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FORD MOTOR COMPANY
AND THE UNIONS (1937-41)

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In the 1930s Henry Ford had a reputation as the greatest friend of the American workingman. This facet of Ford's character, quite accurate in 1914 -- when he announced his epochal five-dollar day -- gradually eroded; and by the 1930s it no longer was true. Still, on the basis of the never-forgotten five-dollar day (followed by an uneventful six-dollar day in 1919 and a dramatic seven-dollar day in 1929), the public believed for more than a generation that Ford's men were the highest-paid and best-treated in the world, and his shops were the model of the factory system. Moreover, Ford himself believed that he treated his labor fairly, and that they had absolutely nothing to gain by joining a union.

The fact was, Ford Motor Company's labor practices were a far cry from the enlightened policies which gained the company its enviable labor-relations reputation in the years following the introduction of the five-dollar day and the establishment of the Sociological Department, created to advise employees on constructive ways to spend their higher wages. Ford's vaunted "high wages" were a myth; both General Motors and Chrysler paid their workers more. In addition, wages were uneven among employees performing similar tasks. The speed-up, stretch-out (assignment of a great number of machines to each man), "driving" tactics by harsh foremen, and inequitable patterns of hiring and firing were only a few of the abuses to which

employees were subjected. Ford's labor policies were enforced by its Service Department, variously and aptly described as "a standing army unique in America," "the O. G. P. U. [Russian secret police] of the Ford organization," and the "largest privately owned secret service force in existence." "They're a lot of tough bastards," the head of the Service Department, Harry Bennett, said of them, "but every goddam one of them's a gentleman." His "gentlemen," who knew why they had been hired, constantly harassed employees suspected of union sympathies, and sometimes beat them as well.

Relatively few people outside the Detroit area were familiar with the way in which Ford's labor practices had deteriorated over the years. References in the press to the company's labor policies were, with very few exceptions, highly favorable. The most notable of these exceptions was a review of Ford's labor practices in an April 1937 issue of the Nation: "To tell the truth about Henry Ford," commented the publication, "one has to be a bit brutal"; the Nation supplied the details and gave the manufacturer a "Z" on his labor report card.

Henry Ford spoke out in defense of his labor record on many occasions. When the constitutionality of the pro-labor National Labor Relations Act (Wagner Act) was upheld in April 1937, for example, he told reporters, "We have had the spirit of the Wagner Act in effect 20 years. I would be ashamed to have any one tell me conditions and pay were wrong. That part of the job

was started 20 years ago." Encouraged by the public's growing apprehension over the power of labor, Ford also made no secret of his dislike for unions:

"A good mechanic and a skilled workman don't need a union....I advise them it's foolish to join one"; union organizing would fail "because our workers won't stand for it, I won't stand for it, and the public won't stand for it."

In April 1937, Ford told his son, Edsel, and manufacturing boss, Charles E. Sorensen, how he would deal with the union threat. None of the three was to meet with any union officials, and Edsel and the production executive were not to discuss labor matters with anyone. Harry Bennett and the Service Department were designated to "handle" the unions. Their assignment was to stave off union organization and to avoid any sort of working arrangement with union members. The Wagner Act and the National Labor Relations Board (NLRB), set up to administer the statute, were to be defeated by evasion and delay.

A fiction writer would be hard put to devise a more picaresque or colorful character than the man Ford had designated to handle the union problem. An ex-sailor and amateur pugilist (who died at 86 in January 1979), alternately charming and ruthless, Bennett had joined the Ford Company in 1915 as an artist in the Motion Picture Department. He began his upward rise in 1919, when, after transfer to a supervisory post on the Eagle boat job, he was assigned various special tasks by Henry Ford. Proud of these assignments, Bennett executed them promptly and efficiently. In 1921 he was placed in

charge of the River Rouge Plant's Service Department, which at that time was responsible only for protection of the factory. During the next decade Bennett's department gradually assumed full control over all personnel matters, including spying upon workers. By the early 1930s the service chief was one of the most powerful men at the Rouge, and his star was still rising. The source of his power was his special relationship with Henry Ford, who looked upon him as something of a substitute son as well as a lieutenant and crony.

Although they couldn't have known it for sure, Bennett and Ford were destined to fight a losing rearguard action against labor and unionization after 1935. That year, Congress ensured the right of all employees to self-organization and to engage in collective bargaining. In addition, John L. Lewis and other industrial union leaders organized the Congress of Industrial Organizations (CIO). The fledgling United Automobile Workers (UAW) affiliated with the CIO in mid-1936. The UAW's president was Homer Martin, an ex-Baptist minister; a member of its executive board was an ex-Ford foreman, Walter Reuther.

The UAW spent most of 1936 preparing for an invasion of the auto industry. General Motors was struck in December 1936, and, after six weeks of turmoil, agreed to recognize the UAW as bargaining agent for its members only. The union next turned to Chrysler, which capitulated on April 6. Outside the auto industry, United States Steel, General Electric, and other industrial giants fell before the CIO. But the new federation was

stopped short by the resistance of a number of companies, including Bethlehem Steel and Republic Steel, Westinghouse -- and the Ford Motor Company.

The UAW-CIO launched its organizing drive at the Ford Company on May 26, 1937. A group of union officials, including Vice-President Richard Frankenstein and Walter Reuther, attempted to distribute pamphlets to Ford workers as they walked over and down a street overpass leading from the Rouge. The unionists were attacked by members of Ford Service in full view of a corps of reporters and photographers. A number of the organizers were severely mauled, including Frankenstein and Reuther. Frankenstein's beating was "scientific." His attackers skinned his coat up his back and drew it forward over his face. Two men locked his arms, while the other slugged and kicked him in the head, groin, and kidneys. When prostrate, he was gored in the abdomen by the heels of his assailants. Company men also attacked the press corps. Three reporters had their notes wrenched from their hands. Films were forcibly removed from the cameras of every photographer who was slow on his feet. One photographer, who was pursued in his car at seventy to eighty miles an hour for five miles, finally took refuge in a police station.

In abusing the newsmen, Ford made a tactical blunder. The reporters and their incensed editors outdid themselves in describing the viciousness of the attack. The pictures which were salvaged, including one of Frankenstein's beating, were even more damaging. Reproduced by newspapers and magazines all over the country immediately following the riot (Newsweek illustrated its cover with one of the photographs), they also were widely reprinted in the

labor and leftist press during the next four strife-torn years. The newsmen, furthermore, repeated their eye-witness reports of the battle when testifying against Ford at NLRB hearings during the summer of 1937.

After the "Battle of the Overpass," as the altercation came to be called, the NLRB filed a complaint which accused the company of violating virtually every unfair labor practice defined by the Wagner Act. At the subsequent hearings held in Detroit, the UAW sought to prove that Henry Ford was not the enlightened industrialist he was thought to be and that the Ford Service Department threatened workers with physical injury and loss of their jobs if they showed interest in union membership. Ford's policy was to deny every charge; to assert that employees involved in the fracas were acting in self-defense; and to insist that UAW members went to Dearborn for the express purpose of promoting a riot.

The NLRB on December 23 found the company guilty of violating the Wagner Act and ordered it to cease interfering with employees' organization rights. Ford officials denounced the board's decision, saying they would not comply with it and would appeal. The case was duly taken to the Sixth U.S. Court of Appeals in Cincinnati.

A number of publications were critical of Ford as the appeal got underway. "We believe he will lose if he wins," commented the Washington News in a widely reprinted editorial, "for we think he is bucking a tide too strong Ford's general policy of resistance to the right of labor to organize is as

out of step with the times as the oxcart." But a greater number of papers extended their sympathy to the manufacturer. Many papers carried a syndicated editorial which said: "We have no sympathy with the persecution of Henry Ford. Let persecution be confined to the men who have not done as much for working men as he has. Ford has kept his money at work making more and more jobs instead of hoarding it as he might have done."

Ford could find comfort in the public opinion surveys that invariably named him and his firm as "labor's best friend." A survey by the Curtis Publishing Company in May 1937 found that 59.1 percent of Americans believed the Ford Company treated its labor better than any other firm did. A poll conducted for Fortune in the fall of 1937 found that Ford was the "most popular" industrial figure in America. The auto magnate was selected by 60.6 percent of the respondents, a figure twelve times greater than the figure for the next most popular businessman, Walter P. Chrysler. In January 1938, the American Institute of Public Opinion found that the sympathies of 66 percent of all Americans of voting age were with Ford in his dispute with the UAW. Seventy-three percent of car-owning respondents lined up with the manufacturer. In addition, an estimated 700,000 persons from all over the country petitioned the President in mid-1938 to stop the administration's attacks on Ford.

In mid-1938 Ford's nemesis, the NLRB, turned its sights on a number of the company's branch plants. Perhaps the most dangerous of the Board's reports, released in April 1940 by its examiner in Dallas, accused Ford of

"gathering together the most brutal, vicious and conscienceless thugs in its employ" to block unionization of Ford workers in that city. The examiner added that the company's "strong-arm squad... employed blackjacks, loaded hose and a cat-o'-nine tails, made of rubber stripping and electric light ware" as weapons to intimidate its workmen. Testimony also showed that between June and November 1937, there were more than thirty instances in which Ford Service assaulted persons on the streets of Dallas or took them into the outskirts where they were "beaten, flogged, or tarred and feathered." By November 1940, the NLRB had adjudged the Ford Company guilty of unfair labor practices in nine of its plants.

The UAW's organizing drive at Ford bogged down in 1938-39, mostly because of a divisive power struggle within the union. The upshot of the strife was the replacement of Martin as president by R.J. Thomas in January 1939. Martin and his followers formed a new union for auto workers which soon affiliated with the AFL. This group sought simultaneously with the UAW-CIO to organize the Rouge and Lincoln plants. The AFL organizing drive was abetted on and off by Bennett, who recognized it as significantly weaker than the CIO campaign and hoped to capitalize on its nuisance value.

In October 1940, the U.S. Circuit Court of Appeals in Cincinnati upheld the NLRB's directive that Ford must post notices stating that it would discontinue interfering with union organization. The company immediately announced it would carry an appeal to the U.S. Supreme Court. A week before

the Circuit Court decision was announced, the UAW-CIO revealed plans for a renewed organization drive against Ford. Michael F. Widman, Jr., organization director of the CIO, assumed direction of the campaign. A war chest of \$100,000, jointly furnished by the UAW and CIO, was made available to Widman and a staff of fifty-four trained organizers.

Both the union and Ford assiduously courted the company's 10,000 black employees. Blacks were, in fact (along with the large numbers of handicapped employees and graduates of the Henry Ford Trade School), the least receptive of the company's workers to the union's organization drive. Hundreds of Ford's black employees were participants on the company's side in the Battle of the Overpass, and Detroit's black community applauded their role. The reason: Ford employed almost twice as many blacks as General Motors, Chrysler, and Briggs combined. Moreover, it offered its black employees opportunities for skilled employment and advancement that were not available to them anywhere else in the auto industry.

Black workers' leaders, nearly all of whom were clergymen, also were suspicious of the union, and urged their parishioners not to "bite the hand which had fed them." Black clergymen themselves had long been in debt to Ford for gifts ranging from coal deliveries to their churches to the hiring of thousands of men whom they had sent to Ford's employment offices with letters of recommendation. Ford did not let the clergymen forget their debts. Donald J. Marshall, for many years the company's leading black spokesman, frankly told

100 black religious and civic leaders in early 1941 that their future depended "on whether or not the union would be allowed to take over the employment problems of the Ford plant."

Still, the all-out drive to organize Ford held considerable promise for success. Widman found only 900 union members at the Rouge upon his arrival, but by the end of December some 14,000 employees had been enrolled. Ford, meantime, carried its case to the country in two full-page advertisements in newspapers in every industrial center. The first ad, entitled, "Does Ford Pay Good Wages?" indignantly asserted that Ford workers "need not depend on outsiders to get them benefits in wages, working hours, or working conditions." The second, headlined, "What's This about Labor Trouble in Ford Plants?" denied that there was any friction between Ford labor and management. The ads were cordially received by a large segment of the press and the public. Many newspapers ran the advertising copy in their news columns and numerous others praised Ford's labor policies and backed his anti-union stand in editorials. While lauding Ford, several publications also took a whack at the UAW.

Ford reached a dead end in the courts on February 10, 1941, when the United States Supreme Court refused to review the October 1940 ruling of the Sixth U.S. Circuit Court of Appeals. As a consequence, the company posted notices to the effect it would not interfere with workers' rights to organize. The company continued to discharge men for union activity, however, and obdurately refused to heed the UAW's persistent clamor for elections to

determine employee representation. On February 27, 1941, the UAW announced that it intended to strike Ford's Detroit area plants unless the company bowed to fifteen demands for higher wages and improved working conditions. The threat was ignored. "Unions are losing ground," Henry Ford announced from his Georgia plantation, "and haven't a leg to stand on." He added that his competitors were "behind the unions," and left little doubt that he considered the DuPont family, which owned a large share of General Motors' stock, as his main antagonist.

In response to the UAW's petition to the NLRB for a Ford election to determine employee representation, Bennett was characteristically blunt: "If the NLRB orders an election, of course we will hold one, because Mr. Ford will observe the law. CIO will win it, of course, because it always wins these farcical elections, and we will bargain with it because the law says so. We will bargain until Hell freezes over, but they won't get anything."

In late March, in an effort to halt an epidemic of work stoppages in the Rouge, the company agreed to meet "unofficially" with an eight-man grievance committee of the UAW. But these men were fired on April 1, when Ford, apparently wishing to scrap the grievance machinery, accused them of being overzealous in their efforts to organize employees "not in sympathy with unionists." Upon hearing of the dismissals, most of the workers in the huge plant (an exception being foundry workers, most of whom were blacks) walked off the job. The UAW immediately surrounded the factory with pickets and declared a strike.

The UAW piously assured the public that "the strike will be maintained with complete discipline and effectiveness...despite the provocation of which... the Ford Motor Company and its minions are capable." But the union failed to deliver on its promise, and soon newspapers were filled with such pictures as one captioned, "Ford Worker Pleads for Mercy," showing a battered and blood-smearred black worker pleading with club-swinging pickets as he sought entrance to the factory. Another widely published picture showed a man, doubled over with his coat pulled over his head, vainly trying to shield himself from an unmerciful pounding by four toughs, one of whom, with tongue clenched between his teeth, prepared to swing on the man with a ball bat. Commenting on the photograph, Senator Arthur Vandenburg of Michigan remarked, "This poor chap with his overcoat thrown over his head is about 22 years old. I believe he is still in a hospital, fighting for his life." None of the assailants, who were readily identified from the photograph, was a Ford employee.

In addition to members of Ford Service, several thousand blacks -- some estimates run as high as 5,000 -- remained inside the plant, some out of loyalty to Ford, others fearful of venturing outside the plant gates once the strike was underway. As discipline crumbled, the garrison became a mob. With steel bars and knives, blacks assaulted picket lines on several occasions. After the first assault, 150 unionists were treated at the UAW's "field hospital." Race relations were strained to the point where the UAW felt compelled to

announce that it too had many black adherents. The union sought to ally the fears of the occupation forces through appeals over a public address system set up outside the plant. Walter White, president of the National Association for the Advancement of Colored People, was among those who addressed the blacks and promised safe conduct to those who would quit the plant. Only 200 to 300 of the black workers left.

During the strike, Governor Van Wagoner served as a mediator. He was aided by Edsel Ford, who pleaded with his father to negotiate with the union, and by a NLRB announcement on April 7 that elections would be held within 45 days to determine bargaining agents for the Rouge and Lincoln plants. On April 10 Ford accepted a settlement on terms proposed by Van Wagoner. The terms included suspension of pending NLRB hearings and Ford consent to a speedy NLRB election. Six weeks later, on May 21, after feverish canvassing in which Bennett worked for the AFL against the CIO, the NLRB elections were held at the Rouge and Lincoln plants.

At the Rouge, 51,886 voted for the CIO-affiliated union; 20,364 for the AFL; and 1,958 for no union. At Lincoln, 2,008 voted for the UAW-CIO; 587 for the AFL; and 146 for no union. The non-union vote, only 2.6 percent at the Rouge and 5.3 percent at Lincoln, was, according to Charles Sorensen, "perhaps the greatest disappointment [Ford] had in all his business experience."

The UAW-CIO held out an olive branch. "[We are] ready to draw the curtain on the past," said President R. J. Thomas. "We hope the Ford Motor

Co. will do likewise. We are anxious to erase all bitterness." The answer to Thomas came from Bennett: "It's a great victory for the Communist Party, Gov. Murray Van Wagoner and the National Labor Relations Board. The law provides that we must live with them and we never violate the law."

By June 18 a formal contract had been drawn up between the company and the union. Bennett showed the document to Ford who, after getting the "sense" of it, walked away. The next morning the auto magnate told Edsel and Sorensen that he would close the plant before he would sign a contract with the union. "Let the union take over." Sorensen pointed out that the company had large contracts with the government, and that if Ford closed his plants the government would reopen them under its management. "Well," replied Ford, "if the government steps in, it will be in the motorcar business and it won't be me." The next day, however, "Hell froze over in Dearborn," and newspapers announced in their biggest, blackest type that Ford and the UAW had signed an agreement.

The UAW had asked for wage increases, abolition of Ford Service, a seniority system governing layoffs and rehiring, reinstatement of employees fired for union activity, overtime pay, a shop steward system, and other features of standard UAW contracts. Although prepared to make concessions, the union obtained virtually everything it asked for, indeed just about everything a union man dreamed about. In addition to offering pay scales equal to the highest prevailing in the industry, Ford volunteered -- to the astonishment

of the union and the consternation of the auto industry -- to operate his plants as a union shop (i.e., all employees would be required to join the union as a condition of employment) and to "check-off" union dues from the wages of each employee and transmit them to the UAW treasury. No other auto firm had agreed to such provisions. "Henry Ford," asserted Business Week, "...has made the CIO a full partner in the largest privately owned company in the world." Executives of other auto firms took a slightly different view. "Ford," one executive exclaimed in disgust, "has made a present of the whole goddamn industry to the UAW." In return for the concessions, the union agreed to withdraw all its charges pending before the NLRB and gave the company permission to stamp its products with the "union label." In a burst of enthusiasm the union and Ford ordered 200,000 union labels (small steel ovals) without deciding who would pay for them. When the labels arrived each tried to "outfumble" the other, and the UAW ended up signing the check -- for \$2,000. The labels were installed only when requested by customers.

Front-page news throughout the country, the agreement, according to Newsweek, "probably provoked as many gasps across the breakfast table as Ford's...\$5-a-day wage." To the Associated Press the pact was "one of the greatest reversals of policy in industrial history"; to the Cleveland Press "one of the great milestones" in labor history; to Christian Century "one of the great landmarks in the history of organized labor"; to the Christian

Science Monitor "one of the most sweeping events in the whole range of American labor history"; to the Detroit News "one of the biggest sensations in the history of American labor relations." Nearly all editorial comment was favorable to Ford. Many publications, in declaring that Ford "was smart in going all the way," felt that he had left his competitors in the ruck. "Once Ford passed 'em," a Nevada paper stated, "he passed at 90 mph."

The company soon found that it had bought a fictitious labor peace. The UAW proved unable to control much of its Ford membership, and wild-cat strikes, unauthorized slowdowns, and other labor disturbances halted production at one or another of Ford's plants almost every working day between July and December 1941. The situation was not greatly improved during World War II, for undisciplined employees, often antagonized by Bennett's heavy-handed tactics, provoked 733 work stoppages between 1941 and 1945. The company's immediate postwar labor relations were better than those of its chief competitors, however - a tribute to Henry Ford II's adroit handling of the union.

A number of reasons have been advanced as to why Henry Ford "capitulated" to the UAW. Some observers felt that he could not stand to see his plants idle, and had decided that if the men really wanted a union they could have one. Others reasoned that the manufacturer could not afford the public censure that would result if he closed his plants just as the nation's rearmament program was getting into high gear. Still others suggested that Ford

gave in because he realized that he could no longer fight off the NLRB and the union and that he feared that publicity from subsequent hearings would damage his prestige. This last view gains substance from the fact that an NLRB examination which would "dwarf all previous hearings" was scheduled to begin in Detroit in the summer of 1941, and it undoubtedly would have injured Ford's reputation. It also has been suggested that Ford was concerned about his share of the auto market, which had fallen from 22.9 in 1939 to 19.8 percent in 1940. Supporters of this view reason that the industrialist, who over the years had alienated a number of important car-buying groups, including Jews, fervent New Dealers, tobacco manufacturers and their agents, and breweries, and who in the late 1930s was the target of a boycott by the CIO, no longer could afford the luxury of complete independence. It has also been said that Ford thought he could steal a march on his competitors, especially GM, by "joining forces" with the union. Bennett expressed this view shortly after the contract was signed, remarking, "They're [the UAW] damn near partners in this thing now." In 1942 Ford told Reuther that "it was one of the most sensible things Harry Bennett ever did when he got the UAW into this plant."

"Well, I think so but I didn't think you did, Mr. Ford," smiled Reuther. "How do you figure it."

"Well," said Ford, "you've been fighting General Motors and the Wall Street crowd. Now you're in here and we've given you a union shop and more than you got out of them. That puts you on our side, doesn't it? We can fight General Motors and Wall Street together, eh?"

Perhaps the real reason for the capitulation, according to Sorensen was that Ford's wife threatened to leave him if he did not give ground. About six weeks after the settlement was announced, Ford told Sorensen that he had informed his wife on June 19 that he had decided to close the plant. Clara Ford, who shared her son's, not her husband's views regarding labor strife, was "horrified." She told her husband that if he did not sign with the union there would be riots and bloodshed and that he would have to choose between closing the plants and keeping the woman to whom he had been married for 53 years.

"What," Ford told Sorensen, "could I do?"