor Company."[19]

While Ford's facts are somewhat inaccurate, i.e., Malcomson, Ford et al. did not officially incorporate until June 15, 1903, the motivation behind his racing car's production is obvious. He had designed another racer to entice various speculators into promoting the manufacture of an inexpensive motor car. Having been compelled by potential financial insolvency, Ford had again encountered his product in a reified relationship. The more practical design had to be abandoned in lieu of the racer--a machine whose production was essential for Ford's continued presence in the automobile industry.

To summarize briefly, Ford's automotive experience during the early years 1899 to June, 1903, was marked by a

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[19]Henry Ford, My Life and Work, p. 51.

series of reified products. Although his basic goal was to manufacture inexpensive automobiles, he was continually pressured by varying types of market conditions to produce designs far removed from the low-priced models he envisioned. Clearly his production had been limited to either (1) luxury cars or (2) racers, depending on the market he was involved with. Being manipulated by the structural requirements of the market, he had lost control of his manufacturing activity. Consequently, the products of that activity were also beyond his control and, therefore, alienated from him.

Although Ford was one of the largest single stockholders in the Ford Motor Company at the time of its creation, Malcomson and his faction dominated managerial policy and, "insisted on bringing out larger cars to sell for more money and more profit per car. Ford and his coterie had to satisfy them, taking time away from the light models they believed in."[20] Once again, since expensive cars were unquestionably gaining favor in the industry,[21] Ford was forced to relinquish control of his product and ultimately produce the Model K that sold for $2,500.[22] Ford detested the model's extravagance in general but was particularly

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[20]Booton Herndon, p. 70.

[21]Allan Nevins, p. 275.

[22]Roger Burlingame, p. 51.

disgusted at the six-cylinder engine it contained exclaiming that he had, "no use for a motor that has more spark plugs than a cow has teats!"[23]

Furthermore, in the summer of 1903, Ford's obsession with mechanical perfectionism threatened the company's already precarious economic position as he wanted to delay production to improve such difficulties as overheating radiators, transmission band slippage, inefficient carburetors, and unreliable brakes.[24] Again he was overruled as his business manager, James Couzens, insisted that, "only quick sales could save the company's finances.... The demand was growing daily, and under the heat of competition any delay would be fatal."[25] For the third time in four years, Ford's control over both type and quality of his product had been superseded by competitive market conditions.

While maintaining their positions with the Ford Motor Company, Ford and Couzens established a new corporation in November, 1905, dedicated solely to the production of inexpensive personal transportation--the Ford Manufacturing Company. By 1906, the new concern had begun marketing an inexpensive model priced at $600 that was received with open

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[23]Booton Herndon, p. 70.

[24]Allan Nevins, pp. 246-248.

[25]Roger Burlingame, p. 40.

arms by the general public.[26] The phenomenal demand generated by Model N, "confirmed Ford's convictions (in a low-priced Model) and in order to meet (that demand) the Manufacturing Company was forced to constantly improve its methods of production."[27]

In comparison to the Model K's profits that had dropped from $290,194 in 1905, to $102,397 in 1906, Model N was an enormous success.[28] By 1907, the two companies had merged, Ford had bought out Malcomson's shares and gained controlling interest, and by October 1, 1908, the Ford Motor Company was marketing the Model T--an inexpensive roadster that eventually came to be a world reknown classic. Finally, "against all opposition from his financial backers, in the face of the trend of the automobile industry and the higher economic status of those who were automobile purchasers, he had held stubbornly to his idea of a car for the masses ... and he won out."[29]

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[26]Nevins, op. cit., p. 338.

[27]Anne Jardim, p. 59.

[28]Allan Nevins, p. 329. Unfortunately we only have Nevins' word for Model N's comparative success since sales figures for the Ford Manufacturing Company are not listed. However, other biographers all concur.

[29]Charles Sorensen, My Forty Years With Henry Ford (New York: W. W. Norton and Co., Inc., 1956), p. 219.

The Model T's success was unprecedented in the automobile business. Demand ran so high that in the fall of 1908 the company insisted that it would not accept new orders for the car until dealers had sold all previous models on hand.[30] From May to June, 1909, Ford had to stop taking orders entirely until production could catch-up with requests it had already promised.[31] Finally, since the company had sold 10,607 cars the first year it was offered--a larger number than any other manufacturer had sold to date--the decision was made to abandon all other models and concentrate strictly on mass production of the Model T.[32] The result was that, "Model T sales skyrocketed for a decade, some years showing more than one hundred percent increase over the year before. America's involvement in World War I broke that spiral, but then came the T's heyday--six years in which domestic sales passed the million mark, and one in which they topped two million."[33]

This set of events is particularly intriguing for two reasons. First, the Ford Manufacturing Company was established to produce a low-priced automobile for which there was no apparent market at that time. In 1905, the only

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[30]David Lewis, p. 42.

[31]Sorensen, op. cit., p. 124.

[32]Henry Ford, My Life and Work, p. 71.

[33]David Lewis, p. 42.

vehicles being successfully marketed were high-priced models similar to the Model K.[34] It appears then, that Ford transcended the structural barriers of the market to produce a design he preferred disregarding the possibility that it might prove to be a fiasco economically. Indeed, is it possible that this evidence contradict's Marx's theory of the capitalist's alienation from his products?

It is critical to reiterate that Ford produced the Model N and Model T in conjunction with more expensive and financially trustworthy models until 1910 when all luxury designs were abandoned by the Ford Motor Company. While he did apparently defy the traditional market in manufacturing a revolutionary low-priced design, he continued to submit to that market in a reified manner by producing the luxury model--a model from which he was alienated in a manner reminiscent of his earlier designs with the Detroit Automobile Company and Henry Ford Automobile Company.

However, Ford's apparent defiance was also in keeping with the notion of the capitalist's continuous quest for profit. Indeed, he envisioned the inexpensive model as a means of tapping an undiscovered, low-priced market that appeared to be potentially lucrative. Such innovation then, was seen as another means of maximizing profits, successfully competing in the market place, and, therefore, a

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[34]Booton Herndon, p. 81.

derivation of the competitive relations within the capitalist economic system.

Perhaps Ford was only capable of exerting control over the new product because he maintained the traditional, more expensive model as a means of absorbing any financial shocks that might have been incurred by the new low-priced design. Not until the Model T had become an overwhelming success and the luxury line proved totally unprofitable did Ford abandon the high-priced line altogether.[35]

The point to be made is that Ford never completely defied the laws of the capitalist market. He was far to cautious for such a rash decision. Instead, he felt compelled to produce the higher-priced vehicles from which he was alienated, until he was assured of a profitable market for the low-priced design. Until the Model T consumed all of his energies in 1910, Ford remained alienated from at least one of his products--the luxury car.

But in 1910, when all of Ford's productive capacities were finally focused on the Model T--a car he took great personal pride in building--was his alienation from that product disspelled? To the extent that he was no longer forced to produce a car he despised, Ford had extricated himself from an estranged relationship with his product.

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[35]Anne Jardim, p. 60. By 1907, the Model K had become an annual loss that had to be forced on dealers.

However, as discussed earlier, demand for the Model T skyrocketed until the early 1920's and, "that challenge had to be met by faster production,"[36] achieved through more efficient systems of mass production and labor exploitation. In this sense, he was estranged from his product in a far more subtle way than he had been before.

Ollman stipulates that the capitalist, "is forced to do with his product what the market demands--making it more, less or different.... Hence, he is in some respects as much under the control of his product as it is in other respects under his control."[37] Ford was forced to produce the increasing quantities of automobiles demanded by the market in accord with the laws of capital accumulation.[38]

As a result, Ford experienced a shift in alienation from one form to another. Initially he was estranged from his product's design and quality. However, with the advent of the Model T this form of alienation seems to have decreased temporarily while another form assumed prominence as Ford came to be dominated by the requirements of a market demanding a high volume production. His work-activity, i.e., maximization of production rates, was still controlled by

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[36]Charles Sorensen, p. 124.

[37]Bertell Ollman, Alienation (Cambridge: Cambridge University Press, 1971), p. 155.

[38]David Lewis, p. 44. Corporate figures reveal a rapid increase in production to support this theory.

market requirements and his product, as the objectification of that activity, confronted him as a reified and alienated entity. Ford's alienation was not eradicated but simply cloaked in a new and more subtle fashion.

Caution should be stressed here not to infer that because Ford was able to produce a model that pleased him, he had finally gained control over the design and quality of his product. To do so would be to ignore the significance of the market conditions underpinning Model T's production. While it may appear that he was manufacturing the low-priced design at will and, therefore, was not estranged from it, his ability to do so was still contingent upon market conditions. At that time conditions were particularly favorable to such a product, i.e., demand was strong, and, therefore, Model T could be produced profitably. However, soon after those structural conditions changed and demand began to decline, Ford was compelled to withdraw his product from the market and replace it with another more acceptable model.

For more than a decade, the Model T had dominated the low-priced field but, that dominance was soon to change. In 1922, a meeting of the company's leading dealers was held so that they might vent their concern over the Model T's future. Although Ford refused to listen to complaints that "old lizzie" was fast loosing ground to the more stylish designs being offered by General Motors and Chrysler, sales

reflected the truth. In 1925, when the economy had experienced an upswing from the previous year's recession, Ford's profits had declined by $20 million.[39] Ford's mass production based on a static design, "had made a car for the common man, and now the common man was getting some uncommon ideas. He was becoming style conscious and was turning his back on Model T for the very thing that enabled him to buy it: its sameness and cheapness."[40]

Indeed, what the common man was turning to was the Chevrolet, a product that was being improved annually and rapidly eating away at Ford's ubiquitous position in the low-priced field. From 1924 to 1925, unit sales for Model T dropped from 1,870,000 to 1,675,000 while Chevrolet's sales advanced from 280,000 to 470,000.[41] Despite executive pressure to meet the competitive threat with a new model, Ford clung to the Model T vehemently opposing the patterns of regular change Chevrolet had established. He was perplexed by the trends and maintained that the annual improvement, especially in styling, was not a service but rather sought only to provide something new, not something better; that continuous selling no longer revolved around satisfying the

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[39]Roger Burlingame, p. 113.

[40]Charles Sorensen, p. 217.

[41]David Lewis, p. 189.

customer once and for all but depended on getting his money for one article and then persuading him that he should buy a new and different one.[42]

During the mid 1920's, the major problems with the Model T were paralyses in (1) aesthetic and (2) engineering designs. While Chevrolet had lowered its floors, developed adjustable seats, streamlined the design, and offered variations in color, Ford was determined to have the Model T stand, "squarely on its reputation for utility. Nobody ever called the Model T handsome, muchless beautiful; nobody ever rhapsodized over its silhouette; nobody ever praised its comfort."[43] Furthermore, progressive manufacturers had developed four wheel brake systems, battery ignitions, baloon tires, a six-cylinder engine and water pump cooling systems where Ford had incorporated none of these features into his design.[44] Perhaps the most significant drawback to the Model T was its archaic planetary transmission that had been replaced on other cars by a three-speed selective transmission that was superior in design and far less bothersome to operate. The net result of such deficiencies was that the Model T was steadily being overtaken by its competitors.

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[42]Henry Ford, My Life and Work, p. 56.

[43]Allan Nevins and Frank Hill, Ford: Expansion and Challenge (New York: Charles Scribner's Sons, 1957), p. 394.

[44]Keith Sward, The Legend of Henry Ford (New York: Rinehart and Company, Inc., 1948, p. 196.

In August, 1925, Ford finally began to sway under the pressures exerted by the market and his executive staff. Radical changes were seen in the Model T as the body style was elongated and streamlined, a variety of colors were offered, seats were moved back for greater comfort, and improved brakes, pistons and crankcase were added. Ford's acquiescence seemed to be temporarily rewarded when, in October, 1925, "the Ford plants broke all production records, completing 204,827 units. For a time that fall they operated at peak capacity on day and night shifts,"[45] because business was so strong. However, success was short-lived and soon Model T sales began to flag once again.

As a consequence of the Chevrolet's success and also the development of an impending used car market that had managed to siphon off a portion of the low-priced market's business,[46] Model T sales from April through June 1926, dropped 154,000 units from the comparable period in 1925, despite an improved automobile market.[47] Even more reflective of the decline was the fact that in 1921, Ford had sold sixty seven percent of all cars built in the United States

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[45]Nevins and Hill, op. cit., p. 407.

[46]Keith Sward, p. 196.

[47]David Lewis, p. 192.

while in 1926, that figure had slipped to forty six percent.[48] In the opposition's camp, however, General Motors sales had jumped fifty percent in 1926, as a result of a near doubling in Chevrolet sales.[49]

Despite intense pressure from Edsel Ford, Ernest Kanzler, and almost all the company's executive staff, Ford maintained his rigid posture ignoring all signs which indicated that the Model T should be abandoned. Perhaps in deference to the early success of his first inexpensive Model N, the industrialist insisted that, "the easy course is to follow the crowd, to accept conditions as they are ... but that is not the way of service. It is not the way of sound business.... Real business creates its own customers."[50] Ironically, that was just what he failed to accomplish in 1926, by resorting to price reductions as a final pathetic attempt to attract buyers. For the first time in the company's history such tactics failed to give the necessary impetus sales required.[51]

Finally, on May 25, 1927, the Ford Motor Company announced that it would abandon the Model T forever and the

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[48]Anne Jardim, p. 200.

[49]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 415.

[50]Henry Ford, Today and Tomorrow (New York: Doubleday, Page, and Company, 1926), p. 50.

[51]Nevins and Hill, op. cit., p. 415.

following day all production ground to a halt at Highland Park. The reasons for the Model T's demise were put most explicitly by Alfred Sloan, Ford's nemesis at General Motors, who explained that Ford's, "precious volume, which was the foundation of his position (in the market), was fast disappearing. He could not continue losing sales and maintain profits. And so for engineering and market reasons, the Model T fell ... the old master had failed to master change."[52] Had Ford not settled on a radically new model, most authors concur that his career as an automobile manufacturer would have ended. Clearly the decision to change was forced upon the company by a dynamic set of market conditions that had evolved since the first Model T rolled off the line in 1908.

The Model T's successor was unveiled in late 1928, as one of the most advanced cars of its day. Ironically, the Model A embraced most of the features Ford had opposed for years as a means of revitalizing the Model T's position in the market. The new automobile was offered with hydraulic shockabsorbers, four-wheel brakes, water pump, fuel and oil gauges, battery ignition--even a newly developed standard sliding-gear transmission to replace the planetary design Ford had been adament about retaining earlier. In short, "Ford's company came to conform to prevailing trends with

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[52]Alfred Sloan, My Years With General Motors (New York: Doubleday and Company, Inc., 1964), p. 162.

Model A."[53] In both aesthetics and engineering, Ford had matched if not surpassed any other car on the market--including Chevrolet.

Ford's unsuccessful battle to preserve the Model T is sighted here at length because it is perhaps the most revealing example of the process by which his product was manipulated by market conditions beyond his control--an alienating process underscored by the trends and events of the mid 1920's. As demand for a new model increased and was reflected in production figures, Ford's acquiescence to that demand also increased. In 1925, Ford's passenger car production dropped 106,532 units from the previous year and Ford responded by superficially modifying the Model T's design offering new colors, a sleeker body, etc.[54] When conditions became even more pressing in 1926, as passenger car production declined an additional 274,912 units over the previous year, he was compelled to respond by replacing his product altogether.[55] In summary then, it is clear that the nature of Ford's product varied directly as a function of the surrounding market conditions. When those conditions were bad, Ford modified, but still retained the Model T.

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[53]Roger Burlingame, p. 122.

[54]Allan Nevins and Frank Hill, Ford: Decline and Rebirth (New York: Charles Scribner's Sons, 1962), p. 477.

[55]Ibid., p. 477.

However, when conditions worsened, he had no alternative but to abandon the design.

In a similar manner, it is clear that Ford became increasingly alienated from his product's design as competitive market conditions demanded changes which in turn he was forced to respond to. The Model A epitomized the reified product and the objectification of alienated work-activity, as it was an eclectic design--a mere conglomeration of those features that had been successfully employed by his competitors. Without question, Ford was forced to conform to the demands of a reified market; forced to produce a product he had no personal desire to manufacture in order to remain competitive and accumulate capital in increasing amounts. Once again, Ford had become estranged from his product's design as he was powerless to control it.

At first the Model A's success, like that of its predecessor, was overwhelming. Ford's net profits for 1929, were $91,520,000--a remarkable improvement over the losses incurred the previous year amounting to $70,641,000 while the Ford shops were closed for retooling. In 1930, Ford outsold the entire General Motors line by 300,000 units, an achievement that was attributed to the phenomenal reception Model A was receiving from the public.[56]

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[56]Allan Nevins and Frank Hill, Ford: Expansion and and Challenge, pp. 571-572.

However, Ford assumed that these initial achievements signaled the beginning of a new era of dominance similar to that once enjoyed by the Model T. Consequently, he froze that design for the next five years refusing to imitate the annual model changes that had become standard practice at General Motors. As a result, "the Model ... soon turned into another case of arrested development."[57] While the Ford group captured the market temporarily, their grip was soon to slip.

As pressure was still being exerted by Chevrolet, having introduced a new six-cylinder engine the same year Model A was first marketed, a third competitor had joined the field and was threatening Ford's position. Walter Chrysler's Plymouth was offered in 1931, embodying, "the most aggressive engineering and stylization yet witnessed in the low-priced field."[58] The effects of stepped-up competition on Ford's sales were disasterous as he lost $31,181,000 that year while General Motors and Chrysler both posted net gains.[59] Amidst heavy competition and generally depressed economic conditions, "it was clear that Ford would have to bring out a new model, and that it would have to

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[57]Keith Sward, p. 206.

[58]Ibid., p. 206.

[59]David Lewis, p. 205.

embody advances over both the new Chevrolet and new Plymouth."[60]

In August, 1931, Ford shut down production of the four-cylinder Model A, undoubtedly shaken that for the second time in five years he would have to abandon his basic product design to keep step with a dynamic competitive market. In compliance with shifting market demands, Ford introduced the V-8 in 1932, as the Model A's successor.

Apparently the patterns of the mid 1920's had been resurrected in the early 1930's as the Model A was replaced for reasons similar to those which had contributed to the Model T's downfall. Again Ford had been confronted with a product that was obsolete in terms of contemporary market demands and he was compelled to replace that product to preserve a profitable share of the low-priced market. Control over the design of his automobile had been sacrificed so that he might avert further sales declines and, therefore, further impingements on his ability to accumulate maximum amounts of capital. As he had done so many times before, he had fallen into an estranged and alienated relationship with his product.

Despite the evidence attesting to Ford's alienation from his product, there is one initially perplexing example

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[60]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 577.

that appears in contradiction to the patterns previously established. In December, 1921, Ford bought the Lincoln Motor Company from Henry Leland and his son as it was facing collapse and bankruptcy. He believed that if his techniques of mass production were applied to the luxurious and high-quality Lincoln car, profits would soon be realized. However, what Ford had purchased turned out to be a white elephant. "The Lincoln, as he would learn to his sorrow, was simply too expensive to sell in large quantity."[61]

Competing at approximately the same price, Packard and Cadillac outsold Lincoln three to one while Pierce-Arrow, selling at a considerably higher price, sold almost as many units as Ford's high-priced model.[62] From 1929 to 1937, losses on the Lincoln amounted to $16 million.[63] Nevertheless, "Ford insisted on making it, minimizing his losses meanwhile by passing a good share of them on to his dealers,"[64] forcing them to sell the Lincoln or forfeit their franchises. As a result, many dealers were said to have marketed the Lincoln at a personal loss hoping to cover that deficit with increased sales on other models. Still,

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[61]Keith Sward, p. 171.

[62]David Lewis, p. 185.

[63]Sward, op. cit., p. 171.

[64]Ibid., p. 210.

the contradiction is clear that Ford continued to manufacture a product that was unprofitable.

It seems that this example is similar to the initial marketing experiments with the Model N and early Model T where Ford insured against potential losses by keeping his hand in alternative business ventures until the low-priced market solidified. In the Lincoln case, he was able to offset his losses with profits in other areas of the corporation, i.e., domestic and foreign production of inexpensive cars, trucks, and tractors, so that the overall corporate situation was still profitable despite the Lincoln's poor showing. For example, in 1926, one of the Lincoln's better years, total Ford production was 1,752,075 units while only 8,858 Lincoln's were manufactured.[65]

Nevertheless, while the Lincoln represented only a small fraction of the total corporate picture and losses were relatively inconsequential, its continued manufacture does contradict Marx's notion that the capitalist must produce only those commodities that cause him to increase his capital. Since this is the theoretical base upon which the capitalist is alienated from his product, Ford's alienation, i.e., lack of control, from the Lincoln becomes problematic.

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[65]Allan Nevins and Frank Hill, Ford: Decline and Rebirth, pp. 477-478.

In view of this evidence, a critique develops against the Marxian analysis of alienation in that it only considers those capitalists whose existence depends upon the production of a single commodity. Perhaps the theory of alienation needs to be amended to incorporate cases where the capitalist manufactures various products simultaneously. Obviously in situations such as this where losses from one product do not seriously threaten net gains produced by a series of commodities the capitalist gains a certain amount of control over at least one of the products he manufactures. The Model T on the other hand was a product whose sales represented the major portion of total Ford sales.[66] Therefore, its decline threatened to undermine the root of the company's ability to accumulate capital--a predicament that led to Ford's increasing alienation from the model as it had to be abandoned. In any case, the problem presents itself as an avenue for further speculation and research.

Conclusions

With the exception of the Lincoln, Ford's product had confronted him as an appendage of the competitive market and demanded to be manufactured in certain types and quantities

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[66]Ibid., pp. 477-478.

enabling him to maximize his capital holdings, i.e., profits. As a result, the structural characteristics of the competitive market caused the product to become reified and exert control over him. This loss of control was the essence of Ford's alienation from the product.

It is important to note the interrelationship between Ford's product and his work-activity in terms of this loss of control. It must be recalled that the capitalist is estranged from his work-activity as his control over it is superseded by the conditions of the market. Therefore, since, "the product is indeed only the resumé of activity, of production ... the alienation of the object of labor merely summarizes the alienation in the work-activity itself."[67] The capitalist's alienation from his work-activity and product are synonymous and simply two different ways of examining the same phenomenon.

As Lukacs points out, man's activity becomes estranged from him as it turns into a commodity that is subject to the conditions of the market.[68] In other words, alienated activity becomes objectified in the resulting product of that activity. If the capitalist is to be alienated from

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[67]Karl Marx, p. 124.

[68]Georg Lukacs, History and Class Consciousness, trans. Rodney Livingstone (Cambridge, Mass.: The MIT Press, 1971), p. 87.

activity, he must necessarily be alienated from the product resulting from that activity. The two types of alienation are codeterminate since they are both caused by the structural characteristics of the capitalist mode of production and the laws of capital accumulation.

While the capitalist does not experience the product in the same way as the proletarian does, i.e., he does not actively take up tools to manufacture the product, both are confronted by it as a reified entity demanding production. The capitalist's alienating work-activity creates an alienating product that contributes to an atmosphere or collection of estranged relationships between himself and his product as well as other men and his own species development, i.e., topics that will be discussed shortly. He is alienated from both activity and product in an ever-increasing state of alienation.

CHAPTER V

THE CAPITALIST'S ALIENATION FROM FELLOW MAN

It has been demonstrated that the capitalist is alienated from his work-activity and the products of that activity and that both forms of alienation are structurally nurtured by the market conditions of a competitive capitalist economy. The capitalist's control over activity and product is necessarily relinquished to the capitalist mode of production--a series of relationships appearing to him as a separate and reified force. However, it must be realized that the influence of these structural conditions extends beyond the realm of activity and product permeating the capitalist's relationships with other men and women. But before the capitalist's alienation from his fellow man can be understood, the laborer's alienation in this respect must be clarified.

Considering the laborer's alienation Marx stipulates that, "if (the worker) is related to the product of his labor, his objectified labor, as to an alien, hostile, powerful, and independent object, he is related in such a way that another alien, hostile, powerful, and independent

man is the lord of this object. If he is related to his own activity as to unfree activity, then he is related to it as activity in the service, and under the domination, coercion, and yoke, of another man."[1] In short, the laborer is alienated from the capitalist since it is the capitalist, attempting to maximize surplus-labor, surplus-value, and ultimately capital, who must necessarily compel the worker to engage in alienating activity and an alienating relationship with the product of that activity. Such an exploitive relationship is inherently antagonistic and alienating having been premised on two fundamentally opposed sets of needs.

On the one hand, laws of the competitive market dictate that it is to the capitalist's advantage to increase the degree of labor exploitation since that will also augment his accumulations of exchange-value and capital. On the other hand, it is to the worker's advantage to limit the degree to which his labor is exploited since such limitation will decrease his alienation and augment the amount of exchange-value, i.e., wages, he receives for his labor. The result is a situation of potential conflict where the capitalist's interests, "are directly opposed to those of the worker."[2]

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[1]Karl Marx, "Economic and Philosophical Manuscripts of 1844", in Karl Marx Early Writings, trans. and ed. T. B. Bottomore (New York: McGraw-Hill Book Co., 1963), p. 130.

[2]Bertell Ollman, Alienation (Cambridge: Cambridge University Press, 1971), p. 148.

Although Marx examined the alienating relationships between classes from the viewpoint of labor, his intention of addressing the problem from capital's perspective was never realized.[3] Nevertheless, the logic underpinning the capitalist's alienation from labor is implicit in his notion that, "what is true of man's relationship to his work ... is also true of his relationship to other men,"[4]--an idea that transcends class distinctions and includes both capitalists and laborers. If this rule is true, one would assume that since the capitalist is alienated from his work, he is also alienated from his fellow man. Indeed, this does seem to be the case.

To summarize briefly, the capitalist is alienated from his work-activity because such exploitive behavior is demanded of him by the laws of the market. Furthermore, that exploitive behavior causes labor to become alienated from him through a conflict of economic interests. Conversely, through the same conflicting relationship, the capitalist becomes alienated from labor since the capitalist must constantly force the laborer to do something that is alien and hostile to his own best interests, i.e., the capitalist

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[3]As noted earlier, Marx left this manuscript incomplete having abandoned it before examining the capitalist's alienation in detail.

[4]Karl Marx, "Economic and Philosophical Manuscripts of 1844", p. 129.

must force the laborer to produce surplus-value in an alienating fashion.

If this explanation seems repetitive, it is only because capital's estrangement from labor and labor's estrangement from capital are merely two different angles from which to view the same alienated relationship. The conclusion to be drawn then, is that alienation from one's fellow man is a structurally conditioned phenomenon affecting all classes in capitalist society. "Because workers cannot have human relations with (the capitalist), he cannot have human relations with them; a knot is the same whether one looks at it from up or down."[5] It becomes clear that capital and labor are estranged from each other simultaneously due to the conflicting nature of their interaction--an interaction structurally determined by the capitalist mode of production.

Until this point, the discussion has focused on the alienating relationships between individuals from separate classes. However, a complete discussion of man's relation to his fellow man must also consider the relationships among capitalists themselves. While the reference to such a discussion in Marx's writings is subtle and never explicitly defined, it can be derived. Such a derivation hinges on the idea that the capitalist necessarily engages in two types

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[5]Bertell Ollman, p. 155.

of work-activity both fostering alienation: (1) exploitation of labor and (2) competition with other capitalists. Having discussed the effects of the former, the latter activity will be addressed as it relates to the capitalist's alienation from his fellow man.

It is through competition that the capitalist interacts on an economic level with his fellow capitalists and becomes alienated from them. One is pitted against another through the competitive struggle for survival in the market place. Failing to sufficiently increase his capital, the capitalist faces extinction from the market place as his capital is absorbed, i.e., centralized, by that of another. As a result, he has no choice but to engage in the competitive struggle for ever-increasing profits--a struggle involving any number of capitalists. It becomes evident that the capitalist is alienated from his competitive activity in that he is compelled to carry it out by the laws of the capitalist mode of production.

Since Marx maintained that what was true of one's relationship to his work was also true of his relationship to other men, it seems that the capitalist, alienated from his competitive activity, must also be alienated from those individuals he encounters through that competitive struggle. Theoretically then, not only is the capitalist alienated from the members of another class through exploitive

relationships, but he is also alienated from members of his own class through the competitive struggle.

Once again, the essence of Marx's logic revolves around the issue of control. The theoretical implication is that the capitalist operating in a competitive market participates in a struggle for control with labor and capital alike. He must control labor as a commodity, driving it to produce maximum quantities of surplus-value. In so doing, he necessarily creates a relationship alienating to both himself and his workers. While alienation is present at all times under these circumstances, it only bubbles to the surface in tangible proportions when labor openly resists the control capital exercises over it.

Furthermore, the capitalist constantly seeks to control the competitive atmosphere of the market place and indirectly strives to control his competitors. All capitalists must seek to manipulate the market to facilitate their own needs, i.e., they attempt to accumulate maximum amounts of capital by controlling a major share of the market. However, in the final analysis, this is truly a battle for control over each other's capital; the market is merely a field over which the battle is waged. If a capitalist were to lose his share of the market, his capital would then be absorbed and controlled by his competitive adversary. In this sense, the competitive struggle is one centered on controlling each other's competitive capital.

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The task at hand then, is to examine this theory by investigating those relationships Henry Ford was involved with in connection with the competitive era of the American automobile industry. Attention will be directed specifically toward those structural mechanisms that led to such grappling for control. Indeed, it will be demonstrated that Ford did become estranged from those people he encountered through the competitive mode of production.

Selection of Indicators

Marx's theory suggests that the capitalist's alienation from his fellow man is a structurally conditioned struggle for control. In an effort to explore this proposition as it pertains to Henry Ford, it is necessary to examine a series of his relationships with members of both capitalist and proletarian classed during his career with the Ford Motor Company. The problem will be approached historically in an attempt to highlight the dialectical nature of this particular form of alienation.

Major emphasis will be directed toward the general history of Ford's relations with his workers. First, labor relations during the formative years of his career will be addressed with particular emphasis on the five dollar minimum wage offer. In an attempt to examine the interrelationship between the capitalist's alienation from man and the

surrounding structural conditions, this harmonious and apparently cooperative period of labor relations will be analyzed in terms of the economic prosperity the Ford Motor Company was experiencing at that time. This example is of primary interest because if seems to present evidence that directly contradicts Marx's theory of alienation pertaining to the capitalist's relations with his fellow man.

Secondly, Ford's relationship with labor will be traced through the company's periods of fiscal crisis, i.e., the depressions of 1921 and the 1930's, and analyzed within the Marxian framework. During both periods, Ford's precarious financial position, jeopardized by the nationally depressed economic environment, caused him to increase the degree to which he exploited his labor force. Attention will be focused on the festering conflict between capital and labor that was underscored by labor's struggle for unionization and Ford's reactionary drive to block that organization with the brutal tactics of his Service Department. It will be shown that this escalating conflict is indicative of increasing alienation between capitalist and the labor force.

Furthermore, attention will be directed toward Ford's reputation for forcing unwanted products on his dealers and reducing their commissions in order to increase his own capital accumulations. His relationships with the dealerships are of importance here as they reflect the alienating

effects of the capitalist's control over associates dependent upon him for economic survival. His activities regarding the franchises frequently resulted in visible conflict over the issue of control.

Peripheral discussion will also be developed with regard to Ford's relationship to several of his closest executives. Specifically, the executive purge of 1921 will be examined. It will be shown that in a number of cases his exploitation of labor and dealerships also indirectly alienated him from his own executive staff.

The investigation will also seek out Ford's relationships with other capitalists. Although only limited information seems to be available in this respect, one instance has received considerable coverage and is of particular interest here. As a result of his attempts to reduce sizeable dividend payments, Ford's relations with his own stockholders became especially strained from 1916 to 1919. This example will be discussed for two reasons. First, it casts an interesting light on the struggle for control that theoretically transpires among capitalists. Secondly, it is one of the rare instances of capitalist in-fighting that has been detailed by Ford's biographers.

Ford's Alienation From His Fellow Man

From 1903 to 1916 the Ford Motor Company enjoyed an extremely favorable business climate where production was barely able to keep pace with the demand it created. For example, the total number of automobiles Ford manufactured annually skyrocketed from 1,599 in 1905, to 8,729 in 1906--an indication of the overwhelming prosperity the company was experiencing.[6]

As Ford became preoccupied with maximizing production, the size of his labor force necessarily expanded from 125 to 1,655 employees between 1903 and 1909, and with it a corresponding need for increased discipline developed.[7] By 1908, Ford had engaged Charles Sorensen and P. E. Martin to superintend production and endorsed their disciplinary methods which combined, "strictness with rough--sometimes very rough--justice. Employees were known by number, not name; each had to keep and wear a badge if he were to draw pay; timekeeping had become strict; rules were numerous and were strictly enforced."[8] Eventually worker discontent to such authoritarianism reached monumental proportions and was

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[6]Allan Nevins and Frank Hill, Ford: Decline and Rebirth 1933-1962 (New York: Charles Scribner's Sons, 1962), p. 477.

[7]Allan Nevins, Ford: The Times, The Man, The Company (New York: Charles Scribner's Sons, 1954), p. 648.

[8]Ibid., p. 384.

reflected in the extraordinarily high turnover rate averaging forty-eight percent of the total work force per month by late 1912.[9]

The ramifications of this situation for Ford can only be fully appreciated when it is realized that in general, efficient production is the result of experienced labor. As the worker becomes more experienced and familiar with his job, his productive pace quickens. High rates of attrition, similar to those encountered by Ford reduce the number of veteran workers capable of relatively rapid production and, therefore, present a serious problem for the capitalist striving to keep step with steadily increasing demand.

In an effort to confront this problem, Ford offered a number of apparently philanthropic concessions to his workers. Between 1913 and 1914, safety conditions in the shops were vastly improved. Protective guards and fences were placed around all exposed machinery, warning signs and safety devices were installed and overhead cranes were accompanied by men blowing whistles to warn workers of the potential safety hazard above the shop floor.[10] Furthermore, workers received an average wage increase of thirteen

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[9]Ibid., p. 537.

[10]For a more detailed description of improved safety conditions see, Horace Arnold and Fay Faurote, Ford Methods and the Ford Shops (New York: The Engineering Magazine Co., 1915).

percent in October, 1913, and special bonuses amounting to a half million dollars between 1912 and 1913.[11]

The Ford Sociological Department, directed by John Lee and later Samuel Marquis, was organized to emphasize and help the workers achieve a wholesome family life and the requisites of physical and mental health. Classes were offered to give immigrant employees an opportunity to develop a command of the English language. Unique plant medical facilities were built at Highland Park making the most sophisticated X-ray and surgical equipment available to workers in case of an accident on the job. All this was only a fractional part of what came to be known as, "the golden age of the company, the Lee-Marquis era of social conscience,"[12]--an era some biographers feel was a direct product of the turnover problem that had been steadily mounting.[13] Indeed, the monthly rate of attrition that had been so high in 1912 had dropped to a mere 6.4 percent per month by late 1913.[14]

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[11]Allan Nevins, pp. 528-531.

[12]Allan Nevins and Frank Hill, Ford: Expansion and Challenge 1915-1933 (New York: Charles Scribner's Sons, 1957), p. 345.

[13]Allan Nevins, p. 537, one of the most reputable of Ford's biographers, maintains this position.

[14]Ibid., p. 537.

Not willing to rest on previous laurels, Ford eventually gave his labor force an unprecedented five dollar daily minimum wage in 1914, eliciting cheers as well as new production records from his workers. Although the average daily motor output rose from 6,125 for nine hours work to 7,200 for eight hours shortly after the new minimum had been established, esprit de corps ran high in the shops.[15] As one reporter wrote, "a great wave has swept over the factory, the wave that has brought above the roar of the machinery a faint happy sound that is the singing of happy men, the wave that has brought a lightness of step, a smile that glows through the mask of oil and dirt."[16] Perhaps a more objective indication of the cooperative relations that existed at the Ford plant are the rates of absenteeism. Averaging four percent per day before the new minimum was established, daily absences dropped to two percent by 1916.[17]

In understanding the development of Ford's alienation from his labor force, this early period is of critical importance. In order to meet the rising demands of the market before 1912, i.e., to maximize his capital, Ford was compelled to exert authoritarian control over his workers

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[15]John Lee, "The So-called Profit Sharing System in the Ford Plant", Annals of the American Academy of Political and Social Science, LXV (May, 1916), p. 308.

[16]Allan Nevins, p. 545.

[17]Ibid., p. 550.

and, by definition, became alienated from them. Extremely high turnover rates, percipitated by management's rough disciplinary tactics during the company's first decade, reflected the overtly alienating nature of capital's relation with labor.

While this evidence supports Marx's theory regarding the capitalist's alienation from labor, Ford's voluntary improvements in wages and working conditions seem contradictory to that theory. However, careful examination will reveal that this second period in Ford's labor relations does support the Marxian theory and illustrates a very subtle connection between market conditions and the capitalist's necessary alienation from labor.

It is important to note that while Ford's prosperity expanded rapidly during the early years, that growth was sporadic before 1910. For example, Ford's sales dropped from $1,901,102 to $1,491,636 in 1906 and from $5,773,851 to $4,701,298 in 1908. However, after 1910, sales multiplied annually for ten years without any hesitation.[18] It was not until conditions stabilized after 1910, that Ford began to offer concessions to his workers in the form of improved wages and working conditions. If such voluntarism is viewed as a means of coopting labor--a practice widely employed by

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[18]Ibid., p. 685.

industrialists during that Progressive Era--the alienating nature of Ford's behavior becomes apparent.[19]

After 1910, Ford was still compelled by phenomenal market demand to discipline his laborers in an effort to maximize their productive output and insure the growth of his capital. However, due to the company's regularized financial success after that date, his control was not overtly antagonistic as it had been earlier. Since the costs of improved wages and working conditions were insignificant when compared to continuously rising profits, he could avail of these more subtle means of control. "Even a half million in bonuses in the calendar years 1912 and 1913 would have been modest in comparison with the net profits of more than $13,500,000 and $27,000,000."[20] Increased production and worker contentment, reflected in decreasing turnover and absenteeism rates, were achieved simultaneously by these methods of cooptation.

Despite the absence of any overt antagonism between labor and management, Ford's relationship with labor was still cast in an alienating light since he still attempted to contol his workers in his own best interest.

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[19]James Weinstein, The Corporate Ideal in the Liberal State (Boston: Beacon Press, 1968), pp. 40-62, discusses the various methods industrialists employed to coopt labor and suppress labor unrest.

[20]Allan Nevins, p. 531.

The "philanthropy" beginning in 1912 merely marked the development of a more covert form of alienation; one premised on more subtle methods of control commensurate with more prosperous economic conditions. Later it will be illustrated that as market conditions became less favorable for the Ford Motor Company, subtlety was abandoned as more direct means of control resurfaced.

By 1916, competition in the low-priced automobile market was on the brink of rapid escalation with Willys-Overland, Chevrolet, Briscoe, Buick, Studebaker, and Maxwell all planning to expand production. Willys for example, had forecast that by the end of the year their shops would be producing one thousand cars per day--a figure that surpassed Ford's daily output of approximately 880 cars.[21] To remain static in the face of increasing competition would have cost Ford a portion of the market so he resolved that, "he had to increase his productive capacity and output, or risk falling behind rapidly growing competitors in the low-priced field."[22]

Later that year, Ford instituted two sweeping decisions to arrest the competitive onslaught. First, he announced

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[21]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 92.

[22]David Lewis, The Public Image of Henry Ford (Detroit: Wayne State University Press, 1976), p. 99.

that the board of directors over which he had controlling interest had approved a $16,700,000 appropriation to purchase land on the Rouge River for purposes of constructing blast furnaces, a foundary, and other buildings, and to expand production facilities at Highland Park.[23] At the same time he announced that prices would be reduced by eighty dollars on the touring car and forty-five dollars on the runabout in an effort to attract a wider share of the market.[24]

In order to fund the operation, Ford proclaimed that there would be a discontinuation of all special dividends above the standard five percent annual declaration on the company's book capitalization of $2,000,000.[25] He stressed that because the company's prosperity depended upon expansion, "every cent he made over and above that margin would be plowed back into the business,"[26] rather than into the stockholders' pockets. Despite the logic of his argument, many investors were outraged that they were now to collect

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[23]Anne Jardim, The First Henry Ford: A Study in Personality and Business Leadership (Cambridge, Mass.: The MIT Press, 1970), pp. 103-104.

[24]Ibid., p. 100.

[25]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 91.

[26]Keith Sward, The Legend of Henry Ford (New York: Rinehart and Company, Inc., 1948), p. 67.

only $1,200,000 rather than the $25,000,000 previously anticipated.[27]

The most irate of all were John and Horace Dodge who owned ten percent of Ford Motor Company stock. When compared to the $1,000,000 they had received annually through special dividends the last few years the $120,000 nominal annual dividend they were about to collect was viewed with disdain.[28]

Their immediate response to the news was an antagonistic demand that Ford distribute seventy-five percent of the company's total cash surplus, about $39,000,000, as dividends. Failing to influence his position, the Dodges filed suit against him on November 2, 1916, hoping that the courts would ratify their demands. Specifically, "the bill of complaint attacked Ford's personal and absolute control of the company."[29] After a lengthy appeal procedure ending in February, 1919, a Michigan State Superior Court upheld a lower court decision ordering Ford to pay a delayed dividend of $19,000,000 plus five percent interest for the three years of litigation.[30]

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[27]Nevins and Hill, op. cit., p. 91.

[28]Anne Jardim, pp. 95-96.

[29]Ibid., p. 104.

[30]Roger Burlingame, Henry Ford (Chicago: Quadrangle Paperbacks, 1954), p. 92.

The Dodge suit is a most provocative case as it illustrates how capitalists engage in alienating and occasionally volatile relationships with members of their own class as a result of the structural conditions of a competitive economy. Ford realized that, "business ... needs a profit or surplus to keep its vitality a little in advance of the drain upon it. This surplus is to prevent depletion under extraordinary strain (and) also to permit expansion. Growth is necessary to life and growth requires surplus."[31] As a result of competitive pressure, he saw no alternative other than exercising control over his fellow stockholders' capital. In a sense, he attempted to absorb portions of their capital to facilitate further accumulations for the company--a maneuver that led to openly antagonistic and alienating relations with other stockholders.

To digress for a moment, it is interesting to note that Ford's own description of the competitive laws which forced his alienation from the Dodges is remarkably similar to the classical Marxian analysis. As Marx indicated, "the development of capitalist production makes it constantly necessary to keep increasing the amount of capital laid out in a given industrial undertaking, and competition makes the immanent laws of capitalist production to be felt by each individual

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[31]Henry Ford, Today and Tomorrow (New York: Doubleday, Page and Co., 1926), p. 39.

capitalist as external coercive laws. It compels him to keep constantly extending his capital, in order to preserve it."[32] This case lends substantial validity to Marx's conception of the competitive situation since it was just this type of expansion that necessarily caused Ford's alienation from the Dodges.

To continue, after the suit was lost Ford became distressed having had to relinquish even a fraction of the company's control to "outsiders". Finally, through a series of clandestine business agreements, he was able to secure all outstanding stock issues and assume complete control of the Ford Motor Company for the first time in July, 1919. The new shares had cost him $105,820,894--an enormous expense that forced him to sign loans amounting to some $60,000,000 with the Chase Securities Corporation of New York, the Old Colony Trust Company, and Bond and Goodwin of Boston.[33]

Ford had anticipated little difficulty in repaying the loans assuming that steadily rising company profits would provide an adequate vehicle for realizing his financial commitments. However, the American post-war prosperity he had counted on was supported primarily by artificial factors,

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[32]Paul Sweezy, The Theory of Capitalist Development (New York: Modern Reader Paperbacks, 1942), p. 81.

[33]David Lewis, p. 103.

i.e., government spending, a low discount rate, a temporarily large European market, etc. These props either diminished or disappeared by mid-1920 and the nation was thrust into depression. Ford sales declined ten percent by November and another fifty percent by December.[34]

By 1921, the company's financial situation was extremely delicate having $25,000,000 of the original stock loan and between $18,000,000 and $30,000,000 in back taxes due by the end of April. The crisis was augmented by the fact that $75,000,000 had been spent over the previous three years on expansion and dividend payments awarded through the Dodge suit leaving the Ford Motor Company only $20,000,000 surplus cash with which to pay debts amounting to an estimated $50,000,000.[35]

Having sold Liberty Bonds and called due a number of European debts, Ford was only able to raise $10,000,000 and had to devise another tactic to meet his obligations.[36] The methods by which he regained his financial composure were as ingenious as they were ruthless. By the end of 1920, he ceased buying raw materials, "while running his great Highland Park plant full capacity to work up

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[34]Ibid., p. 111.

[35]Ibid., p. 109.

[36]Jonathan Leonard, The Tragedy of Henry Ford (New York: G. P. Putnam's Sons, 1932), p. 193.

accumulated stocks,"[37] and reduce capital tied up in transit--a maneuver that produced some 90,000 Model T's that were immediately shipped to dealers.[38] "In the midst of a national depression in January, 1921, Model T's began to rain on every Ford dealer in the United States."[39]

Unordered and unexpected shipments of cars were to be payed for by dealers in a period not yet marked by strong economic recovery. Refusal to accept new deliveries resulted in the immediate forfeiture of franchises and an end to what had been a most profitable business for many proprietors. "Many dealers protested against the consignments, but in the last resort each had to pay.... In most instances the dealers went to their bankers, got the money needed, and gradually saw the demand overtake the excess supply. Ford, instead of borrowing money himself, had compelled his dealers to borrow for him."[40]

The same tactics were used to force the Fordson tractor on dealers in the critical period. Farmers were shaken by the end of the war-time economic boom and many, struggling to remain in business, were in no position to incur debts for new tractors. In attempting to develop a market where

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[37]Allan Benson, The New Henry Ford (New York: Funk and Wagnalls Co., 1923), p. 84.

[38]Roger Burlingame, p. 100.

[39]Keith Sward, p. 76.

[40]David Lewis, p. 112.

none really existed, Ford reduced his price to $395 in 1920. "But to break even at the factory, the company produced the unit in such volume that any number of dealers had found it impossible to dispose of their allotments at a profit."[41] One proprietor of a Ford agency located in poor farming country where no call for tractors had existed at any time during the year was forced to pay cash for eleven Fordsons in November 1920, or risk losing his franchise.[42] The overall result of forcing tractors and cars was that by April 1, 1921, Ford had accumulated $87,300,000--far more than was necessary to repay his debts.[43]

In order to understand this example in terms of Marx's theory of alienation, a parallel must be drawn between the Ford dealer and the common laborer. While the dealer may not be strictly categorized as a member of the laboring class, i.e., he does not formally sell his labor power in the market place, he is dependent upon the capitalist for his economic livelihood, receiving discounts and commission as a source of income similar to the wages a laborer would receive. Furthermore, as Anne Jardim specifically illustrates, his work-activity was rigidly defined and controlled

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[41]Keith Sward, p. 211.

[42]Ibid., p. 211.

[43]Henry Ford, My Life and Work (New York: Doubleday, Page and Company, 1923), p. 175.

for him by the parent company just as a laborer's would have been. Roadmen were sent from Detroit and, "checked the dealers' repair methods and equipment, the condition of their showrooms, taught them how to handle advertising, keep accounts, and manage stocks of parts."[44] As with the laborer, the seeds of alienation lay ready for an antagonistic erruption between capitalist and dealer.

As market conditions worsened and he faced potential receivership, Ford resorted to overt manipulation of his franchises as a means of regaining solvency. Cries of protest from the dealerships indicated the alienating nature of the relationship Ford had been forced to accentuate. Once again the struggle for control became the underpinning to an estranged conflict that developed tangible proportions as that control was met with verbalized resistance.

Ford's financial burdens were also felt by those who worked for him in the factories during the early 1920's when competition and financial conditions were difficult. "When a full work force was rehired after the shutdown caused by the depression, the men found the pace of production accelerated, enforcement of rules tightened, and the whole atmosphere harsher."[45] Many biographers report that the

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[44]Anne Jardim, p. 89.

[45]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 518.

spirit in the factory after 1920, was no longer stimulating but repressive and that a group of hard-driving disciplinarians had taken command led by Charles Sorensen--a man who was, "known to have put a foreman in his place by crashing a stool over the man's desk."[46]

As detailed earlier, speed-ups on the production lines were the order of the day--an order that was necessary to reduce the amount of surplus-labor expended per automobile and, therefore, increase the amount of relative surplus-value produced. Increased efficiency and driving tactics made it possible to operate the Rouge plant at approximately eighty percent of capacity with only sixty percent of the normal labor force.[47] During this period, Ford was explicit in his approval of the speed-up maintaining that, "pressing always to do work better and faster solves nearly every factory problem. A department gets its standing on its rate of production."[48]

Despite the success of his tactics and net profits reaching $200,000,000 in 1922,[49] workers were distraught over the company's new policy. One employee wrote to Ford directly that, "conditions are so rushed its awful. Human

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[46]Keith Sward, p. 181.

[47]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 519.

[48]Henry Ford, My Life and Work, p. 98.

[49]Keith Sward, p. 80.

power and endurance cannot stand the speed, grind, awful strain, and continued hurry-up call of the bosses."[50] Nevertheless, the formula had worked and was to continue.

Juxtaposed to speed-up tactics were wage reductions in 1921, that resulted in a twenty percent pay cut for most workers.[51] Furthermore, discipline was magnified on the shop floor to the point where labor was forbidden from talking, chewing tobacco, and sitting down at any time during its shift because it might hinder their productivity. An overzealous "spotter system" was instituted employing spies to observe workers and report any cases of wasted time or disregard for regulations. One man who had been at Ford's for seventeen years fell victim to the system losing his job on the line for wiping some grease from his arm a few seconds before the quitting bell rang.[52] Ford justified such methods in his first autobiography claiming that, "the organization (of mass production) is so highly specialized ... that we could not for a moment consider allowing men to have their own way. Without the most rigid discipline we would have the utmost confusion."[53]

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[50]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 519.

[51]Keith Sward, p. 79.

[52]Nevins and Hill, op. cit., pp. 514-515.

[53]Henry Ford, My Life and Work, p. 111.

It is critically important to note that Ford's ability to control his employees in such a rough-shod manner with only a minimum of labor discontent stemmed from the massive pool of 100,000 unemployed laborers struggling to survive in Detroit.[54] Even after the depression workers were aware that new jobs would be hard to find. Sorensen utilized that knowledge most efficiently distinguishing himself in the 1920's as a "specialist in the psychology of job insecurity ... working on the premise that job fear is a prime mover of efficiency."[55] Ford subscribed to a similar philosophy believing that men worked for two reasons only--for their wages and for fear of losing their jobs.[56]

One veteran employee summarized the situation comparing the cooperative era at Highland Park and the fear tactics that later became infamous at the Rouge. At Highland Park, "people worked willingly ... they'd tackle jobs and try to get results without any particular pressure. There was an internal desire in the man to do a good job at Highland Park. At the Rouge, your job just ran from minute to minute. You didn't know when somebody was going to come along and clip you and knock your feet from under you."[57]

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[54]Robert Conot, American Odyssey (New York: Bantam Books, 1974), p. 276.

[55]Keith Sward, p. 182.

[56]Ibid., p. 182.

[57]Anne Jardim, pp. 224-225.

Such remarks indicate that Ford had again become alienated from his workers. When economic prosperity receded, he was forced to exercise his control over labor despite their resentment to such premptory methods. The whip that Ford cracked to drive his workers to such discontent was the fear of dismissal to the reserve pool of unemployed labor--another structural characteristic of the capitalist economy. On the one hand, structural conditions forced Ford to escalate the alienating nature of his relationships with workers, i.e., he was compelled to tighten his control of their activity in order to cut costs and maximize profits. On the other hand, structural conditions also gave him the tool to accomplish the task--the fear of job insecurity.

Resentment toward Ford's despotic policies was expressed even in the highest echelons of the corporate hierarchy reaching visible proportions in the executive purge of 1921. For example, William Knudsen, one of Ford's most competent production managers, left the company after clashing with Sorensen. Apparently he had little stomach for the brutal discipline and speed-up that enveloped the shops during the crisis. Being a leader rather than a driver of men, he went to General Motors after realizing that cooperative relations between management and labor were a thing of the past at Ford.[58]

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[58]Samuel Marquis, Henry Ford: An Interpretation (Boston: Little, Brown, and Co., 1923), p. 125.

Early in 1921, Frank Klingensmith, treasurer and vice president of the company, favored borrowing to repay the company's debts rather than forcing cars on dealerships and causing them to suffer undue financial hardships. As a result, "he was discharged precipitously for having dared to question the methods Ford used to write off his bankers loans," and with him went Charles A Brownell, another executive in sympathy with the dealers at that time.[59]

Most significantly, however, was the resignation of Samuel Marquis as head of the Sociological Department in January, 1921. This event signaled the end of one era in Ford labor relations and the beginning of another with characteristics far more severe than ever before. The rationale underlying his retirement was indicative of the new atmosphere that had come to pervade the company. "The old group of executives, who at times set justice and humanity above profits and production, were gone. With them so it seemed ... had gone an era of cooperation and goodwill in the company. There came to the front men whose theory was that men are more profitable to an industry when driven than led, that fear is a greater incentive to work than loyalty."[60]

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[59]Keith Sward, p. 192.

[60]Marquis, op. cit., p. 155.

Marquis simply refused to be party to a company whose policies were so drastic.

Marquis maintained that the new policies were entirely Henry Ford's doing, despite the great power of other executives like Sorensen, and there is strong evidence to support this proposition. Sorensen himself reported that as long as the Sociological Department did not interfere with production it was tolerated. However, when this boundary was violated its activities had to be called to a halt--a decision Ford supported whole-heartedly.[61] Eventually the welfare work Marquis had conducted during the "golden age" had to be jettisoned entirely in the face of extremely disfavorable economic conditions. It was obvious that, "when the company had been making profits in tens of millions, welfare measures were much easier to handle and administer than when it was against the wall counting every penny."[62]

Again, evidence supports the contention that harsh competitive conditions had taken command of Ford's industrial activities and alienated him from many of his own employees. Various executives became distressed by the autocratic tactics they were forced to be associated with and in at least one case, i.e., Klingensmith, protested directly to Ford--an

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[61]Charles Sorensen, My Forty Years With Ford (New York: W. W. Norton and Co., Inc., 1956), p. 145.

[62]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 350.

honorable gesture resulting in immediate expulsion! Others simply refused to subject themselves to the oppressive atmosphere and left voluntarily. In either case, executives were necessarily forced to comply with Ford's wishes to the point where overt resistance developed indicating that they had become dissatisfied and estranged from their employer.

To summarize briefly, the entire period had been marked by Ford's increased alienation from those around him--alienation that had been fostered by contrasting market conditions beyond his control. In fact, estrangement had been so ubiquitous as to provoke various forms of disgruntlement from dealers, laborers, and executives alike. Reflecting on the company's evolution through 1923, Marquis assessed the situation accurately when he wrote that Ford's early humanitarian ideals, the five dollar day, etc., "had promised the restoration of that which modern industry (had) lost ... namely a personal relation between employer and employee. That phase of the work, with some other distinguishing features of it, (were) for the present in eclipse."[63]

The nation slid into another far more severe depression in 1929, and with it so slid the Ford Motor Company. In the first year alone, Ford's total sales declined by

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[63]Samuel Marquis, p. 44.

418,683 units.[64] Furthermore, competition was escalating at a feverish pace as the Model A, Plymouth, and Chevrolet were all priced within one hundred dollars of each other.[65] Never before had conditions been so difficult and competition so intense for the Ford Motor Company.

In order to meet the situation directly, Ford turned to his dealers as he had done eight years earlier. In 1929, he reduced prices on the Tudor model by twenty-five dollars and on the roadster by fifteen dollars hoping to utilize a strategem that had been previously successful in attracting a wider portion of the low-priced market.[66] However, "what galled the Ford dealer was that seventy percent of this reduction was squeezed from his commission. His discount rate was lowered from 20 to 17½ percent. Yet Ford's margin of profit was scarcely touched."[67] On the basis of the new discount, the dealer would assume $17.50 of the Tudor model's price reduction while the company would only assume $7.50. On the roadster's reduction, the dealer would assume $13.00 and Ford only $2.00.[68]

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[64]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 685.

[65]Ibid., p. 576.

[66]Ibid., p. 580.

[67]Keith Sward, p. 208.

[68]Nevins and Hill, op. cit., p. 580.

Again, the device Ford thought would force the dealerships toward coalescence was the franchise--a permit to do business for the Ford Motor Company with no temporal guarantees that could be legally revoked at any time. However, perhaps still smarting from Ford's similar show of power in 1921, "indignation spread among the Ford dealers (and) their outcry reverberated across the country.... One Detroit newspaperman termed the clash of interest, 'the biggest factory-dealer battle in the automobile industry since its start thirty years ago'."[69] Many dealers simply quit and went to work for other manufacturers while others were forced out of business so that by 1930, one sixth of Ford's 8,275 dealers had been lost.[70]

Although the dealers' discount was increased to twenty-two percent in February, 1931, as a result of their assertive behavior, Ford continued to manipulate them to his own advantage throughout the 1930's in an effort to maximize profits. The Federal Trade Commission issued an investigative report in 1939 revealing that over fifty-eight percent of Ford's dealers had complained of being forced to accept shipments of cars, tractors, and parts that they were unable to sell. They claimed that such unbridled forcing was all

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[69]Ibid., p. 581.

[70]Ibid., p. 583.

too often in complete disregard of local needs and economic conditions.[71] Furthermore, the report disclosed protests from dealers in reference to unannounced inspections by Ford's roadmen and threats of franchise suspension for those proprietors that protested Ford's arbitrary practices.[72]

The comparison between Ford's dealer relations in the crises of 1920 and the 1930's is most interesting in light of Marx's theory of alienation. Although he had been compelled to manipulate the dealerships during the previous crisis, the severity of the Great Depression, i.e., increasing competition for a withering market, demanded far more sweeping demonstrations of control in order to defend his competitive position and insure his survival in the market place. Correspondingly, his activity mitigated increased dissent and magnified the tangible features of his alienated relationship with the dealers. This case is outstanding in ferreting out the complex interrelationships between the structural conditions of the competitive capitalist economy, the capitalist's alienated work-activity, and his estranged interaction with other men.

Reminiscent of the early 1920's, Ford was again forced to resort to tyrannical methods of exploiting labor through

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[71]Keith Sward, p. 216.

[72]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 582.

(1) wage reductions, (2) speed-ups, and (3) the fear of job insecurity--measures that led to an increased sense of estrangement between himself and his workers. Between 1929 and 1932, Ford passenger car production plummeted from 1,507,132 to 287,285 units respectively, and, as a result, wages were reduced to cover a portion of the losses.[73] Average wages for a forty hour week which had been $36.97 in 1929, dropped to $31.53 within three years.[74] Throughout the period, Ford's wage scale was inferior to that of his competitors as indicated by his 1940 hourly wage that averaged ninety cents--a figure considerably below that of General Motors and Chrysler who were paying between $1.10 and $1.38 per hour under United Automobile Workers contracts.[75]

The progressive era of the five dollar day had faded quickly as the depression descended. During those early days, Ford had stated that he would enjoy nothing more than sharing profits with his workers, but that attitude had gained a far more frugal air during the 1930's when he favored a more stringent labor policy. As early as 1923, he asserted that, "buying labor is just like buying anything

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[73]Allan Nevins and Frank Hill, Ford: Decline and Rebirth, p. 471.

[74]Nevins and Hill, Ford: Expansion and Challenge, p. 588.

[75]William Simonds, Henry Ford: His Life, His Work, His Genius (New York: The Bobbs-Merrill Co., 1943), p. 311.

else--you have to make sure that you get your money's worth."[76] By 1930, he had put this philosophy into operation treating labor as a commodity rather than a human activity.

In order to get what he payed for, i.e., to minimize variable capital expenditures and increase the production of relative surplus-value, Ford resorted to merciless speed-ups along the assembly lines. For example, crankshaft finishers in the early 1930's produced five to seven pieces each minute for seventy five cents an hour, but by 1935 were producing eleven for fifty cents an hour.[77] Due to the accelerated pace of production, many men developed symptomatic stomach conditions that became known as "Forditis"--a condition that indicated how, "the speed-up broke countless men not only physically, but nervously (and) ... left them in a frustrated rage against the machines that drove them, the company, and the whole industrial system."[78]

Such frustration was expressed openly through various politically volatile channels. Ford's men were among the industry's first to print and circulate militant left-wing shop papers whose columns were predominantly devoted to the

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[76]Henry Ford, Today and Tomorrow, p. 154.

[77]Allan Nevins and Frank Hill, Ford: Decline and Rebirth, p. 151.

[78]Ibid., p. 152.

subject of man pushing. As speed-ups intensified, a threshold was finally reached where action transcended rhetoric. The Rouge was shut down by its first speed-up strike on February 26, 1934, and soon afterwards similar provocations sparked two more spontaneous strikes at Ford's Chester and Edgewater plants.[79]

In addition to wage cuts and speed-ups, workers were in constant fear of losing their jobs as national unemployment figures soared toward 16,000,000 by spring 1933.[80] The major grievance of older workers and one that was of major concern to union organizers was Ford's total disregard for seniority privileges with respect to layoffs. While specific figures are not listed for the depression, many biographers indicated that a man with twenty years experience was as likely to be dismissed as a man who had been hired six months earlier.[81] Some reports go so far as to accuse Ford of favoring the dismissal of older, more experienced men since they were often the highest payed.[82] In either case,

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[79]Keith Sward, p. 358.

[80]Nevins and Hill, op. cit., p. 151.

[81]Among those supporting the theory are David Lewis, p. 248; Keith Sward, p. 349; and Nevins and Hill, Ford: Expansion and Challenge, p. 534.

[82]Nevins and Hill, ibid., p. 590.

biographers maintain that the fear of job insecurity was again used as a coercive prod to discipline the labor force throughout the period.

During the mid-1930's, the alienating relationship between Ford and his labor force revolved around the issue of man-pushing and became tangible in the speed-up strikes and radical publications produced by the rank and file. Such exploitive and domineering production methods were required of Ford in order to insure maximum output at minimal cost and thereby insure the continued growth of his capital. However, this conflict was merely a foreshadowing of events to come as organized resistance to wages and seniority did not surface until the early 1940's. Instead, these two issues were left smoldering until an even more aggravating pressure would cause them to erupt into a tremendous labor revolt.

The catalyst that eventually brought conflict to the boiling point was Ford's use of the notoriously heavy-handed Service Department as his primary device for disciplining the labor force. Led by Harry Bennett, a man whose connections with the underworld were extensive, the Ford Service Department was studded with wrestlers, boxers, ex-convicts, local thugs, and men handy with makeshift weapons.[83]

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[83]Roger Burlingame, p. 138.

"Among the law breakers who began to honeycomb Bennett's immediate staff ... could be found perpetrators of nearly every crime listed on the statute books. The gamut of their police records ran from rape and gross indecency to ... murder and manslaughter."[84]

The purpose of Ford Service was to help preserve order along the assembly lines and insure the discipline and coordination among workers that were indespensible for successful mass production. As speed-ups and wage reductions necessarily became more prevalent throughout the 1930's, Bennett's entourage was faced with the increasingly difficult task of neutralizing the ensuing labor dissent mentioned earlier. The disciplinary tactics they used were severe and often brutal. For example, fraternizing with workmates was strictly forbidden. As one employee declared, "any association with other workers in the department, or line, or at the bench where you were working, was frowned upon. There was a feeling in the mind of everyone that he was an individual with no connection during working hours with any other man."[85]

Other incidents reveal the sheer brutality with which Ford's men carried out their work. In 1932, a man was

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[84]Keith Sward, p. 297.

[85]Allan Nevins and Frank Hill, Ford: Decline and Rebirth, p. 47.

killed while working on a drop forge machine because his foreman had been pushing him to accelerate the pace. When a replacement realized that he was being driven as hard as his unfortunate predecessor, he turned on the foreman and threatened physical retaliation. Immediately, four Service men intervened and literally flogged the worker into submission.[86]

While the threat of physical abuse was a poignant means of keeping labor under control during those frantic times, most authors concur that the fear of losing one's job was a far more effective disciplinary tactic in the long run. Service men were given the power of firing anyone at will without the individual being able to appeal the decision through any sort of grievance procedure. Since unemployment during the depression had reached extreme proportions and the possibility of securing another position was negligible, job neurosis swept through the shops as it had in 1921, causing the men to comply with their orders despite the disdain they might have felt.[87]

Once again, Ford had been compelled to control his labor force and quell rising labor unrest. Had an undisciplined labor force been tolerated, i.e., had strikes been

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[86]Keith Sward, p. 306.

[87]Ibid., p. 308.

allowed to continue, the rate of production would have declined and variable capital costs per car produced would have increased. In fact, driving and speed-up tactics clearly demonstrated that Ford favored the opposite trend, i.e., faster production and therefore lower variable capital costs per unit, that would have allowed him to market cars at lower prices and perhaps increase sales volume and profits. As a result, his utilization of the Service Department as a means of maintaining constant flow of production was a structurally conditioned activity predicated upon the laws of the capitalist economy. It will be illustrated that this activity led directly to his increasing alienation from the labor force--a phenomenon reflected in the increased unionization movement of the late 1930's and one that will be discussed directly.

Henry Ford wrote in 1923, that, "a large amount of labor unrest comes from the unjust exercise of authority,"[88]--a dialectical process that was displayed in his own shops during the Great Depression. As union organizers from the Committee for Industrial Organization (CIO) gained a foothold in other Detroit automotive companies, they began to direct their efforts toward the Ford Motor Company. At the core of their unionization drive, "was this organized company police force that, more than any other discomfort, irked the workers

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[88]Henry Ford, My Life and Work, p. 93.

and proved the best selling point for the organizers of the CIO. It furnished opportunity for those tales of abuse and bloodshed that labor organizations relish and that have often formed for them an opening wedge."[89]

Ford's response to labor organization was further reliance on the Service force. In April, 1937, he designated Harry Bennett the official company representative in charge of labor relations and assigned him to stave off union organization. He was to avoid any sort of working arrangement with the union's membership--a policy which distressed executives including his own son who favored collective bargaining. Nevertheless, Bennett assumed his responsibilities immediately and in a characteristicly truculent manner.

The atmosphere in Ford's plants became especially noxious for those employees found to be associated with the unionization movement. In December, 1937, the National Labor Relations Board (NLRB) found the Ford Motor Company to be in violation of the Wagner Act, ensuring workers the right to self-organization and to engage in collective bargaining. They ordered Ford to reinstate with back pay twenty-three workers who had been dismissed earlier for union activities.[90] Furthermore, the board discovered that

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[89]Roger Burlingame, p. 139.

[90]David Lewis, p. 251.

a network of spies and stoolpigeons working for Ford maintained surveillance over employees even outside the plants and that 967 employees sympathetic to the union cause had been locked out of a Kansas City plant.[91] Overall it was reported that Ford Service was responsible for the discharge of some 4,000 employees who were actual or suspected members of the union between 1937 and 1941.[92]

However, these incidents were merely trifles when compared to the physical abuses conducted by Ford's underlings. Perhaps the most famous incident was the "Battle of the Overpass" that occurred on May 26, 1937, at the Rouge. While preparing to distribute handbills to workers changing shifts that afternoon, UAW-CIO vice president Richard Frankensteen, Walter Reuther, and other union organizers were viciously assaulted by Service men before a host of newspaper reporters and photographers who would later provide court testimony attesting to the beatings. Frankensteen was brutally gored by the heels of his assailants as cameras were smashed at the hands of Ford's men to destroy any evidence that might later be produced. Reviewing the incident the NLRB condemned Ford for, "threatening, assaulting, beating, or preventing any labor organization from distributing

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[91]Allan Nevins and Frank Hill, Ford: Decline and Rebirth, pp. 146-150.

[92]Keith Sward, p. 377.

literature ... (and) interfering or coercing employees in their right to organize or bargain collectively."[93]

Ford's terrorism was most convincingly documented at NLRB hearings in Dallas during April, 1940, where actual members of the Ford Service testified to brandishing blackjacks, loaded hose, cat-o-nine tails, and rubber taped electrical wire to administer beatings. One Serviceman reported having personally participated in thirty such assaults as well as occasional tar and featherings of union organizers.[94] By the end of the year the board had found Ford guilty of unfair labor practices in Detroit, Chicago, Buffalo, Dallas, St. Louis, Kansas City, Somerville (Massachusetts), and Richmond and Long Beach (California).[95] Much of the evidence was enhanced having been given by actual members of Ford's Service Department who had participated in the conflicts.

As violence, speed-ups, and the general level of Ford's insolence toward organizers escalated, labor resisted more vehemently. During the last two weeks of March, 1941, 15,000 men were involved in numerous spontaneous sit-down strikes provoked by various complaints. Finally on March 31, Ford fired the UAW's eight man grievance committee

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[93]Roger Burlingame, pp. 141-142.

[94]David Lewis, p. 252.

[95]Keith Sward, p. 370.

accusing them, "of being overzealous in their efforts to organize employees not in sympathy with unionists."[96] That night the Rouge was shut down by an inside sit-down strike in response to Ford's earlier dismissals. The following day 50,000 workers gathered at the factory gates supporting the strike in a mass refusal to work.[97]

Employees resumed production ten days later after Ford capitulated allowing workers to vote for the union of their choice. On May 21, the rank and file recorded their overwhelming support for the UAW-CIO as the union garnered more than 70 percent of the vote. While the AFL received 27.4 percent, only 2.7 percent of all those casting ballots chose to have no union at all.[98] "This was crushing news to Henry Ford, perhaps the greatest disappointment he had in all his business experience. He had been certain that Ford workers would stand by him."[99] When a contract was finally negotiated, the union was granted every concession it had requested including wage increases, a seniority system governing layoffs and rehiring, reinstatement of employees fired for union activity, and the abolition of the Ford Service Department.

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[96]David Lewis, p. 264.

[97]Nevins and Hill, op. cit., p. 161.

[98]Ibid., p. 164.

[99]Charles Sorensen, p. 268.

Ford's relations with labor during the 1930's and early 1940's have been cited at length because they lucidly illustrate the structurally conditioned dynamic of the capitalist's alienation from his fellow man. To summarize, depressed market conditions after the 1929 crash forced Ford to lower his prices in an effort to attract a wider share of the market and to increase or at least stabilize capital accumulations. However, as production records indicate, output was to drop steadily until 1932 and fluctuate thereafter for another ten years.[100] As a means of protecting his profit margin despite price reductions and declining sales, i.e., as a means of insuring the constant production of surplus-value, he also reduced wages and increased the speed of production. Theoretically, such a maneuver would reduce variable capital costs per unit manufactured, offset lower prices, and therefore insure continued accumulations of capital. It was at this point that Ford necessarily began to increase the degree to which he exploited the labor force. Since an increase in exploitation is the root of the capitalist's alienation from labor, this was also the point at which Ford began to rapidly increase his estrangement from his workers.

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[100]Allan Nevins and Frank Hill, Ford: Decline and Rebirth, p. 477, indicate that total U. S. production declined from 1,431,574 units in 1929, to 395,956 units in 1932.

In response to such exploitation and control, labor's resistance was overtly expressed in the form of speed-up strikes, militant publications, etc. Such overt conflict was indicative of the alienating relationship in which capital and labor had been cast by the structural conditions of the market. Antagonism escalated as Ford sought to suppress labor discontent by means of the Ford Service Department's extreme disciplinary methods. As before, this was a measure Ford was compelled to take in order to meet the demands of a competitive capitalist economy. If work stoppages were to continue unimpeded, the annual production of surplus-value would be interrupted and, therefore, reduced in the long run--an occurrence that might have seriously impared the company's financial position since its United States production in 1934, was only half of what it had been at the beginning of the depression.[101] Such was Ford's reactionary position to labor's earlier attempts at exercising control over him. Increased dependence on Service Department tyranny reflected further estrangement between Ford and his workers as the struggle for control intensified.

As a backlash to Bennett's tactics, the unionization movement gained strong momentum endangering Ford's autocratic control and compelling him to subvert the union threat by

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[101]Ibid., p. 477.

unleashing all the wrath his Servicemen could muster. The ramifications of successful unionization were clear. If the CIO were to become institutionalized, Ford's grip on labor would be loosened, he would no longer be capable of driving men during times of economic crisis, and the cost of variable capital would surely have risen as the call for higher wages would have to be met.

Ford expressed this fear to Sorensen explicitly stipulating that, "when labor has the power to dictate wages and what it will give for the wage received, it claims for itself the benefits of mass production."[102] In short, the CIO's triumph would force him to share the wealth with his workers--a practice he had once engaged in voluntarily but which was apparently no longer economically feasible.

The essence of this discussion is that Ford's alienation from labor developed as a series of human actions and reactions, i.e., a dialectical process, ground in the structural conditions of competitive capitalism. Ford was both subject and object, being compelled by the economic environment to act upon and exploit his labor force and in turn being acted upon by those workers responding to his increased coercion.

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[102]Charles Sorensen, p. 254.

Conclusions

Indeed, Henry Ford's participation in the capitalist mode of production did cause him to become alienated from his fellow man. Furthermore, the historical development of his associations with others suggests a relationship of critical importance within the context of this discussion. As competition intensifies and market conditions contract, the capitalist's alienation from other individuals also seems to increase.

Remember that this relationship is not only expressed through the labor struggles of the 1930's, but also on a much broader historical plane. During the company's early years of prosperity, the five dollar day, Sociological Department, etc., Ford's relationships were generally co-operative and peaceful. However, as the industrialist's economic stability became precarious during the 1921 depression, his relations with labor, dealers, and executives became visibly more alienated. Still more antagonistic were his associations with dealers and labor during the Great Depression a decade later. As the severity of economic conditions intensified, so did the degree to which he became alienated from those around him.

While the underlying structural mechanisms leading to alienation from one's fellow man are clearly delineated in Marx's writings, how do these conditions specifically lead

to the capitalist's estrangement from those around him? Again, the question's resolution seems to emanate from an analysis of control. As economic conditions threaten the capitalist's livelihood, he is compelled to augment the degree to which he manipulates those around him by increasing his control over (1) the individual's productive activity and/or (2) the distribution of resources, i.e., exchange values, to those individuals. Particular examples abound in Ford's life where he forced workers to speed-up production while maintaining or reducing their wages; where he forced dealers to increase purchases while reducing commissions and discount rates; and where he attempted to force his own stockholders to relinquish part of their capital holdings for the company's expansion. In each instance, the precursor to tangible forms of alienation was Ford's attempt to manipulate and control individuals to his own economic advantage.

Particular attention should be directed to the absence of examples regarding the capitalist's alienation from other members of his own class. Indeed, the only case discovered was the Dodge lawsuit and even this antagonism was not with men he actually competed against in the market place, but rather with men whose capital developed from the same business enterprise. In the classical Marxian sense, these men were not competing against each other although their

alienation was indirectly rooted in the Ford Motor Company's competitive struggle--a struggle dictating that expansion and therefore reinvestment of dividends was necessary. Nevertheless, in the sense that this example portrays individual capitalists struggling over capital in an attempt to increase their respective holdings, Marx's theory is supported.

Despite the inconclusive nature of this particular case in terms of that portion of the theory, Marx's broader theoretical implications are reinforced by this example. Ford's alienation from the Dodges became manifest through a struggle for control over the distribution of capital. The theory of control that has emerged from Marx's writing is enhanced by this case as it demonstrates that Marx's theory of alienation appears to be valid both within as well as between classes--at least in relation to Henry Ford.

Before continuing, it must be stressed that this example and those cited throughout this discussion as evidence of the capitalist's alienation are necessarily restricted to overt expressions of estrangement. While the capitalist must continually control his fellow man through exploitive and competitive activity, the phenomenon of alienation only becomes tangible as his control is met with resistance, i.e., where conflict erupts. Therefore, the particular instances developed here are only those that reflect the conflagratory

results of Ford's alienation and as such are merely static and isolated glimpses of a dynamic process. By way of analogy, such glimpses are similar to the visible tips of a series of interconnected icebergs far more imposing below than above the surface.

Finally, particular attention should be placed on the interrelationships between the various forms of alienation examined thus far. Although further consideration will be given to the subject later, it is clear that Ford's alienation from his work-activity, products, and relationhips with other men and women are all simply different perspectives from which to view the same complex Relation of alienation.

For example, during the 1921 depression Ford was compelled to maximize his capital accumulations by lowering prices and manufacturing the Model T in such huge quantities that labor had to be coercively driven and sped-up. Due to the nature of market conditions at that time, Ford was simultaneously alienated from his work-activity, product, and relations with labor as his control over each was superseded by the laws of the competitive market. The work of accumulating ever-increasing amounts of capital governed, in a reified manner, every aspect of his economic life. As Ford recognized himself, "the work and the work alone controls us,"[103]--a realization that is absolutely critical to an understanding of the capitalist's alienation.

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[103]Henry Ford, My Life and Work, p. 93.

CHAPTER VI

THE CAPITALIST'S ALIENATION FROM SPECIES-BEING

This research has focused on the three forms of social alienation experienced by the capitalist; that is, alienation from work-activity, product, and fellow man. But to grasp the true brilliance and power of Marx's insight into capitalist man's alienated existence, a fourth form of alienation must be examined--a form that is qualitatively different from those addressed so far. The purpose of this chapter will be to investigate this fourth form, man's alienation from his species-being, as it pertains to the capitalist's experience within the capitalist mode of production.

Marx's analysis of man's alienation from species rests on the assumption that man has a unique human nature distinct from all other living creatures. Contrary to many contemporary sociologists, psychologists, and philosophers, he believed that man was not a "tabula rasa" on which culture wrote its text, but that within man were any number of dormant powers, capacities, potentialities, talents, etc.,

that waited to be developed.[1] While philosophical and scientific debate has raged for centuries around this issue, that argument will not be resurrected at this time. Instead, the assumption has been explicitly stated because it is the critical pivot around which the following theoretical discussion revolves. Marx maintained that, "it is just in his work upon the objective world that man really proves himself as a species-being."[2] By actively working with natural objects in his environment, man comes to fulfill a multiplicity of needs and express a corresponding number of powers, thereby affirming his unique humanness in the material world around him. It is most important to realize that the active production of use-values, i.e., objects whose production is a useful means of expressing one's species-being, are central to this theory of human development. It is, "this active relationship to the objective world, Marx calls 'productive life'."[3]

Marx's discussion of species-life is cast in such a way as to underscore the relationship between the present and

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[1]Erich Fromm, Marx's Concept of Man (New York: Frederick Ungar Publishing Co., 1961), p. 24, discusses this assumption in more detail and may be of use to the reader.

[2]Karl Marx, "Economic and Philosophical Manuscripts of 1844", in Karl Marx Early Writings, trans. and ed. T. B. Bottomore (New York: McGraw-Hill Book Co., 1963), p. 128.

[3]Erich Fromm, p. 34.

future since it is only in communist society, a phase yet to be attained in man's historical evolution, that such human fulfillment is possible. Instead, man lives in an alienated environment where the structural conditions of capitalism restrict the complete expression of his powers and, therefore, his full development as a human being. In short, capitalist man is alienated from his species-being since he participates not in a system of communist cooperation, but one of capitalist competition and exploitation.

In order to cogently grasp Marx's conception of man's alienated species-being, it is necessary to understand its roots in the structure of the capitalist mode of production. Remember that the need for continually expanding production of surplus-value is capitalism's "prime mover" and that surplus-value is objectified in the form of commodities that are later transformed into exchange-value in the market place. Furthermore, the most effective means the capitalist has of increasing the rate at which surplus-value is produced is to increase the degree of labor specialization. As Marx states, "the division of labor and abundance of production, division of labor and accumulation of capital are mutually determining."[4]

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[4]Karl Marx, "Economic and Philosophical Manuscripts of 1844", p. 185.

Herein lies the key for understanding the alienation of man from his species-being in capitalist society, "for as soon as the distribution of labor comes into being, each man has a particular exclusive sphere of activity, which is forced upon him and from which he cannot escape. He is a hunter, a fisherman, a shepherd, or a critical critic, and must remain so if he does not want to lose his means of livelihood."[5] The implication arising from this statement and one explicated by Marx is that as a result of an extremely specialized division of labor, a separation between intellectual and material activity develops and devolves on different individuals.[6] Each participant in the system becomes estranged from his own species-being, i.e., his human essence, because he only has a very specialized task to perform and many of his special traits and abilities are not needed for his job. Therefore, many of his human potentialities do not become realized through his economic activity.[7]

Within this theoretical framework, the capitalist's alienation from his species-being is readily apparent.

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[5]Karl Marx and Frederick Engels, The German Ideology, trans. Lawrence and Wishart, ed. C. J. Arthur (New York: International Publishers, 1970), p. 53.

[6]Karl Marx and Frederick Engels, p. 52.

[7]For a more detailed discussion of this dilemma see, Ernest Mandel and George Novack, The Marxist Theory of Alienation (New York: Pathfinder Press, 1970), p. 162.

Not only does he experience the generally alienating effects of over-specialization, but he is also compelled to endure a passive and, therefore, alienating existence. Because he is merely a passive exploiter of labor, he does not actively engage in the productive process and does not express his species powers through the active transformation of the objective natural world. Instead, he pays someone else to produce for him and thereby deprives himself of the opportunity for developing his own species powers.

Furthermore, the commodities produced by such a process are characterized by their exchange-value rather than their use-value. They are not created for purposes of allowing their producers to develop latent human capacities, but are manufactured to produce profit in the market place--profit that is essential to the capitalist's economic survival. As a result, "labor, life activity, productive life, now appear to man only as a means for the satisfaction of a need, the need to maintain his physical existence."[8] The capitalist's work is not conducted as a means for the development of his species-being, but as a means in itself--a means for survival.

As a result, a "fetishism of commodities", i.e., desire to privately amass commodities, overwhelms capitalist

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[8]Karl Marx, "Economic and Philosophical Manuscripts of 1844", p. 127.

society and is indicative of man's alienation from his species-being. This phenomenon is the direct result of man's inability to express those species-powers that have been sublimated by the capitalist mode of production. The only apparent avenue left to satisfy those needs is to accumulate, i.e., purchase through exchange, those objects that would ordinarily be the objectified expression of an individual's species-powers. Ultimately, "money, since it has the property of purchasing everything, of appropriating objects to itself, is, therefore, the object par excellence,"[9] and is sought after in great quantity. Everything which the individual is unable to do his money can do for him. As Ollman maintains, under capitalism man's powers have contracted to the single power of "having" for which money is its objectified expression.[10]

Once again, the issue of control surfaces as the laws of the competitive market force the individual to repress many species-powers he may have need to express. As such, man loses control of the capitalist system he has created and its laws, "function as external coercive powers over which even the masters of capital have no control."[11]

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[9]Ibid., p. 189.

[10]Bertell Ollman, Alienation (Cambridge: Cambridge University Press, 1971), p. 156.

[11]Ernest Mandel and George Novack, p. 67.

The task at hand then, is to explore the life of Henry Ford in an effort to dramatize the structural causes and tangible effects of the capitalist's alienation from his species-being.

Selection of Indicators

Two perspectives will be developed to investigate Marx's theory of man's alienation from his species-being. Initially, discussion will focus on the dynamic interrelationship between Henry Ford's increasing involvement within the capitalist mode of production and the development of his human needs and capacities as a function of that involvement. Secondly, since Marx maintained that the alienating effects of capitalist production permeate all facets of life within the society, Ford's major interests and activities outside the realm of automotive production will be analyzed as they too should provide evidence for the capitalist's alienation from his species-being.

An historical analysis will be employed to contrast Ford's pre-capitalist activities of automotive tinkering and experimentation with his later labors as a capitalist bent upon the profitable mass production and sale of automobiles. It will be demonstrated that as his participation in the capitalist mode of production escalated and as the division of labor within his organization became more specialized,

his involvement was necessarily of a more passive and, therefore, a more alienating nature. Finally, as the division of labor became extremely differentiated, Ford was relegated to a position within the production process isolated from any labor that might have permitted his development as a species-being. Through the same historical analysis, it will be illustrated that while Ford's earliest automobiles were produced as objects intended to satisfy his mechanical curiosity, those manufactured after his entrance into the competitive market were predominantly intended to facilitate the accumulation of capital. In short, his position as a capitalist required that he produce cars as exchange-value rather than use-value--a structurally conditioned phenomenon Marx felt was at the root of man's alienation from his species-being. This comparative analysis underscores the stifling effects the capitalist system had on the development of Henry Ford as a unique species-being seeking development through the productive work process.

However, the ramifications of Marx's theory extend well beyond a discussion of the capitalist's participation in the production process. Not only does the division of labor impede the development of species-powers by narrowly defining an individual's productive work-activity, but its effects also extend to those spheres of an individual's life outside the production process. In an effort to examine

this phenomenon, Ford's major interests and activities beyond the automotive industry will be examined later in this chapter.

In 1920, Ford leveled an extensive barrage of criticism against the Jewish population accusing them of immorality and aspirations of world conquest. While the attack originated with Ford, to realize his goal he purchased a newspaper and passed the responsibilities for organizing and executing the campaign to a staff of journalists. This case is intriguing since it reflects the typically one-sided human development Marx attributed to capitalist man and illustrates his attempts to fulfill species-needs through the fetishistic process of purchasing objects. Furthermore, the example's poignancy is heightened when it is noted that the industrialist was forced to abandon his anti-Semitic crusade when it began to hurt his business--a testimonial to the ubiquitous effect the capitalist mode of production has on the development of species-powers beyond the realm of production.

Just prior to the United States involvement in World War I, Ford organized and led an expedition of pacifists abroad in a futile effort to resolve the European conflict. Ford was an individual desperately seeking to vent certain needs and emotions, but failed as a result of the naiveté with which he approached the problem--a naiveté which was the result of a narrowly developed set of skills and talents

restricted by his total preoccupation with the automobile industry. Ford's continued financial contributions to the movement after the excursion make this case particularly interesting as it illustrates how an unsuccessful attempt to actively express one's species-powers often results in the development of a fetishism of commodities intended to pacify those unfilfilled powers and needs.

Attention will also be directed to Ford's brief political escapade as a senatorial candidate in 1918. Although his motive for seeking political office was again rooted in facifism, i.e., he wished to aid Wilson's fight for a League of Nations, his electoral defeat was a result of his total absorption in industrial matters. He refused to run an active campaign feeling that his business obligations required too much of his time and energy. It will become clear that while he desired to develop talents and satisfy needs in the arena of public service, his efforts were stifled due to his vital role within the capitalist mode of production.

Finally, Ford's hobbies, all of which possessed a reminiscent element of days gone by, will be addressed. The construction of Greenfield Village and the rejuvenation of old-time dancing and music absorbed a major portion of his limited leisure time. Interestingly, he pursued each of these avocations primarily on a financial plane buying or

hiring the means necessary to develop his interests. As a result, Ford's hobbies provide classic illustrations of the fetishism of commodities Marx detailed as the tangible effect of man's alienation from his species-being.

The examples selected to illustrate Ford's alienation represent the major expressions and statements of personal individuality offered by the industrialist during his life. Because all the major portions are included, the sample provides an excellent opportunity for observing the development of one man's species-powers within the capitalist mode of production. By analyzing each case within the Marxian framework, it will be illustrated that Henry Ford may indeed have been alienated from his unique humanness--a conclusion that is reinforced by the conspicuous absence of any contradictory examples in the research.

Ford's Alienation From His Species-Being

Henry Ford recalled in later years that the only thing which made life bearable on his father's farm was that occasionally he would get an opportunity to tinker with machinery.[12] During these early times, he developed an interest in fixing machines of any sort, fiddling with steam

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[12]Keith Sward, The Legend of Henry Ford (New York: Rinehart and Company, Inc., 1948), p. 9.

engines, and gaining a reputation for excellence in watch repair. "So pronounced was this youngster's passion for mechanical work that it drove him off the farm altogether at an age when the interests of the average boy are only half formed."[13] He moved to Detroit supporting himself by assisting a watch maker while experimenting with a vast array of small engines in his spare time. Although only an avocation, experimentation consumed a majority of his interests and attention.[14]

Similarly, in the 1880's, he returned to the farm to maintain a livelihood for himself and his new bride by cutting timber while concentrating on engine development at his leisure. His intentions were clear as he wrote later, "I had returned more because I wanted to experiment than because I wanted to farm."[15] In 1887, believing that an immense amount of knowledge could be gained simply by tinkering, Ford built a four cycle gasoline engine fashioned after the currently popular Otto design. It is of particular interest to note that he constructed the model so that he

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[13]William Simonds, Henry Ford: His Life, His Work, His Genius, (New York: The Bobbs-Merrill Co., 1943), p. 9.

[14]Anne Jardim, The First Henry Ford: A Study in Personality and Business Leadership (Cambridge, Mass.: The MIT Press, 1970), p. 39.

[15]Henry Ford, My Life and Work (Garden City, New York: Doubleday, Page, and Co., 1923), p. 29.

could see whether or not he had an adequate grasp of the principles involved.[16] As a result, his first gasoline engine was an exercise designed to satisfy his curiosity and increase his understanding of technical principles.

The pattern was repeated a third time in September, 1891, when he and Clara moved to Detroit so that he could take a position with the Edison Illuminating Company. Again, his job was at best, "a useful potboiler. His heart was in a woodshed behind his rented home on Bagley Avenue. There, at night, he worked with what tools he could afford on a project of his own."[17] Frederick Strauss, an old acquaintance of Ford's, reported that both men often hugged the work bench late into the night until on Christmas eve, 1893, Ford finished his first personally designed one cylinder engine. After it had been tested and proven successful, he immediately directed his attention to its application in a light-weight motor vehicle.

Ford returned to his shop and labored for another three years often working so late that his wife worried for his health. Nevertheless, in the summer of 1896, an automobile--a quadricycle as it was called--emerged from the Bagley

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[16]Ibid., p. 28.

[17]Roger Burlingame, Henry Ford (Chicago: Quadrangle Paperbacks, 1954), p. 28.

Avenue shop and successfully cruised the Detroit streets creating a terrific sensation. While the little car was eventually sold to Charles Ainsley of Detroit for $200, Ford later stressed that he had not produced it for a profit. As he said, "I had built the car not to sell but to experiment with. I wanted to start another car. Ainsley wanted to buy. I could use the money and we had no trouble agreeing on a price."[18]

It must be emphasized that it was precisely during this period that a critical change in motivation swept over Ford. The money he had salvaged from the sale of his first car was to be reinvested in a second design intended to fulfill a new dream. Discussing the matter at length later he maintained that, "it was not at all my idea to make cars in any such petty fashion. I was looking ahead to production."[19] A new amibition had materialized where he would build a car for the multitude to be constructed of the finest materials, by the finest men, after the simplest, most utilitarian design available, and all at a price low enough to be affordable to the common man.

Before this new vision developed, Ford had tinkered, experimented, and produced engines and an automobile as a

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[18]Allan Nevins, Ford: The Times, The Man, The Company (New York: Charles Scribner's Sons, 1954), p. 167.

[19]Ibid., p. 169.

means of satisfying his mechanical genius. By utilizing his mental prowess in studying and formulating mechanical designs and by reproducing those designs in the form of material objects, Ford had expressed a number of creative talents and abilities, i.e., species-powers, through his nocturnal labors. As he asserted, it had all been done as an experiment and learning process. In short, by appropriating the ideas and materials around him, he had created objects as use-values developing his potential as a species-being.

However, with the ascendance of his new vision, i.e., an inexpensive car for the masses, he began to contemplate the manufacture of the automobile not only as a use-value and a means of developing his talents, but also as an exchange-value and a means of accumulating capital. It was at this junction that the seeds of species alienation were sown. He began to conceptualize his labor as a means of maintaining physical existence as well as a means of improving and developing his human potentialities and species-being.

In contrast to this period of tinkering and experimentation, Ford's first experiences in the competitive market reflected the conditions Marx felt were most inhibiting to the development of one's species-powers. With the financial assistance of William C. Maybury, the production of a second automobile led to the incorporation of the Detroit Automobile

Company in July, 1899. Shortly thereafter Ford tendered his resignation from the Edison Illuminating Company so that he might devote all his energies to this new occupation.

Recall that conflict materialized within the company when stockholders successfully demanded the production of what was expected to be a lucrative luxury automobile while Ford's pleas for an economical design more in line with his new dream went unheralded.[20] Furthermore, despite Ford's dissatisfaction with his product's quality, most efforts at improvement, i.e., experimental designs, etc., were forbidden by his financeers as they compelled him to manufacture cars in order to promote profits and insure the company's financial solvency.[21] For example, Ford's desire to refine the car's original carburetor delayed production until the initial capitalization of $10,000 had vanished forcing his investors to refinance operations and increase their pressure for immediate production regardless of the carburetor's efficiency.[22] Summarizing the emphasis placed on exchange-value Ford reported that, "the main idea seemed to be to get the money ... I found that the new company was not a vehicle for realizing my ideas but merely a money making concern."[23]

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[20]The details of Ford's early experiences before the incorporation of the Ford Motor Company have been detailed in an earlier chapter and will not be reviewed here at length.

[21]Anne Jardim, p. 51.

[22]William Simonds, p. 62.

[23]Henry Ford, My Life and Work, p. 36.

Similarly, Ford's disgruntled association with the Henry Ford Automobile Company in 1902, stemmed from an uncooperative atmosphere with respect to the production of inexpensive private transportation. Once again, his vision of an economical motor car for the masses was subverted by his compatriots' mandate for quick cash to be realized through the sale of lavish automobiles with high prices. Equally reminiscent of earlier days, the majority of stockholders put money before quality insisting that he put a product on the market as soon as possible to generate a profitable cash flow.

It becomes apparent that during Ford's first two forays into the competitive market place he was restricted to manufacturing a type and quality of product other than that he desired. But what is more important within the context of this discussion is that his yearning to perfect the design and realize his vision of an inexpensive motor car is stifled by the pervading economic atmosphere. In order to maintain each company's economic security, he was compelled to manufacture commodities as exchange-values that neither reflected nor objectified his vision of a utilitarian and efficient automobile for the common man. Such structurally defined prerequisites forced him to abandon the manufacture of products, i.e., use-values, that would have facilitated the satisfaction of his need and promoted the development of

his corresponding talents. As a result, Ford seems to have become increasingly alienated from his species-being.

Briefly it should be noted that Ford's racing endeavors are also illustrative of this alienating dilemma. In an effort to attract fresh entrepreneurial capital after leaving the Detroit Automobile Company, and later the Henry Ford Automobile Company, he felt compelled to construct racing machines and successfully compete in the racing field--activities for which he expressed disdain.[24] Nevertheless, those tasks were undertaken in 1901, and again in late 1902, accomplishing their purpose by attracting new speculators to subsidize his industrial ambitions.

Once again economic necessity had forced Ford to manufacture a product antithetical to the immediate realization of his need, i.e., the production of an inexpensive car for the masses. Instead of laboring to produce an object of use-value and one that directly satisfied this need, he created automobiles specifically as a means for expanding the amount of capital available to him. Within the Marxian framework, his activity constituted the production of exchange-value, temporarily stifled his most fundamental need, and, therefore, seems to have led to his alienation from his own species-being.

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[24]William Simonds, p. 68.

Before continuing, it should be noted that on a broader historical plane this argument might be critiqued by suggesting that use-value was created by Ford since racing machines served as a useful expedient providing capital necessary for the later fulfillment of his interests. However, this line of reasoning should not be overstated since the production of capital, i.e., exchange-value, was clearly Ford's most pressing concern at that time--a concern that forced him to ignore the more rewarding work he wished to pursue and to sublimate his underlying need. While racing may have enabled him to fulfill his species-needs later, it was far more of an alienating impediment during that time.

Nevertheless, Ford's vision was soon to be realized as he began to direct his attention toward (1) the development of the inexpensive motor car and (2) the creation of a colossal system of mass production intended to manufacture that car for the common man. During the Ford Motor Company's first three years of operation, he devoted much of his time to the perfection of a simply designed, low-priced car--the Model N.[25] By late 1906, he was basically satisfied with the product he had wrought and was impressed with its brilliant success in the market. Selling for $600 the Model N had shattered all previous sales records for the company.[26]

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[25]Allan Nevins, pp. 246-248.

[26]Anne Jardim, p. 56.

Furthermore, in order to meet the rising demand and maximize his capital accumulations, Ford began to focus his efforts on the development of a complex system of mass production, based on a highly specialized division of labor, and designed to produce a vast number of automobiles. Finally, in 1908, Ford's activities reached fruition as the first Model T, a simply designed, inexpensive car, rolled from the assembly line.

After reviewing the events leading to its creation, many biographers maintain, "it is hard to deny that Henry Ford was ridden by two obsessions: mechanical perfection and the "common" man,"[27] and that the Model T was the fulfillment of both these visions. The little car was the objectification of Ford's two most pressing needs and, in the sense that it provided a motif through which these needs could be satisfied, it did possess use-value facilitating Ford's development as a species-being. It would seem then that this evidence tends to draw Marx's analysis into a dubious light as Ford was able to successfully manufacture a product that enabled him to realize certain species-powers and needs.

However, it is important to reiterate Marx's implication that each participant in the capitalist mode of

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[27]Roger Burlingame, p. 49.

production becomes estranged from his species-being not because all of his human potentialities are stifled, but because the vast majority remain unfulfilled. In fact, Marx concedes that human potentialities may be developed within the capitalist system, but, "can only be gratified to the extent to which they contribute to the accumulation of wealth,"[28]--a theoretical notion supported by the discontinuation of the Model T in 1927, as a result of its failure to produce enough capital to justify further production. Indeed, it will be demonstrated that these expressions of Ford's species-being are rare examples of human development in the scenario of a man whose species-powers remained primarily dormant. Ironically, even as these needs were being realized, the development of Ford's species-being was being crippled anew by the same needs that had promoted the Model T's creation in the first place--Ford's desire to make his car available to the general public.

Marx specified that human development was a dialectical process predicated upon an individual's work-activity. Furthermore, he maintained that the constant struggle for ever-expanding accumulations of capital was a structurally conditioned phenomenon that spawned a highly specialized

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[28]Istvan Meszaros, Marx's Theory of Alienation (New York: Harper and Row, Publishers, 1970), p. 144.

division of labor. As an individual's work-activity was restricted by the division of labor, his growth as a species-being was also limited since a decreasing number of talents and abilities were required of him for his job. Henry Ford's relationship to the production process provides support for Marx's critique.

Orders for the Model T were received at such an accelerating pace that from May to June, 1909, Ford stopped taking orders entirely until production could catch-up with those requests he had already accepted.[29] To meet the exorbitant demand and, therefore, to maximize his capital, Ford was compelled to freeze the Model T's design and to eliminate all other models in 1909.[30] His logic was quite straightforward. By holding design constant, vast improvements in the manufacturing process could be developed as, "the company's engineers (would be) free to concentrate on production methods, breaking down operations into the simplest steps."[31] Such a decision symbolized a trend of increasing task specialization that had been developing for quite some time.

Before the Model T was produced, Ford worked personally on his cars' engines and chassis in a tiny room twelve by

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[29]Charles Sorensen, My Forty Years With Ford (New York: W. W. Norton and Co., Inc., 1956), p. 124.

[30]Henry Ford, My Life and Work, pp. 70-72. Ford had been manufacturing the Models R and S until they were discontinued in 1909.

[31]Anne Jardim, p. 88.

fifteen feet equipped with a milling machine, drill press, and lathe.[32] But as his business expanded, he was rapidly becoming separated from the active labor process that was vital to the development of his human needs and powers. In order to manage a business that had necessarily mushroomed in response to increasing market demand, Ford began to depend on others to undertake various aspects of the work with which he could no longer spend time.[33] As the situation exacerbated, his efforts were increasingly devoted to mental planning rather than physical labor. As one observer testified, "Ford used to bring in various concepts of the machine he wanted and then relied on his assistants ... to give them practical shape. That is, he would present the initial ideas and they would work out the details."[34]

By the time the Model A was being designed, Ford had even been compelled to relinquish this activity to others in his employ. Joseph Galamb had total responsibility for designing the body and frame; Eugene Farkas designed the brakes and axle; Frank Johnson designed the clutch and transmission; and Laurence Sheldrick designed the engine and

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[32]Anne Jardim, p. 31.

[33]Allan Nevins, p. 648. Employment figures for the Ford Motor Company reflect this growth and management problem. While only 125 people were employed in 1903, that number blossomed to 2,773 by 1910, and 14,366 by 1913.

[34]Ibid., p. 390.

chassis. Throughout the Model A's gestation, Ford just slouched passively in an easy chair among his engineers and watched them work around him.[35]

To insure the continued growth of his capital, the industrialist had necessarily created a system of production that forced him to abandon the productive activity that had been so fulfilling in his earlier, pre-capitalist days. No longer did he appropriate the objects around him as a means of developing his human potentialities. Instead, he was gradually relegated to a passive niche within the division of labor which failed to provide new opportunities for any intellectually or physically creative work-activity. In light of the Marxian analysis, the conditions favorable to the further development of Ford's human capacities were clearly negated by the structural conditions of the capitalist system--a situation that leads one to the conclusion that the development of Ford's species-being may have been retarded by his position within the capitalist mode of production.

Through an analysis of the dynamic relationship between the Model T's use-value and exchange-value, it is now possible to cogently grasp the capitalist system's impact on Ford's human development. Recall that when the Model T

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[35]Allan Nevins and Frank Hill, Ford: Expansion and Challenge (New York: Charles Scribner's Sons, 1957), p. 446.

provided a means for Ford's personal growth; when the Model T was a use-value, other types of automobiles, i.e., the R and S models, were functioning as the major source of revenue for the company. However, by 1910, when the Model T had become the primary source of income for the company, it was being produced by a division of labor that may have impeded the further development of Ford as a species-being. In fact, the Model T began to assume the characteristics of alienating exchange-value as early as 1909 when its design had been frozen to clear the way for the creation of an increasingly specialized division of labor and system of mass production. Obviously static design meant an end to the expression of Ford's innovative talents regarding product development.

When the Model T was being produced as a use-value, it was a facilitator for the industrialist's development, but when it was being manufactured as the basic source of the Ford Motor Company's exchange-value and capital, it necessarily created the conditions that may have been stifling to Ford's development. In short, as the Model T's production gradually assumed a capital accumulating function, it simultaneously provided a mechanism for Ford's alienation from any further species development.

While the Model T may still have provided for the limited expression of Ford's original needs, even this form

of fulfillment was lost in the rising wake of fresh market demands. During the 1920's, the public began to clamor for style, comfort, and speed in their automobiles and most manufacturers, particularly General Motors' Chevrolet division, responded accordingly.[36] Despite the warnings from dealers and executives, Ford resisted change vehemently and maintained that, "it is a bad thing to make business by making things that serve no use."[37] Throughout his life he had been convinced that utility and utility alone was the basis for sound automotive production and that frills and fancy design were a worthless investment of one's time and money. The idea that a car of 1923 should be tossed aside simply because it did not have the same styling as a car of 1925 outraged him.[38]

Nevertheless, in 1927, Ford was compelled to abandon the Model T simply because it was no longer a profitable commodity. Model T sales from April through June 1926, dropped 154,000 units from the comparable period in 1925, despite an improved automobile market.[39] In 1928, the Ford

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[36]The details of this trend may be found in an earlier chapter of this research dealing with Ford's alienation from his product.

[37]Jonathan Leonard, The Tragedy of Henry Ford (New York: G. P. Putnam's Sons, 1932), p. 184.

[38]Allan Nevins and Frank Hill, Ford: Expansion and Challenge (New York: Charles Scribner's Sons, 1957), p. 412.

[39]David Lewis, The Public Image of Henry Ford (Detroit: Wayne State University Press, 1976), p. 192.

Motor Company offered its replacement in the Model A--a car that embraced many of the improvements Ford had opposed earlier as fickle indulgencies.

Having been banished to a realm of unproductive passivity within the division of labor, Ford was not forced to repress the expression of his earliest need--the production of a simply designed, utilitarian automobile. His work-activity had truly become a means of maintaining physical existence and a means in itself, rather than a means of human development. As such, this industrial finale seems to typify Ford's alienation from his species-being.

It is clear that the structural requirements imposed upon Ford by his position within the capitalist mode of production seem to have had an alienating effect on his unique human nature. However, the impediments of that system also permeated aspects of his species-being that sought fulfillment in areas other than his industrial life.

Ford was possessed of, "the not uncommon conviction among mortals that he (had) a real message for the world, a real service to render mankind,"[40] and to provide that service he purchased the Dearborn Independent in November, 1918. The "Chronicler of the Neglected Truth", as the news weekly came to be known, was organized and produced by a staff of

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[40]Samuel Marquis, Henry Ford: An Interpretation (Boston: Little, Brown and Co., 1923), p. 8.

highly competent journalists headed by William J. Cameron and hired by Ford to alert the public to a plethora of social maladies. As Ford suggested, the Independent was a paper whose purpose was, "to spread ideas, the best that can be found. It (aimed) to furnish food for thought,"[41] railing about the evils of speculative capitalists, sex, liquor, tobacco, jazz, and most persistently Jews--a rhetoric the public found less than palatable.

On May 22, 1920, the Independent began to publish a series of twenty editorials denouncing the Jews as an organized conspiracy, "bent on disrupting all Gentile life by war, revolt, and disorder, and thus finally gaining world control of politics, commerce, and finance."[42] His anti-Semitic crusade continued for ninety-one weeks and served as a vehicle for filing warmongers, munitions-makers, depraved filmmakers, jazz composers, distillers of alcohol and manufacturers of cigarettes under a singular heading--"Jew".[43]

Ford was convinced that, "it was his mission to protect America from this insidious and wicked plot,"[44] and as his obsession grew he published a revised edition of The Protocols of The Wise Men of Zion. The pamphlet was devoted to

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[41]Keith Sward, p. 143.

[42]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 314.

[43]Anne Jardim, p. 141.

[44]Jonathan Leonard, p. 203.

the defamation of Jews as an international organization seeking world conquest and specifically accused Jews of being responsible for war, class conflict, the decline of capitalism, and various forms of immorality. Eventually it was published in Germany and earned Ford special recognition from Adolph Hitler himself.

In 1922, east coast dealers began to protest that Ford's anti-Semitic activities were hurting automobile sales and he was persuaded to temporarily suspend the articles from publication.[45] However, in March, 1924, they reappeared on a scale far more libelous than ever before. For the next year, the Independent concluded that Jewish banking concerns were subtley trying to obtain control of American wheat farming. The attacks focused on Aaron Sapiro, a distinguished Chicago attorney, who was widely respected for his work organizing cooperative marketing arrangements with farmers throughout the mid-West. The upshot of Ford's slander was a million dollar lawsuit filed by Sapiro and eventually settled out of court for $140,000.[46]

However, what is most significant about Ford's anti-Semitism within the context of this discussion is that its publication was abruptly stopped in 1927, with apologies to

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[45]Keith Sward, p. 157.

[46]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 321.

Sapiro and the Jewish community in general. In analyzing this situation, most biographers maintain that the underpinning reason for Ford's recantation was not so much the sudden realization that he had committed a gross social injustice, but that his remarks had seriously impared the company's sales!

During the period, Jews were successfully boycotting Ford products throughout the country. While no data exist for estimating the extent of the loss, many dealers in strong Jewish centers like New York, Newark, Chicago, Cincinnati, etc., complained that anti-Semitic slurs were hurting business.[47] Various protests were widely publicized. Hartford, Connecticut, for example, was the scene for a Jewish parade honoring Albert Einstein and involving some 400 automobiles. Absolutely no Ford cars were allowed in the procession--an incident that received national media coverage.[48] These protests were all the more disturbing since the Ford Motor Company was in the midst of a critical changeover from the Model T to Model A and Ford realized that the boycott could have had significant financial repercussions on the company's success in regaining its position in the industry.[49]

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[47]Ibid., p. 316.

[48]David Lewis, p. 140.

[49]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 322.

In a sense, it could be said that Ford, "was a prophet with a message for the world."[50] He was an individual striving to insure the general well-being of his fellow man and trying to express a unique human need.[51] However, once the activities that were intended to fulfill that need became counter-productive to the accumulation of capital, he was compelled to abandon them entirely. Indeed, it becomes obvious that the structural conditions of the capitalist mode of production directly stifled the expression of Ford's need and, therefore, may have retarded his development as a species-being.

Furthermore, this example illustrates (1) that the roots of Ford's alienation were also present in the division of labor--a necessary prerequisite for the maximization of capital and (2) that species alienation may have been reflected through a fetishism of commodities. Most biographers agree that having been compelled to devote most of his energies to business pursuits, "Ford had neither the time nor

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[50]Jonathan Leonard, p. 241.

[51]On a superficial level, Ford's anti-Semitic preferences are a manifestation of "false-consciousness", i.e., a non-cooperative attitude, and, therefore, not part of the true human essence Marx described. However, on a more probing level, most biographers concur that Ford's overriding concern was not so much with debasing Jews as it was with aiding the general population--an interest he tried to express throughout his life and which will be developed more thoroughly later. As he declared in his autobiography, My Life and Work, p. 251, "our opposition (to Jews) is only to ideas, false ideas which are sapping the moral stamina of the people." In this sense, his activity may be considered an attempt to express a species-need.

equipment required for the composition of editorials."[52] As a result, he hired Cameron to compose them in his absence. Generally, Ford would stroll into Cameron's office and fire a broadside of opinions at his editor who would take notes, hammer them into shape, and publish them as Ford's own.[53] Ford's role in the journalistic process was a passive one and by definition alienating to the development of his human nature. Consequently, to fulfill a need he could not articulate himself, he bought a newspaper and staff of writers, i.e., he purchased journalistic commodities as exchange-values, to do the work for him--an action reflective of the fetishism of commodities Marx suggests is the outgrowth of man's inability to adequately develop as a unique species-being.

That Ford's human development was necessarily restricted by his position within the division of labor is a theme supported by many of his non-industrial crusades. For example, in 1915, Ford embarked on an altruistic campaign advocating the settlement of the European war and an isolationist policy for the United States--positions he assumed on pacifistic grounds. In April, he stated publicly that, "in the event the United States entered the war, rather than accept a

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[52]Keith Sward, p. 141.

[53]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, pp. 127-128.

single order for cars which might be used for military purposes, he would see his factory burned to the ground."[54] Furthermore, his interviews and press statements read like socialist handbills accusing the munitions makers, moneylenders, absentee owners, and parasites of Wall Street for instigating the European conflict in an attempt to satiate their greed and "dirty hunger for dollars".[55] Soon thereafter, two ardent and internationally known pacifists, Rosika Schwimmer and Louis P. Lochner, persuaded Ford to fight for peace in an even more conspicuous manner.

On November 21, Ford chartered an ocean liner, the Oscar II, for $80,000 to sail to Europe with a delegation of prominent pacifists hoping to mediate peace between the warring sides.[56] Among those invited to join the Neutral Conference for Continuous Mediation were such notables as Thomas Edison, Jane Addams of Hull House, William Howard Taft, Louis Brandeis, William Jennings Bryan, Morris Hillquit, and every Governor in the United States. Although Ford did sponsor and sail with the expedition on December 4, he left Schwimmer to manage the affair with Lochner as her assistant and Gaston Plantiff, Ford's New York sales manager,

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[54]Anne Jardim, p. 124.

[55]Keith Sward, pp. 83-86.

[56]William Simonds, p. 153.

in charge of all administrative functions. Furthermore, since Ford had a glaring inability to speak publicly or prepare extended written statements, his published opinions were being prepared by Theodore Delvigne, a Detroit journalist hired expressly for that purpose.[57]

Once it became known that not a single acceptance had come from anyone with even a shadow of an international reputation, the press began to make a mockery of the excursion. The ridicule surrounding the Peace Ship's departure continued unmitigated throughout the voyage as reporters described the delegates as "a bunch of nuts".[58] While the majority of press releases sympathized with Ford's sincere intentions, most added or implied that he was a buffoon who had blundered terribly in sponsoring and overseeing such a hopeless project.[59]

Five days after the Oscar II docked in Oslo, Ford fled to the United States having been taken ill by the weather and depressed by the scathing public criticism. Nevertheless, he left Plantiff to direct the conference and continued to support the group's efforts financially until February 7, 1917, when the hopelessness of attaining peace became

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[57]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 23.

[58]Anne Jardim, p. 128.

[59]David Lewis, p. 80.

apparent to him. In sum, Ford had spent nearly a half-million dollars trying to accomplish a goal which was never completely achieved, i.e., alerting the world to the foolishness of war and persuading the beligerents to stop.[60] Discussing the matter later Ford still insisted upon the righteousness of the venture and maintained that, "the mere fact that it failed is not to me, conclusive proof that it was not worth trying."[61] Obviously, Ford was himself aware that he had failed to successfully fulfill his humanitarian need.

To understand the ramifications of this case in terms of the theory of alienation, it is critical to emphasize that while Ford was associated with the peace movement for nearly two years, he spent less than two months of that time directly involved with its activities. Although he supported the movement from 1915 to 1917, he only participated actively in the Peace Ship crusade from November to December 23, 1915, at which time he abandoned the group in Oslo. Instead, the majority of his time was devoted to the business of automobile production in Dearborn where every effort was being made to maximize production and exploit a currently lucrative low-priced market--efforts that were

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[60]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 53.

[61]Henry Ford, My Life and Work, p. 245.

structurally demanded by the laws of a competitive capitalist economy.[62] It seems reasonable to conclude then that Ford's narrowly defined position in the capitalist division of labor required that his energies be devoted primarily to industrial affairs rather than Peace Ships or international conferences that might have facilitated the further development of his species-needs.

This proposition was supported by Samuel Marquis after the Peace Ship fiasco as he referred to Ford's industrial skills maintaining that, "if (Ford) stuck to the things he knew, and let those alone about which his training had not qualified him ... he would avoid placing himself in a foolish position."[63] It was clear to Marquis that the development of Ford's talents had been restricted by his constant attention to automotive production and did not qualify him to move beyond that field. Ford must have felt this way himself even before the voyage as he relinquished most of his active participation in the expedition to his associates and eventually restricted his involvement to extravagant financial contributions--a behavior that is further enlightening.

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[62]Allan Nevins and Frank Hill, Ford: Decline and Rebirth (New York: Charles Scribner's Sons, 1962), p. 477. Model T production reflects this situation as increases in unit production rose from 308,162 in 1914, to 734,811 in 1916.

[63]Samuel Marquis, p. 13.

Not only was he compelled to remain passive and, therefore, alienated from his species-needs throughout the period, but also chose to pacify those frustrated needs with financial donations intended to "buy" peace. Indeed, Ford developed a fetishism for commodities in the classical Marxian sense--another indication that he may have been alienated from his species-being. Emphasizing the fetishistic means with which he pursued peace, one biographer accurately concluded that Ford's money was, "a license to push into any field no matter how unfamiliar,"[64] it was to him.[65]

That the division of labor inhibited Ford's human development is a theme further enhanced by an analysis of his election bid for the United States senate in 1918. Woodrow Wilson summoned him to Washington and emplored him to seek office hoping that his pacifistic ideals might provide vital senatorial support for the League of Nations--an idea Ford had favored publicly. Initially Ford resisted and his protest was most interesting within the context of this discussion: "I can't leave Detroit. I can't take the time to make the race. I've so much to do that I couldn't spend

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[64]Jonathan Leonard, p. 241.

[65]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, p. 83. It is interesting to note that despite Ford's earlier proclamations he began accepting government orders for war matériel less than a week after the United States entered the war. It is estimated that he personally reaped nearly a million dollars in war profits after taxes.

enough time in Washington if I were senator."[66] While he did eventually toss his hat into the political arena for Wilson, he refused to campaign actively, make any public addresses, or spend money in his own political behalf. Most biographers concur that it was Ford's inactivity that cost him the election that November--an election that was decided by a mere 7,500 votes.[67]

Once again Ford's recurrent need to benefit humanity, i.e., to promote peace, was left unfulfilled due to his rigidly defined position within the division of labor. Obviously, he felt his industrial obligations precluded any sort of political electioneering and, therefore, prevented his branching out into endeavors that might have facilitated the fulfillment of that need. Indeed, Ford's entrapment within the division of labor was reflected in the press emphasizing and often implying that the one-sided development of Ford's abilities--abilities whose development may have been hampered by his highly specialized industrial role--would prevent him from functioning adequately if he was elected. As the New York Times editorialized, he lacked the quality of mind necessary to cope with national and international problems and his election, "would create a vacancy

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[66]Roger Burlingame, p. 102.

[67]Keith Sward, p. 119.

in both senate and in the automobile business, and from the latter Mr. Ford (could) not be spared."[68]

The constricting effects of the division of labor are further reflected in the manner in which Ford pursued his leisure activities. For example, he was fascinated with early American history and to develop that interest literally attempted a reconstruction of the past. He was convinced that, "the only way to show how our forefathers lived, and to bring to mind what kind of people they were, (was) to reconstruct, as nearly as possible, the exact conditions under which they lived."[69]

In an effort to do so, Ford spent $30,000,000 on the construction of Greenfield Village--a 200 acre museum consisting of over one hundred buildings and countless relics from the past.[70] Obsessed with a passion for quantity rather than quality, he set about buying as much memorabilia as he could find paying little attention to authenticity or any sort of theme around which to arrange it. His old shop from Bagley Avenue was transported to the site as were the Wright brothers' bicycle shop, Edison's laboratory, and an old courthouse where Lincoln had practised law. In short,

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[68]David Lewis, p. 98.

[69]Henry Ford, Today and Tomorrow (New York: Doubleday, Page, and Co., 1926), p. 225.

[70]David Lewis, pp. 278-280.

Ford, "reveled in his new found powers as a collector with a fat purse."[71]

It is particularly interesting to note that Ford himself took comparatively little part in the hunting for and reconstruction of pieces for the museum. Instead, he imposed on various employees and hired additional assistants and curators to carry out the task for him. For example, Frank Vivian, a California based Ford dealer, was commissioned to acquire pieces for the museum on many occasions as were other executives.[72]

Such passivity and "pocketbook pursuit" of his historical interests were also mirrored by his devotion to traditional American dance and music. During the mid-1920's, Ford's desire to learn these fields drove him to financial excess. Benjamin Lovett, a professional dance instructor versed in the traditional steps, and an entire folk orchestra were hired to remain in residence around the clock, seven days a week in case Ford suddenly had an urge to promenade about his private dance hall--an elaborate and very expensive structure constructed on a floor of imported Burmese teakwood. Furthermore, to develop his capacities as a fiddler, a goal that was never achieved, he hired a staff

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[71]Keith Sward, p. 272.

[72]Allan Nevins and Frank Hill, Ford: Expansion and Challenge, pp. 501-502.

of agents to scour the countryside in search of old fiddle tunes in the hope that he might learn to scratch them out on his $75,000 Stradivarius violin.[73]

Although quantitative evidence has not appeared through this research, it seems reasonable to conclude that the majority of Ford's energies during the period were devoted to the manufacture of automobiles as a source of capital accumulation--an activity that necessarily commanded highest priority given his position within the division of labor. Such preoccupation with one task left little time for the development of such extracurricular pursuits as historical restoration, dance, and music. As a result, Ford solicited the time and activity of others to pursue those needs for him in an attempt to overcome his necessarily passive and, therefore, alienated relationship to his species-being. Correspondingly, this behavior also highlights the development of a fetishism of commodities where instructors, assistants, etc., were purchased as commodities, i.e., as exchange-values, along with other material objects intended to gratify those needs he was not able to satisfy through his own appropriating activity. Clearly the pursuit of historical and artistic interests reveal the structural causes and tangible effects of what may have been Ford's estrangement from his essence as a human being.

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[73]David Lewis, pp. 225-228.

Conclusions

It has been demonstrated that Henry Ford was compelled to devote a majority of his time and energy to the production of automobiles as exchange-value and as a means of advancing his accumulation of capital. In turn, to maximize the production of that exchange-value and to insure his continued economic existence, he fathered a division of labor in which he necessarily occupied a passive and, therefore, theoretically alienating niche. Furthermore, throughout his life he was subject to a fetishism of commodities similar to that described by Marx as an outgrowth of capitalist man's incomplete development as a species-being.

But was Ford alienated from his essence as a unique human being? What have been illustrated are the structural conditions Marx felt retarded human development, i.e., the necessary production of exchange-value and the division of labor, and the tangible reflection of an alienated species-being, i.e., the fetishism of commodities. The actual stifling of human powers and needs has not technically been documented simply because within the confines of this methodology it is impossible to observe something that is theoretically latent and, therefore, does not exist in tangible form. It is impossible to directly observe potentialities that have yet to be developed. As a result, any conclusion beyond the existence of the potential causes and apparently

tangible effects previously mentioned are the product of highly problematic inferences.[74]

Having discovered the conditions and elements theoretically characteristic of an individual's species alienation, a tremendous metaphysical leap of faith is required before it can be said that yes, Marx's theory of alienation has been directly substantiated in this case. In order to make such an inferential leap, one must assume as Marx does that man is a unique creature possessed of various capacities and potentialities that may be developed through some sort of ideal type of work-activity.[75]

Furthermore, the problem is compounded in that such a conclusion is ideally substantiated in a comparative light involving examples of realized as well as restricted human development in growth producing and inhibiting environments,

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[74]This difficulty stems from two sources: (1) Marx's basic assumptions concerning the nature of man and (2) the nature of his theory of alienation. Indeed, if Marx's conjectures are correct that man is a unique species whose essence is attained only in consonance with the favorable socio-economic conditions and activities characteristic of communist society, then any empirical investigation seeking to document species alienation in capitalist society encounters a serious dilemma. The researcher will necessarily be looking at non-development of potential--something he cannot actually see. At best he will substantiate the theory only by implication observing the structural conditions and tangible outgrowths surrounding examples of species alienation. Of course the absence of any contradictory examples is imperative.

[75]Joachim Israel, Alienation: From Marx to Modern Sociology (Boston: Allyn and Bacon, Inc., 1971), pp. 63-96, discusses the assumptions and value judgments involved in this leap of faith most lucidly.

respectively. Unfortunately, the favorable socio-economic atmosphere Marx alluded to, i.e., communism--the absence of both state and private property, has not yet come to pass and, therefore, greatly handicaps such comparative research. In fact, this research has only revealed one opportunity for a comparative analysis of Ford's species development where the development of his automotive talents during his pre-capitalist days of tinkering and experimentation were contrasted with the gradual putting-off and stifling of those talents as he became more involved with the capitalist mode of production.

Nevertheless, a number of conclusions may be drawn from Ford's biography that support the Marxian analysis. Initially, it has been illustrated that those structural conditions and tangible effects necessarily produced by the capitalist mode of production and indicative of the species alienation Marx outlined were prevalent throughout Ford's life as an industrialist, public citizen, and private hobbiest.

The comparative analysis previously mentioned strongly indicates that the capitalist mode of production did provide structural mechanisms that seemed to hinder the development of Ford's automotive talents and, therefore, lend support to Marx's analysis. His increasingly passive niche within the division of labor necessarily removed him from the active work process that might have facilitated the development of

his species-being with respect to mechanical and automotive talents. Ford's isolation from the designing of the Model A is a classic case in point. Furthermore, he was compelled to abandon the Model T and, therefore, forego the further fulfillment of his desire to provide inexpensive and utilitarian transportation for the masses.

On a broader level of analysis, Ford's position within the division of labor caused him to pursue non-industrial activities in a passive manner characterized by a fetishism of commodities. Such evidence is directly in line with the Marxian analysis and if the basic premises upon which that theory stand are accepted, it is possible to conclude that Ford was alienated from his species-being with respect to these interests also.

Most important, however, it can be positively stated that the research has not provided contradictory evidence and, therefore, has not denied Marx's theory of alienation--a conclusion that should not be taken lightly. If one were to accept Marx's fundamental assumptions regarding human nature and its development through appropriating work-activity, then indeed this particular investigation has provided strong evidence that Henry Ford's role within the capitalist mode of production did cause him to become alienated from his essence as a unique species-being.

CHAPTER VII

CONCLUSION

Marx's thought was greatly influenced by a tradition of philosophers including Leibniz, Spinoza, Dietzgen, and Hegel. The latter subscribed to a philosophy of internal relations in which subject matter comprised an organic whole that could be temporarily divided into a number of parts each of which might have been employed as a source of explanation of the whole.[1] While a discussion of the underpinning logic is a task beyond the scope of this project, it is important to realize that Marx's theory of alienation is firmly rooted in that philosophical heritage. As a result, Marxism and the theory of alienation, in particular, are, "... like a magnificently rich tapestry with a multitude of colors and patterns superimposed on one another. To see them all we must begin by seeing them singly, to grasp one and then start on the outlines of another and so on, until every pattern is grasped along with the interconnections

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[1]Bertell Ollman, Alienation (Cambridge: Cambridge University Press, 1971), pp. 27-43, discusses this heritage in more detail.

between them, as these interconnections too are part of the overall design."[2]

Such has been the intended approach to this inquiry, to start with a series of abstractions from the whole, i.e., to abstract Ford's alienation from work-activity, product, fellow men and women, and species-being from his entire alienated existence, develop an analysis of each, and eventually weave them back into a clearly defined theoretical tapestry. Indeed, given certain basic assumptions concerning the nature of man, it has been demonstrated through separate analyses that Ford was alienated in each of the aforementioned ways. However, the full power and beauty of Marx's theory can only be appreciated after these basic abstractions have been reintegrated and the interconnections brought to light. Therefore, it is imperative to understand that these four forms of alienation are (1) all different perspectives from which to view Ford's total alienated existence and (2) are all caused by the same structurally defined mechanisms of the capitalist mode of production.

To summarize briefly, the competitive nature of the capitalist mode of production required that Ford continuously augment his capital accumulation in order to sustain an economic livelihood. To that end, he was compelled to produce ever-increasing quantities of surplus-value in forms

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[2]Ibid., p. 231.

that would be most profitable in the marketplace, i.e., he necessarily created exchange-value in compliance with the dictates of the capitalist economic system. Furthermore, a highly specialized division of labor was required as an efficient means of squeezing maximum amounts of surplus-labor and, therefore, surplus-value from the work force.

That these conditions were the structural prerequisites for Ford's alienation should be obvious by now, but emphasis is required nevertheless. The industrialist's survival in the marketplace necessitated that he compete with his fellow capitalists by exploiting the labor force and by producing maximum amounts of surplus-value--a situation that illustrated the competitive market's ability to usurp Ford'a control over his work-activity in an alienating fashion. Consequently, as the research has demonstrated, such exploitation led directly to the industrialist's alienation from most of the people he encountered through the mode of production.

Just as his ability to determine the nature of that work had slipped from his grasp, so the nature of the commodities he manufactured also eluded his control. In an alienating manner, the market demanded the production of particular forms and quantities of exchange-value despite his desires to the contrary. Similarly, as he was incapable of determining the nature of his own activities, products and relationships, the development of Ford's essence as a

human being was also subject to and perhaps stifled by the laws of the competitive market. His appropriating activity was all but negated by his passive role within the division of labor--a vital structural appendage to an economic system bent upon the efficient production of capital. Clearly, the various forms of Ford's alienation are interrelated having been derived from the same economic mechanisms of the capitalist mode of production.

It is most helpful to view Ford's separation from work, products, interpersonal relationships, and species-being, as a reified phenomenon where each form of expression is beyond his control. Because the capitalist market system is governed by economic laws which appear as impersonal, objective, and, therefore, as beyond influence, "the individual no longer perceives himself as an active industrious subject, but as a passive object without a will of his own."[3] This subject-object bifurcation is the essence underpinning the forms of alienation described by Marx and is a most useful conceptualization for understanding Ford's alienation. In short, Ford was compelled to live in a state of alienation where he was estranged from all forms of expression that Marx felt were necessary for human fulfillment.

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[3]Joachim Israel, Alienation: From Marx to Modern Sociology (Boston: Allyn and Bacon, Inc., 1971), p. 44.

Indeed, this research has supported Marx's theory that the capitalist, as an owner and manager of the means of production, is alienated by his participation with the competitive capitalist economy. However, it should be reiterated that this conclusion and any others that may have been suggested previously are necessarily limited to the case of Henry Ford. Any generalizations beyond this particular biography are merely inferential and, therefore, not necessarily empirically valid. To say that all capitalists are alienated as Ford was would be an overstatement grossly exceeding the methodological boundaries of this project. Nevertheless, the exploratory nature of this study has successfully produced a number of trajectories for future research.

Most importantly, a wider sampling of capitalists needs to be conducted as a means of improving the external validity of this study and to insure that the explanatory power of Marx's theory does, in fact, outline a state of alienation common to most capitalists and not just Henry Ford. Furthermore, this sort of replication might be most fruitfully carried out on a multioccupational level including not only industrialists, but also those capitalists involved in the production of services, i.e., food, lodging, research, etc.

As mentioned earlier, there also seems to be a need for more comparative investigations concerning the degree to which capitalists are alienated at different historical periods in the development of the capitalist system. Such research might prove especially enlightening in view of the development of monopoly capitalism as it has come to be known today. In particular, the effects of the capitalist's increased control over national and international markets stemming from more cooperative relations between the public and private economic sectors may conceivably demonstrate that Marx's theory of the capitalist's alienation needs to be expanded, refined, and perhaps amended. After all, the crux of his theory revolves around the lack of control the capitalist has over the marketplace so a shift in that control may have ramifications for his alienated existence.

Furthermore, the rise of the new managerial elite as a ruling class distinct from the actual owners of the means of production provides another avenue of inquiry. As Baran and Sweezy have discussed, this new managerial class seems to have internalized the traditional capitalist's goals based on the maximization of capital accumulations, etc., referred to by Marx.[4] Perhaps their assimilation to new levels of corporate responsibility and an increased identification

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[4]Paul Baran and Paul Sweezy, Monopoly Capital (New York: Modern Reader Paperbacks, 1966), pp. 37-47.

with the capitalist class has drawn this class within the explanatory range of Marx's theory.

Finally, a brief methodological note should be raised. As detailed earlier, the use of biography presents a number of problems with respect to reliability, interpretive bias, etc. Nevertheless, the technique has been most productive in amassing and managing a vast array of historical information in a relatively concise time span. Without such a methodological tool, the scope of this research would have been significantly reduced for temporal reasons alone and as a result it has proven to be an invaluable technique. Coupled with the use of more extensive primary resources, such a biographically oriented approach could provide a powerful means of addressing some of the issues this research has suggested and others that will undoubtedly develop in the future.

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