

The City Remodelled: The Limits of Automotive Industry Leadership in Detroit, 1910-1929

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Detroit in the 1920s was an overgrown factory town, "a village of one million people", a journalist aptly remarked at the beginning of the decade. In banking and commerce it remained "relatively insignificant", its hinterland narrowly circumscribed by such rivals as Chicago, Cleveland, and New York. Industry therefore dominated Detroit to a degree unusual for a major metropolis. In addition, none of Detroit's peers in the urban hierarchy so depended on a single industry for their livelihood as did the Motor City where automobiles, parts, and bodies accounted for fifty-seven percent of local manufactures in 1927. As the remainder of Detroit's industrial output was scattered amongst more than 2,700 major manufacturing plants, the automobile companies and their suppliers easily constituted the city's dominant economic interest.¹

Detroit, as a one-industry metropolis, affords an excellent laboratory for testing current hypotheses concerning the nature and structure of community decision-making between 1900 and 1930. Presumably automotive companies and executives possessed as much potential influence as any business interest in the country. Detroit in the 1920s was like Pittsburgh a classic example of "centralized private economic power". The automotive industry was highly concentrated by 1928: Ford, General Motors, and Chrysler then accounted for eighty percent of United States passenger car production. The Big Three in other words exercised monopsonistic control over their Detroit-based suppliers, of which there were about 180 in 1929, most of them small foundries and machine shops. A sense of self-preservation made autoparts companies their faithful retainers. This was clear even in 1918 when the largest contributors to Henry Ford's abortive

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¹ Webb WALDRON, "Where is America Going? Industrial Conditions in Detroit", *Century*, 100 (May 1920): 58-59; Norman S. B. GRAS, *An Introduction to Economic History* (New York, 1922), pp. 184-87, 293-95; U.S. BUREAU OF THE CENSUS, *Biennial Census of Manufactures, 1927* (Washington, 1930), pp. 1437-38; *The Detroitier*, 17 (5 April 1926): 7. Regarding Detroit's commercial weakness, see also James E. VANCE, Jr, *The Merchant's World: The Geography of Wholesaling* (Englewood Cliffs, N.J., 1970), p. 94.

Senate campaign included the presidents of companies providing Ford with tires, wheels, bodies, grease cups and carburetors for the Model T.²

Few other industries had so many dependents and natural allies. Beyond the obvious — garages, repair shops, dealers, filling stations, motoring associations, subdividers, and highway construction firms — automotive executives had also by the mid-1920s effectively colonized several local organizations including the Detroit Community Fund and the Board of Commerce. In 1922 the major automobile companies, led by General Motors and Dodge Brothers, saved the Board from imminent collapse by buying several hundred “plural memberships” for their employees. General Motors alone bought three hundred places at a cost of \$10,000. Thereafter, in the 1920s at least, the Board depended for its survival on an annual infusion of automobile money. The Board responded with effusive praise, devoting an entire issue of its official journal in May 1923 to the theme that Detroit was the “Home of General Motors”. Representative of the tone of the issue was the observation: “Take away every General Motors interest here, and Detroit would not today be the city it is. Stop the wheels in General Motors plants, and Detroit is struck a blow from which no community can soon recover.” The Board was equally convinced of Ford’s contribution to the city: “Take away the Ford Motor Company”, it trumpeted in August, “and one has taken away half of Detroit.” Ford “means life — means Detroit”, it concluded.³

Accolades to the automobile industry by no means had to be purchased. Before 1929 few Detroiters criticized either the industry or its product. “In Detroit ... the automobile is king”, Delos Wilcox observed in 1915, “and ... the city is obsessed with the doctrine that ‘the king can do no wrong’.” Henry Ford’s personal prestige was still so great in 1918 that he overturned the city’s normal Republican majority to sweep the city in the Senate election as a Democrat by more than 30,000 votes. Ford at his peak wielded almost charismatic authority, as his presidential boomlet in 1923 confirmed; and the automotive élite as a whole, their leadership legitimized by the spectacular growth of Detroit from 286,000 in 1900 to 1,570,000 in 1930, faced minimal local opposition.⁴

Few countervailing powers resisted automotive hegemony. The city’s black population “were an inert political force”, only one-third of whom even registered to vote in 1929, while the ethnic communities were disrupted by rapid neighbourhood change. As for organized labour, it was

² Sam Bass WARNER, Jr, *The Urban Wilderness* (New York, 1972), p. 100; Allan NEVINS and Frank Ernest HILL, *Ford: Expansion and Challenge 1915-1933* (New York, 1957), pp. 120, 149, 474; A. M. SMITH, *Industrial Detroit* (Detroit, 1930), p. 1; Keith SWARD, *The Legend of Henry Ford* (New York, 1972), p. 119; *Detroit Times*, 14 October, 25 November 1918.

³ *The Detrioter*, 13 (19 June 1922): 7; 13 (2 October 1922): 5-10; 14 (14 May 1923): 9; 14 (6 August 1923): 7-8.

⁴ Delos F. WILCOX, “The Street Railway Crisis in Detroit”, *The Economic World*, Old Series, 96 (23 October 1915): 527; NEVINS and HILL, *Expansion and Challenge*, p. 121; SCHOOL OF PUBLIC AFFAIRS AND SOCIAL WORK OF WAYNE UNIVERSITY, Report no. 10, *Accumulated Social and Economic Statistics for Detroit* (Detroit, 1937), p. 3.

notoriously weak in Detroit after 1902, as the Motor City ranked second only to Los Angeles as a bastion of the "open shop". Only a few thousand workers belonged to the Detroit Federation of Labor.⁵

The weakness of potential rivals gave Detroit's automotive industry a unique opportunity to remodel a major American metropolis to its own liking. By examining the participation of the major corporations and their leaders in community decision-making it should be possible to gain new insight into the effective limits in the early twentieth century on the capacity of big business to transform its economic power into political control over the larger cities. In particular, the Motor City in its heyday constitutes a fair test of the stratificationist model of community power structure proposed by James Weinstein and Samuel P. Hays in two celebrated articles published in the early 1960s.⁶

I

Until recently the Hays-Weinstein model of community decision-making was the most widely accepted interpretation of basic power relations in American cities between 1900 and 1930. The model depicted the period as one of "increasing inequality" in power with the economic élite steadily adding to its political superiority until the Great Depression. Both Hays and Weinstein focused on the municipal reform movements of the era and concluded that "the leading business groups and professional men closely allied with them initiated and dominated" efforts to restructure municipal governments on the pattern of large, science-based corporations, with a consequent "integration and centralization in decision-making" at the expense of popular control. The city commission and management movement, Weinstein asserted, placed "municipal government firmly in the hands of organized business interests", thereafter making "economy, not service" the government's watchword. For Hays and Weinstein in the early 1960s the economic élite seemed to have enjoyed almost unlimited influence over American communities between 1900 and 1930.⁷

The last decade has seen develop in the United States a heightened awareness of the effective limits to power. American urban historians have

⁵ Sidney FINE, *Frank Murphy: The Detroit Years* (Ann Arbor, 1975), pp. 99-100; Lois RANKIN, "Detroit Nationality Groups", *Michigan History Magazine*, 23 (Spring 1939): 125-205; Allan NEVINS, *Ford: The Times, The Man, The Company* (New York, 1954), pp. 376-80, 513-17; Chester M. CULVER, "Reminiscences", bound typescript in Oral History Archives, Ford Motor Company Archives.

⁶ James WEINSTEIN, "Organized Business and the City Commission and Manager Movements", *Journal of Southern History*, 28 (May 1962): 166-82; Samuel P. HAYS, "The Politics of Reform in Municipal Government in the Progressive Era", *Pacific Northwest Quarterly*, 55 (October 1964): 157-69. For the various historical models of community power see David C. HAMMACK, "Problems in the Historical Study of Power in the Cities and Towns of the United States, 1800-1960", *American Historical Review*, 83 (April 1978): 323-49.

⁷ *Ibid.*, p. 337; HAYS, "Politics of Reform", p. 159; WEINSTEIN, "Organized Business", pp. 179, 182.

therefore questioned the ability of past groups or individuals to control local decision-making and development. There have emerged, consequently, four major critiques of the Hays-Weinstein model of community power. First, pluralists have protested that the model ignored the coalition-building necessary to win electoral support for élite-sponsored reforms. Upper-class businessmen might propose, but only the large voting blocks could dispose. From the pluralist perspective the democratic process restricted the power of the economic élite, forcing it to accommodate the desires of other important groups in the city. Several recent studies have argued that the social, economic, and geographic configuration of the community has largely determined the prospects of élite reform.⁸

A second critique of the Hays-Weinstein model comes from the ecological determinists, among whom Hays himself must now be numbered. In a 1974 article, entitled "The Changing Political Structure of the City in Industrial America", Hays depicted urban development as "a constant tension between forces making for decentralization and forces making for centralization in human relationships and institutions, between centrifugal and centripetal tendencies, between social differentiation and social integration". Between 1900 and 1929, Hays averred, centripetal forces were temporarily ascendant because of the "growth of organizational technologies"; in centralizing decision-making within the metropolis, élite reformers were simply "reshaping the political order according to the inner dynamic of the changing economic and social structure". From this perspective the autonomy, and hence the power, of the economic élite were limited by fundamental changes in technology and social organization that left little room for individual or group initiative.⁹

A third critique of the original Hays-Weinstein model also has a bureaucratic orientation. Developed most forcefully by Kenneth Fox, it asserts that "innovation in urban politics from the 1850s to the mid-1930s was a process in which business played little part." The leading role in setting municipal priorities between 1890 and 1930, Fox has stated, went not to élite businessmen but to middle-class experts in municipal law, administration, and political science. Not only did they draw up the basic blueprint for municipal reform, that is the "centralized, functionally departmentalized administrative structure", but they also forced up local government spending by establishing the level of functions each had, ideally, to perform. While not denying that upper-class businessmen participated in reform campaigns, Fox sees them as less influential than the new middle class, for the latter seem to have enjoyed ideological leadership, perhaps even hegemony.¹⁰

⁸ See HAMMACK, "Problems", pp. 323-27, 335-37.

⁹ Samuel P. HAYS, "The Changing Political Structure of the City in Industrial America", *Journal of Urban History*, 1 (November 1974): 7, 19, 24.

¹⁰ Kenneth FOX, *Better City Government: Innovation in American Urban Politics, 1850-1937* (Philadelphia, 1977), pp. 63-65, 89. Fox's book owes much to the "new middle class thesis" expounded by Robert WIEBE, *The Search for Order 1877-1920* (New York, 1967), pp. 111-32.

A fourth and final critique of the Hays-Weinstein model of community decision-making stresses the self-imposed limitations on the political power of the economic élite. Thus Carl Harris has coupled his conclusion that "political power was roughly proportional to economic power" in Birmingham, Alabama between 1871 and 1921 with the observation that "economically powerful groups" were not "equally interested in or influential in all policy areas and government functions; groups with dominant influence on some areas had none on other issues." Major industrialists in particular regarded few local issues as "salient" to their interests and so restricted their political interventions to a minimum. Harris thus challenges the notion of élite omnipotence implicit in the Hays-Weinstein model.¹¹

II

Detroit's experience with the automobile industry between 1910 and 1929 tends to confirm the reservations of the critics. Judging from corporate files, private papers of key executives, the business press, and the public record, the industry seldom intervened in community affairs.¹² Moreover, its effective political power seemed to decline after 1918 even as its economic strength burgeoned. In 1929, as we shall see, the industry failed to carry a referendum deemed vital to its interests. From a different, less narrow perspective the difficulties the industry had in asserting its political will in the 1920s appear as contradictions inherent in its own economic preponderance.

The basic contours of Detroit's development after 1910 were set by individual automobile companies through their entrepreneurial decisions concerning wages, product, technology, and factory location. As Roger Presthus has shown, such issues were essentially political in scope since they affected "the allocation of important resources" within the community. Given the American tradition of "privatism", corporate decision-making by default assumed the task of city-building. Cities in the early twentieth century were not consciously constructed, but grew as a by-product of industrial agglomeration. Housing necessary to shelter "labor pools of half a million workers" had the appearance but not the reality of a great city. Detroit was not unusual therefore in having the most important decisions regarding its development made in the corporate boardrooms where they were not susceptible to public pressure or debate.¹³ After 1908

¹¹ Carl V. HARRIS, *Political Power in Birmingham 1871-1921* (Knoxville, Tenn., 1977), pp. 270-71. For a similar approach see HAMMACK, "Problems", pp. 347-49.

¹² See Donald Finlay DAVIS, "The Decline of the Gasoline Aristocracy: The Struggle for Supremacy in Detroit and the Automobile Industry 1896-1933" (Ph.D. dissertation, Harvard University, 1976), chaps. 10-12.

¹³ Robert PRESTHUS, *Men at the Top: A Study in Community Power* (New York, 1964), p. 34; George STERNLIEB and James W. HUGHES, eds, *Post-Industrial America: Metropolitan Decline and Inter-Regional Job Shifts* (New Brunswick, N.J., 1975). For the concept of "privatism" see Sam Bass WARNER, Jr, *The Private City* (Philadelphia,

the automobile industry used its economic leverage to decentralize the city. In part, executives were acting on their own biases: like most Americans they thought suburban living superior to the congestion of the inner city. Their product was also of course linked symbiotically to the suburbanization process. Even more important in strengthening the centrifugal influences on Detroit, was the auto industry's decision, made individually by each company, to move manufacturing facilities to the urban periphery. Until 1908 most of the automobile companies had occupied vacant buildings in the older industrial districts on the Detroit waterfront and at Milwaukee Junction. But, as sales recovered from the Panic of 1907, auto producers began moving out to the newly-built Detroit Terminal Railway, the outer belt line, to take advantage of the cheap land and transportation facilities available there. Engirdling the central city like a noose with a radius of six miles, the outer belt offered Ford, Hudson, Chalmers (Chrysler), and General Motors, among others, an opportunity to make the innovations in plant design and layout then deemed necessary to accommodate mass production. The key move to the periphery came in 1910 when Ford moved his operations to suburban Highland Park. By 1916 his works there employed more than 33,000.¹⁴

Satellite communities, composed of cheap frame housing hastily built by real estate speculators, sprang up around the outlying plants. As few auto workers could afford to commute on the low wages prevalent in the industry before 1914, they wanted to live as close to work as possible, with the most immediate access going to the skilled who could afford to bid more for housing. After 1914 new subdivisions were built well beyond each of the plants, causing the population to disperse even more. Meanwhile, the outer belt factories "acted as magnets, drawing the city outward toward them", along the principal radials connecting each automotive complex with downtown. In the 1920s the most rapidly growing section of the metropolis still lay *between* the central city and the automobile plants.¹⁵

Between 1900 and 1920, under pressure from the automobile industry, Detroit's population frontier leapt seven miles beyond Grand Boulevard,

1968), Introduction. For discussions of the impact of industrial location decisions on urban decentralization in California in the 1920s see Mark FOSTER, "The Model T, the Hard Sell, and Los Angeles's Urban Growth: The Decentralization of Los Angeles during the 1920's", *Pacific Historical Review*, 44 (November 1975): 461; and Roger W. LOTCHIN, "The City and the Sword: San Francisco and the Rise of the Metropolitan-Military Complex, 1919-1941", *Journal of American History*, 65 (March 1979): 996-1020.

¹⁴ James J. FLINK, *America Adopts the Automobile, 1895-1910* (Cambridge, Mass., 1970), pp. 104-12; Zane MILLER, *The Urbanization of Modern America: A Brief History* (New York, 1973), p. 75; Leonard S. WILSON, "Functional Areas of Detroit, 1890-1933", *Papers of the Michigan Academy of Science, Arts and Letters*, 22 (1936): 401-3; Jerome G. THOMAS, "The City of Detroit: A Study in Urban Geography" (Ph.D. dissertation, University of Michigan, 1929), p. 57; Daniel NELSON, *Managers and Workers: Origins of the New Factory System in the United States 1880-1920* (Madison, Wisc., 1975), pp. 9-16.

¹⁵ WILSON, "Functional Areas", pp. 403-6; Thomas J. TICKNOR, "Motor City: The Impact of the Automobile Industry Upon Detroit, 1900-1975" (Ph.D. dissertation, University of Michigan, 1978), pp. 59, 193.

its effective boundary at the inception of the automotive era. Along the major transportation corridors the built-up area by 1929 extended twelve, even fifteen miles into the countryside. Even though the municipal boundaries were enlarged on twelve different occasions, and the city's area expanded from 28 to 139 square miles in the process, Detroit failed to contain suburbanization politically, and by 1930 only three-fourths of the metropolitan population remained within the jurisdiction of the municipality.¹⁶

The fragmentation of the metropolis had a social as well as political dimension. As late as 1900 Detroit had retained a compact, essentially pre-industrial residential pattern, with the wealthiest families living closest to the central business district. Although some of the wealthy had already begun winterizing their summer homes in Grosse Pointe and upper-class subdivisions were slowly being built in Indian Village and the North Woodward district (both then situated in rural townships), most of Detroit's economic élite still lived within a mile of City Hall. They were kept there by incessant debate over the future of the privately-owned street railway system, a debate that retarded electrification and extension of its lines. But the street railway finally made its full impact felt in the 1900-10 decade, just as the automobile made its appearance.

Together public and private transit shattered inner city neighbourhoods. The wealthy flocked to the restricted enclaves that realtors had set aside for them the previous decade. The mansions they abandoned deteriorated into rooming houses or gave way to auto dealerships and garages. As the blight spread, even those élite families most committed to urban living were forced to retreat into suburbia. Their displacement, coupled with dismay over the ignoble fate of their former homes and neighbourhood fed the sense of crisis pervasive in élite circles around 1910.¹⁷

The city was also, from an élite perspective, becoming dangerously disorganized socially. Traditional community structures and control were proving inadequate to cope with a massive immigration of unskilled, single males lured to Detroit by the automobile industry. By 1910 three-quarters of the population were first or second generation immigrants, the majority of them residents of the city for less than a decade. An old Detroiter, that is one who knew it before the Motor City, became increasingly difficult to find. If Detroit had the same population turnover as cities of a comparable size, then it is likely that only seven percent of its residents in 1920 had lived there at the turn of the century.¹⁸

¹⁶ THOMAS, "City of Detroit", p. 58; WAYNE STATE UNIVERSITY, *Accumulated Statistics*, p. 1; U.S. BUREAU OF THE CENSUS, *Abstract of the Fifteenth Census of the United States*, p. 76.

¹⁷ Donald R. DESKINS, *Residential Mobility of Negroes in Detroit, 1837-1965* (Ann Arbor, 1972), p. 79; CITY PLAN COMMISSION, *The People of Detroit* (Detroit, 1946), p. 28; WILSON, "Functional Areas", p. 403.

¹⁸ Albert MAYER, *A Study of the Foreign-Born Population of Detroit 1870-1950* (Detroit, 1951), p. 6. Studies of Omaha, Boston and Los Angeles have found decadal persistence rates of forty-one to forty-nine percent. On the conservative assumption that

Customary constraints had little force with Detroit's mobile, polyglot population. The tone of public life can be inferred from the arrest in July 1912 of three-fourths of the city council on charges of accepting a bribe. Socially, every indicator — whether it be the number of illegal “blind pigs”, prostitutes, or muggings — revealed the extent of Detroit's social disorder. Between 1905 and 1910 police arrests climbed two and a half times as rapidly as the population. Over the next eight years the “crime wave” accelerated and by 1918 local businessmen were so panicky that they lent their private automobiles to two hundred State troops temporarily brought in, armed with shotguns, as a night watch.¹⁹

Auto executives responded to the city's social disorder by espousing reform. After 1910 they became involved in such traditional (for Detroit) causes as prohibition, municipal charter reform, and municipal ownership of the city's street railways. Soon, through dint of hard work, abundant energy, and heavy financial contributions, they dominated these movements, thereby becoming a major force in Detroit's community decision-making process. This had certainly not been true before 1910, at least at the formal, political level. During the industry's first decade in Detroit executives had been too busy to become civic activists.

So preoccupied had they in fact been with the task of building their companies that not even the Employers' Association, local guardian of the “open shop” since 1902, had elicited much support from them. Most of the motor vehicle companies only became active in its affairs after Hugh Chalmers, president of Chalmers Motor Company, created an automotive division in 1910.²⁰

By then, booming auto sales, spread among the handful of investors who controlled each company, had produced several instant millionaires. Their financial security assured, the founders of the industry surrendered active management to subordinates, thereby freeing themselves for community leadership. The industry had come of age; in 1909 it accounted for one-quarter of the city's manufacturing output, and would within five years contribute two-fifths. In 1910 the first of the “gasoline kings” were elected directors of the old-line banks and of the Detroit Board of Commerce. Economic power brought rapid social recognition: in 1912 Henry B. Joy, scion of one of the city's most prominent families and president of the patrician Packard Motor Car Company, joined Roy Chapin of the more plebeian Hudson Motor Car Company in organizing the Detroit Athletic Club. It took the D. A. C. less than four years to achieve social

Detroit had a higher persistence rate of fifty percent, only 71,425 of Detroit's 993,687 people in 1920 would have been residents of the city in 1900. See Stephan THERNSTROM, *The Other Bostonians* (Cambridge, Mass., 1973), p. 222.

¹⁹ Jack D. ELENBAAS, “The Excesses of Reform”, *Michigan History*, 54 (1970): 1-18; WAYNE STATE UNIVERSITY, *Accumulated statistics*, pp. 3-7; William P. LOVETT, *Detroit Rules Itself* (Boston, 1930), pp. 27-28; *Civic Searchlight* (Detroit Citizens' League), 1 (November 1914): 1-2; *Detroit News*, 26 (February 1918).

²⁰ CULVER, “Reminiscences”, pp. 6-10.

parity if not superiority *vis-à-vis* the more established downtown men's clubs.²¹

By 1912 Detroit's automotive entrepreneurs were stereotypical municipal reformers. They were already or would shortly become members of the local upper class and commanded one of the most technologically advanced industries of the era. It was perhaps inevitable, then, given the behaviour of similar élites elsewhere in America, that automobile executives wanted to apply lessons gained in business to Detroit's municipal affairs. They believed their methods were, to quote Henry Ford, "capable of the largest application — that they ... [had] nothing to do with motor cars but form[ed] something in the nature of a universal code". As usual, Ford had exaggerated hopes for reform for he proposed gearing the entire world to the fine-tuned efficiency of mass production; but other executives, less ambitious, settled for restructuring Detroit in the image of their business corporations.²²

Thus Henry Leland, president of Cadillac, organized the Detroit Citizens' League in May 1912 to promote "moral and civic betterment in general, including politics where and when necessary". A "merger of business and religion", the League depended on the Protestant brotherhoods and men's clubs for the bulk of its executive and membership, while the automotive industry supplied approximately half of its finances. The auto industry's first major intervention in Detroit's community affairs began with Henry Leland's injunction to the Citizens' League: "Something is wrong with the politics of Detroit. Locate the trouble and fix it." Leland saw political reform as the necessary first step towards improving the "morality" of Detroit, his ultimate objective. The League soon pinpointed saloons as the "strongest supports of corrupt civic conditions".²³

²¹ U.S. BUREAU OF THE CENSUS, *Census of Manufactures 1914* (Washington, 1918) I: 699; DAVIS, "Gasoline Aristocracy", pp. 219-25, 230-45.

²² Henry FORD, *My Life and Work* (Garden City, 1922), p. 2; Henry FORD, *My Philosophy of Industry* (New York, 1929), pp. 3-21; *Automobile Trade Journal*, 29 (1 December 1924): 102; Alfred P. SLOAN, Jr., "Modern Ideas of Big Business", *World's Work*, 52 (September 1926): 695-99.

²³ Henry M. Leland to George H. Barbour, 11 October 1912, Detroit Citizens' League Papers, Detroit Public Library, Burton Historical Collection (hereafter designated BHC); LOVETT, *Detroit Rules*, pp. 77-79; *Civic Searchlight*, 3 (November 1916): 2; 1 (October 1913): 1-4. A list of contributors to the Detroit Civic Uplift League (the original name of the Citizens' League) for September-December 1912 can be found in Box 1, Additional Papers, Citizens' League Papers. Almost half of the listed subscribers manufactured motor cars or parts. They included Joseph Boyer, Michael J. Murphy, Thomas Neal, and Emory W. Clark (GMC); Henry and Wilfred Leland (Cadillac); A. F. Demory and E. W. Lewis (Timken-Detroit Axle Company); Will H. DuCharme (Kelsey Wheel); Fred O. Bezner, Roy Chapin, and Richard H. Webber (Hudson); Hugh Chalmers (Chalmers); William T. Barbour, Arthur H. Buhl, and George H. Barbour (Lozier); Dexter M. Ferry, Jr, Henry B. and Richard P. Joy (Packard); C. A. Grinnell (Grinnell); Milton McRae (McRae and Roberts); William R. Kales (Detroit Gear & Machine); J. T. Whitehead (Michigan Copper & Brass). Further information on the Detroit Citizens' League can be found in Jack D. ELENBAAS, "The Boss of the Better Class: Henry Leland and the Detroit Citizens' League, 1912-1924", *Michigan History*, 58 (Summer 1974): 131-50; and Raymond Robert FRAGNOLI, "The Transformation of Reform: The Detroit Citizens' League, 1912-1933" (Ph.D. dissertation, University of Michigan, 1976).

The conclusion was predictable, not only because of the League's blue streak but also because Detroit's liquor dealers, both as individuals and as a municipal lobby known as the "Royal Ark" exercised inordinate power over local politics in 1912. By then the party battle had become a sham, the Democrats so weak that they readily joined an informal "Vote Swappers League" in hopes of winning a share of public office and patronage. Republican predominance had brought extreme factionalism, with no central machine capable of dictating to the various petty bosses who dominated the riverfront and industrial precincts through their control of the saloon and boarding-house vote. As Detroit's wards followed the boundaries of the old seigneuries, running in parallel strips perpendicular to the river, the results even in wards with a high density of upper-class housing could usually be dictated by the waterfront drinking establishments, each of which reportedly had a minimum of twenty votes at its disposal. The saloons used this political power chiefly to maintain a friendly Common Council willing to overlook violations of the closing and licence laws.²⁴

The Citizens' League therefore made the saloons its primary target. Frustrated in its original attempts to segregate them by district, it soon enlisted in the prohibitionist camp, becoming a second arm of the Michigan Anti-Saloon League. Both organizations relied heavily on the automobile industry for financial assistance: according to the secretary of the Citizens' League, "Leland, Ford, and the automobile leaders generally were among the chief supporters of the anti-saloon reform." The League secretary might have added that automotive leaders played a key role in the Anti-Saloon League nationally as well. In 1919 the United States Brewers' Association in its report to the Senate identified eleven major contributors to the national League of whom six had strong ties with the auto industry: Henry Leland; Richard H. Scott, general manager of the Reo Motor Car Company of Lansing; Ransom E. Olds, president of Reo; J. L. Hudson, president of Hudson Motor Car Company; Joseph Boyer, one-time director of General Motors and stockholder in Packard, and in 1919 a major stockholder in the Lincoln Motor Company; and A. L. Garford, president of Garford Motor Company of Cleveland. A seventh — John Wanamaker, Ford's first distributor in Philadelphia — also had a tangential contact with the industry.²⁵

Temperance sentiments came readily to those automobile executives, perhaps a majority, raised in middle-class households in the Protestant small towns and farming areas of the Midwest and New England. Paternalists, who associated sobriety with morality and middle-class probity, they sought to protect their workers from both sin and social degradation by

²⁴ FINE, *Murphy*, p. 91; John C. LODGE, *I Remember Detroit* (Detroit, 1949), pp. 96-97; FRAGNOLI, "Transformation of Reform", p. 11.

²⁵ LOVETT, *Detroit Rules*, pp. 29-55; Peter ODEGARD, *Pressure Politics: The Story of the Anti-Saloon League* (New York, 1928). Automotive industry involvement also comes through in several letters written by Pliny Marsh and William Lovett found in Citizens' League Papers. For the auto industry's role in blocking a wine-and-beer amendment to prohibition in 1918 see Larry ENGELMANN, *Intemperance: The Lost War Against Liquor* (New York, 1979), p. 53.

banning the bottle. More generally, the industry's enthusiasm for prohibition grew out of its obsession with social and industrial efficiency. Alcohol impeded the assembly line, slowing production, creating accidents, and driving up costs. The new workmen's compensation law also brought "employers in Michigan to the dry side", Richard Scott of Reo observed, for it granted full compensation to any worker injured while intoxicated. Auto executives therefore readily agreed with Scott, successor to J. L. Hudson in 1912 as president of the Michigan Anti-Saloon League, that the "open saloon" was economically wasteful with "no place in this day and age".²⁶

Even before the prohibitionist victory in November 1916, most of the big automobile factories had endeavoured to purge their work-force of drinkers. Possibly many of the discharged left the city; at any rate Detroit, like Michigan's other automotive centres, evenly divided on the prohibition question. As a result, the dry referendum easily carried on the strength of its rural support. That made Detroit "the first American city with a population greater than 250,000 to go dry". The automotive industry's influence had indeed been felt.²⁷

Prohibition removed the principal barrier to municipal reform. The precinct political machines were in disarray and provided only feeble opposition to the charter campaign launched by the Citizens' League in 1916. Largely financed by the automotive industry, headed by Hugh Chalmers, an automotive company president, and backed by the city's major business and civic organizations, the campaign easily prevailed over scattered opposition. In June 1918, in a small turnout, voters overwhelmingly endorsed a new city charter incorporating the programme approved by the National Municipal League in 1899. Detroit received a strong mayor with broad powers of appointment and dismissal and a small council elected at-large. To expunge politics from city government, the charter made most offices appointive and separated municipal elections, thereafter non-partisan, from state and federal voting. The charter, in other words, reconstructed municipal government as a board of directors for administration of the city's business. The automotive reformers no more intended the new city government to be organized democratically than they would have allowed corporate decision-making to depend on majority vote.²⁸

²⁶ *Detroit News*, 1 October 1916; letter, Henry Leland to Mrs Albert Tower, 3 June 1913, Citizens' League Papers; ELENBAAS, "Boss of the Better Class", pp. 145-46; *Detroit Saturday Night*, 24 April 1915; George S. MAY, *R. E. Olds: Automotive Pioneer* (Grand Rapids, 1977), pp. 323-24, 385-88.

²⁷ ENGELMANN, *Intemperance*, p. 23; MAY, *Olds*, p. 385; SWARD, *Legend of Ford*, p. 59.

²⁸ Pliny W. MARSH, "Detroit Becomes a Home Rule City", *Ofal Reminiscences*, BHC; LOVETT, *Detroit Rules*, pp. 90-98; FRAGNOLI, "Transformation of Reform", pp. 134-67. The Citizens' League created a front organization — the Citizens' Charter Committee (headed by Hugh Chalmers) — to conduct the actual referendum campaign. The committee raised \$15,657, almost all of which came from John and Horace Dodge (Dodge Brothers, Ford); Louis Mendelssohn (Fisher Body); Edsel Ford, C. Harold Wills, and Horace H. Rackham (Ford); Oscar Webber (Hudson); Arthur H. Buhl (Lozier); Henry B. Joy (Packard); Henry Leland (Cadillac); Joseph Boyer (GMC, ex-Packard); William H. Murphy (ex-Cadillac, later with Lincoln); and four downtown businessmen.

After 1918 the Citizens' League monitored elections to ensure that friends of the charter controlled city government. It concerned itself, to quote its secretary, "with problems of personnel", leaving "problems of technique" to the Bureau of Governmental Research, "a clearing house for information on municipal affairs" organized by two bankers in March 1916. Also dependent on automotive money, the Bureau provided elected officials with the data and budgetary tools needed for informed decision-making. It kept a close watch on government spending and, through its annual surveys, largely set municipal priorities.²⁹

With the charter passed and two watchdog agencies in place to guard the interests of the large ratepayers, municipal spending suddenly took off. Previously, from 1900 through 1917, municipal tax revenues and net bonded debt per capita had risen forty-five and fifty-one percent respectively, or not significantly more than the rate of inflation. But Detroit now embarked on a massive building programme to provide services hitherto neglected. Between 1918 and 1928 municipal tax revenues and net bonded debt per capita increased by 179 and 618 percent respectively.³⁰

The surge in municipal spending in Detroit followed the national trend. Kenneth Fox has attributed the upward spiral to "increased familiarity with the functional mode" of city administration. Cities were reacting, he argues, to the new standards laboriously worked out by political scientists, statisticians and the like (as opposed to businessmen), for municipal services and spending. "Comparative statistical reporting" made city governments acutely aware of their inadequacies and therefore open to reform.³¹

The argument, though plausible, fails to explain how the sense of deficiency was translated into practical reform. Fox's own evidence, plus the findings of numerous other scholars, show that élite organizations like the Citizens' League and the Bureau of Governmental Research either initiated or financed the feasibility studies that led to the restructuring of municipal functions. Presumably they hired specialists known to have ideas compatible with their own. Moreover, although a group like the automotive entrepreneurs may have had their own reform ideas sharpened by hired experts, ultimately they found convincing only those arguments that jibed with their own experiences and interests. Above all, the lessons learned in business dictated their role in community affairs. Hugh Chalmers, for example, had already been responsible in 1908 for devising what

²⁹ LOVETT, *Detroit Rules*, p. 108; DAVIS, "Gasoline Aristocracy", pp. 317-21; DETROIT BUREAU OF GOVERNMENTAL RESEARCH, *A Quarter-Century of Citizen Concern with Government* (Detroit, 1941); letters, Otto Kirchner to F. A. Cleveland, 25 March 1916; E. W. Clark to Kirchner, 28 February 1916; Ralph Stone to Kirchner, 7 April, 2 November 1916, Otto Kirchner Papers, BHC. The Bureau had forty-three subscribers to its financial fund as of 1 November 1916. They included E. W. Clark (ex-GMC); James Couzens, Norval Hawkins, Horace Rackham, and Gray Estate (Ford); Ford Motor Company; Hudson; Timken-Detroit; Cadillac; Packard; J. S. and T. H. Newberry (Packard).

³⁰ WAYNE STATE UNIVERSITY, *Accumulated Statistics*, pp. 4, 7.

³¹ FOX, *Better City Government*, pp. 63, 102.

may have been the first organizational chart drawn up within the auto industry. His interest in the functional mode (he chaired the Charter Campaign Committee) flowed naturally from his earlier innovations in business. Undoubtedly, automotive entrepreneurs were, ideologically as well as financially, their own men.³²

III

The interest of automotive executives in shaping community decisions waned after 1918. They did not seem to find many issues of salient interest in the 1920s. As much as anything World War I dulled their passion for public life. Regarding it as a giant reform crusade, they had rushed to enlist. One aging, overweight vice-president even joined the Marines as a private; but most executives sought a posting in Washington. By war's end some 463 of them were in "government employ", chiefly as dollar-a-year men in the bureaucracies overseeing war production and internal transportation. Not content merely to serve, auto executives hoped to use their new vantage point to preach the gospel of efficiency, organization, and mass production to the nation.³³

From within the government the industry's leaders conducted their own private reform crusades. Roy Chapin, for example, used his chairmanship of the Highways Transport Committee to promote good roads and trucking, while his partner at Hudson, Howard E. Coffin, campaigned incessantly for increased standardization of parts within the aviation industry, whose wartime output he oversaw as chairman of the Aircraft Production Board. Standardization was but one of the methods of mass production the industry wanted to teach the country. To show the interconnected whole, several Detroit automobile companies collaborated on the design and production of the "Liberty" engine for the air corps. Executives hoped to prove that the assembly line could turn out an engine superior to those hand-crafted in Europe and in far greater quantities. But they miscalculated; it took longer than anticipated to tool up for production and few planes equipped with Liberty motors ever went into combat. By August 1918 the public and Congress were restive. The Senate Committee on Military Affairs, searching for scapegoats, concluded that the air programme had failed because it had been "placed in the control of the great automobile and other manufacturers who were ignorant of aeronautical problems". The would-be didacts now stood publicly accused of incompetence.³⁴

³² See CHALMERS-DETROIT MOTOR Co., *Pyramid Plan of Organization* (n.p., 1908), pamphlet located in Chalmers Motor Co. File, Detroit Public Library, National Automotive Historical Collection.

³³ Herbert O'BRIEN, "Edwin Denby", unpublished MS, Edwin Denby Papers, Bentley Historical Library, Michigan Historical Collections; James J. FLINK, *The Car Culture* (Cambridge, Mass., 1975), p. 92.

³⁴ LONG, *Chapin*, pp. 147-52; John Bell RAE, *American Automobile Manufacturers* (Philadelphia, 1959), pp. 126-27; Robert CUFF, *War Industries Board* (Baltimore, 1973), pp. 17-51; U.S. SENATE, COMMITTEE ON MILITARY AFFAIRS, *Hearings: Investigations of*

Even more alarming were the allegations of conflict of interest circulating in the Spring of 1918. In May the Administration removed Coffin from his chairmanship of the Aircraft Board and initiated an investigation into the activities of two of his assistants — Sidney Waldon, former vice-president of Packard and Cadillac, and E. A. Deeds of Delco and General Motors. In November an investigating committee recommended prosecution of Deeds and Jesse Vincent, vice-president of Packard, for conflict of interest: they had as government officials approved contracts for their own companies. The two executives were eventually exonerated but not before their names had been dragged through the press. Nor did the industry's public relations ordeal end with their acquittal, for with peace came accusations of war profiteering and federal government suits against several automobile companies to recover alleged overpayments on military contracts. The suits complicated the task of reconversion, obstructed credit, and made executives even more convinced that they had erred in becoming so entangled in government and politics. More concretely, a federal suit blocked the refinancing of Lincoln, thereby ending the automotive career of Henry Leland, Detroit's reform boss. He had taken his Cadillac profits and ploughed them into Lincoln; its failure prostrated him financially, leaving him without the means or influence to carry on his reform activities. The automobile industry had no one to replace him by the early 1920s.³⁵

The entire wartime experience conspired against auto executives' prewar activism and reformism. They had overreached themselves and, chastened, left the war with sharply reduced expectations and public ambitions. The war consequently marked a watershed in the role played by the automobile industry in Detroit's community power structure. Before 1918 executives had sallied forth to do battle on almost any kind of terrain, but, bloodied by the great war crusade, they thereafter tended to restrict themselves to fields in which they held an unassailable advantage, as in transportation. Their earlier interest in structural municipal reform failed to survive the war. The defence of the new charter they left to the downtown businessmen who in Detroit, as elsewhere, had a far more sustained interest in city government than did the great industrialists. Even in 1929, when a populist movement posed a direct challenge to the 1918 charter, the industry left its defence to the Board of Commerce and downtown merchants. Transportation issues alone brought out the industry's crusading streak in the 1920s. Auto executives, less certain after the wartime ordeal of their expertise in matters of government and social organization, retreated into the more specialized role of "transportation expert", the one title the community was least likely to deny them. Or so they thought.

the War Department, 65th Congress, 2nd Session, 1917-18, p. 2281; Franklin H. MARTIN, *Digest of the Proceedings of the Council of National Defense during the World War*, U.S. Congress, Senate, 73rd Congress, 2nd Session, Doc. no. 193 (Washington, 1934), pp. 462-70; U.S. HOUSE, SELECT COMMITTEE OF INQUIRY INTO OPERATIONS OF THE UNITED STATES AIR SERVICES, *Hearings*, 68th Congress, 2nd Session, pt. 2 (Washington, 1925), pp. 1275-76.

³⁵ INQUIRY INTO UNITED STATES AIR FORCE, *Hearings*, p. 1273; Isaac F. MARCOSSON, *Colonel Deeds, Industrial Builder* (New York, 1947), pp. 269-303.

IV

After 1918 the auto industry's participation in community decision-making was largely limited to the debate over municipal ownership of street railways, good roads, and subways.³⁶ Municipal ownership was a hoary issue by then, for the city had been debating its merits since the mayoralty of Hazen Pingree in the 1890s. By 1914, "no mayor, no judge, no coroner, no dog catcher could be elected to office until he had first declared himself for municipal ownership." With the constant threat of municipalization hindering the local traction monopoly, Detroit United Railway (D. U. R.), in its efforts to raise capital, new construction slowed to a crawl, the city's track mileage per capita as a result falling by almost half between 1899 and 1913.³⁷

Even conservative businessmen came to see municipal ownership as a solution to the declining fortunes of mass public transit in Detroit. Little progress, however, was made towards it until passage of the Verdier Act in 1913 created the Board of Street Railway Commissioners and empowered it to acquire and operate a street railway within the boundaries of the municipality. With formation of the Board, the crusade for municipal ownership effectively became the property of the Ford Motor Company, for two of the three commissioners (the third represented the D. U. R. employees) belonged to the corporation's inner circle: John Dodge, a director and major stockholder, and James Couzens, general manager and second only to Henry Ford in the corporation hierarchy. The cause of municipal ownership thus gained powerful new backers. Yet it also inherited Ford's enemies, for there were many Detroiters, particularly within automotive circles, opposed to anything that Ford endorsed.³⁸

Socially, the industry was quite fragmented, as the origins and outlooks of executives differed substantially from company to company. But the cleavage cutting most deeply separated Ford from the rest of the automotive producers. The cleavage stemmed from Henry Ford's first two automotive ventures, both of them costly failures which angered and dismayed his patrician backers. As a result, the Ford Motor Company encountered indifference, even hostility, from the city's economic élite upon its founding in 1903. A patent suit, launched almost immediately

³⁶ There is inadequate space to discuss the industry's good roads campaign here. See Kenneth E. PETERS, "The Good-Roads Movement and the Michigan Highway Department, 1905-1917" (Ph.D. dissertation, University of Michigan, 1973), pp. 133, 248; DAVIS, "Gasoline Aristocracy", pp. 340-47; and the S. D. Waldon Papers, BHC.

³⁷ Jere C. HUTCHINS, *A Personal Story* (Detroit, 1938), introduction by Malcolm Bingay; *Detroit News*, 15 July 1914. The street railway controversy can be followed in Graeme O'GERAN, *A History of the Detroit Street Railways* (Detroit, 1931), pp. 196-381; and Harry BARNARD, *Independent Man: The Life of Senator James Couzens* (New York, 1958), pp. 101-33. For additional background see Melvin G. HOLL, *Reform in Detroit: Hazen S. Pingree and Urban Politics* (New York, 1969), chaps 5-6.

³⁸ O'GERAN, *Street Railways*, pp. 267-85; Harry DAHLHEIMER, *Public Transportation in Detroit* (Detroit, 1951), pp. 10-11.

by the Association of Licensed Automobile Manufacturers at the instigation of Henry B. Joy of Packard and Fred L. Smith of Olds, confirmed Ford's outcast status. It took eight years to fight the patent suit, the company's language becoming increasingly strident, populist, and anti-monopoly with each legal battle. Ford, company and man, paraded as the champion of the little man against the "interests" — the William Jennings Bryan of the automobile world. This pose hardened in 1913 and 1914 when the company's banking and labour policies further antagonized Detroit's élite, including the auto manufacturers. The five-dollar day, announced unexpectedly and unilaterally by Ford in January 1914 without consideration of its impact on local factories, so widened the gulf between Ford and the other producers as to make it unbridgeable.³⁹

Municipal ownership inevitably became entangled in their feud. In 1915 the Board of Street Railway Commissioners, still dominated by Couzens and Dodge, asked Detroiters to approve by referendum purchase of the D. U. R., the exact price to be calculated later by the county court. The Ford leadership threw its prestige behind the purchase plan, Henry Ford pronouncing it "one of the safest business propositions I have heard of". Yet the plan lost badly in the November balloting, as the opposition — an unlikely coalition of free enterprisers, municipal socialists, and trade unionists — denounced it for its indeterminacy, for no one knew what price the court would set. The most resounding negative came from the wealthier precincts, ample proof that divisions within the economic élite could make the major automobile manufacturers far less powerful than they seemed.⁴⁰

Undaunted, James Couzens redoubled his efforts to obtain municipal ownership. His growing appeal as a populist and his prestige as a big businessman brought him the mayoralty in November 1918. In the final showdown against a machine politician, he enjoyed the united backing of the automotive community, but not so in the primary where Divie B. Duffield, patrician head of the Library Commission, was running at the prompting of several automobile entrepreneurs, the Bureau of Governmental Research, the Anti-Saloon League, and the Detroit Citizen's League which "turned itself bodily into a Duffield-for-mayor club". The reform establishment did not trust Couzens, who had shown little enthusiasm for it in the past, to defend the charter.⁴¹

Although their misgivings proved unfounded, the reformers correctly perceived that the Ford executives whose company was remarkably unstructured for its size with few formal positions or responsibilities, had little interest in structural reform. They found transportation questions more interesting, perhaps because of the company's obsession with eliminating bottlenecks in the continuous flow of materials through the

³⁹ DAVIS, "Gasoline Aristocracy", chaps 5, 9. The best account of the Selden suit is found in William GREENLEAF, *Monopoly on Wheels* (Detroit, 1961).

⁴⁰ *Detroit News*, 13, 14 October, 3 November 1915.

⁴¹ *Detroit News*, 24 August 1918; *Detroit Times*, 13 July, 22 August 1918.

Ford industrial complex. As well, the company, a leader in the outward movement of Detroit's factories after 1910, had an economic stake in improving the transit facilities of the metropolis.⁴²

Couzens used the powers of the mayoralty, so recently enhanced by the reform charter, to compel the D. U. R. to sell its Detroit property in March 1922 at a price low enough to win overwhelming support from the city's cost-conscious voters. Detroit thus became the third major American city, after San Francisco and Seattle, to municipalize its street railways. Couzens' success proved that an automotive leader, if sufficiently energetic and single-minded, could still get his way in community affairs. The automotive industry as a whole, however, had to count his victory as their loss, for executives had by and large opposed municipal ownership.⁴³

V

There was more at stake than the industry's feuds in the municipal ownership debate. Most auto executives objected to purchasing the street railways because they considered the tram outmoded and a combination of subways and buses a superior solution to Detroit's traffic congestion. They accused Couzens of burdening the city with a dying white elephant. Henry B. Joy and Alvan Macauley of Packard even organized a campaign in 1919 against municipal ownership around the theme: "The City's credit ... can ... better be saved for initiating a subway system."⁴⁴

Couzens, however, had the power as mayor to bury the subway cause until municipal ownership had carried. He then resurrected it by creating the Rapid Transit Commission, or R. T. C., on 27 November, 1922. Its membership consisted of Herbert W. Alden of Timken-Detroit Axle Company; Clarence W. Hubbell, former City Engineer; Willard Pope, vice-president of Canadian Bridge Company; Andrew H. Green, Jr, president of Charcoal Iron Company and a former director of General Motors; and as chairman, Sidney D. Waldon, afore-mentioned victim of the air scandal.⁴⁵

From the start Waldon dominated the Commission. A British immigrant, trained as a locksmith, Waldon joined the automobile industry as a car tester but swiftly rose to the vice-presidency, first of Packard,

⁴² For Ford's anarchic management practices see Charles E. SORENSEN, *My Forty Years with Ford* (New York, 1956), pp. 36-37, 48-50; and FORD, *My Life and Work*, pp. 91-94.

⁴³ O'GERAN, *Street Railways*, pp. 290-308, 347-72; BARNARD, *Independent Man*, ppp. 127-30.

⁴⁴ *Detroit News*, 24, 30 October, 4 November 1919.

⁴⁵ The organization of the R. T. C. can be followed in the correspondence between Couzens and the Rapid Transit Committee, Detroit Section, American Society of Civil Engineers, July-November 1922, Box 4, Detroit Mayor's Papers, 1922, BHC. See also *Detroit News*, 30 December 1922.

then of Cadillac. In 1916, though only forty-three, he retired from business a millionaire determined to "return to society some of the things that he ... owed it". He devoted his retirement to promoting automobiles, highways, motor buses, air travel, and rapid transit — in fact, anything that increased "transportation efficiency".⁴⁶

Above all he wanted to maximize the usefulness of the automobile, to him "the magic carpet of transportation for all mankind". "Its great efficiency for rapid transit" was, he lamented, "defeated by the very great numbers trying" to use it. Civilization had to choose, Waldon said: either it accepted "a gradually reducing efficiency of the motor vehicle", or it "set itself squarely to the problem of providing the increased facilities essential to its best use".⁴⁷

To unclog Detroit's choked traffic arteries, Waldon and the R. T. C. proposed widening the major thoroughfares and clearing them of street cars, with public transit going underground or — beyond the five-mile circle — down the median strip of 204-foot wide "super-highways". The Commission's "Master Plan" envisioned twenty such super-highways stretching over 240 miles and three counties, with space on each for surface rapid transit. While admitting that the system exceeded Detroit's current needs, the R. T. C. argued the financial importance of acquiring rights of way for future development while suburban land remained cheap.⁴⁸

Super-highways appealed to the Motor City. Little opposition arose and the Common Council adopted the Master Plan in April 1925. Seven months later a referendum decisively approved a financial plan for land acquisition and street widening within Detroit. Beyond the city boundaries two super highway commissions oversaw implementation of the Master Plan using revenue raised by the state gasoline tax. By 1929 authorities had purchased more than one-third of the needed rights of way and Detroit was well launched towards freeway development.⁴⁹

Subways had a different fate. The principal problem was their cost. Most of the super-highway system lay outside the city and county and so had little direct impact on Detroit taxpayers. But the city would have to assume most of the subway burden. The R. T. C. therefore spent two

⁴⁶ Clipping from *Motor News*, dated March 1945, Sidney D. Waldon File, National Automotive History Collection, Detroit Public Library; *Detroit Saturday Night*, 30 May 1931; *Detroit News*, 21 January 1945. At the time of his appointment Waldon headed both the Detroit Automobile Club and the Detroit Aviation Society.

⁴⁷ Sidney D. Waldon to Colonel Robert McCormick, 25 July 1924, Rapid Transit Commission Papers, BHC (hereafter designated as RTCP); Sidney Waldon to T. S. Seeley, 19 September 1923, Sidney D. Waldon Papers, BHC; *Detroit News*, 14 March 1926.

⁴⁸ Minutes, Rapid Transit Commission, 10 April 1924, and "Commission's Report to the Mayor for the Month of March", 3 April 1923, RTCP; *Detroit News*, 9 February, 28 March 1929.

⁴⁹ "Report on Proposed Ten Year Program for Street Widening", 22 March 1930, RTCP; C. E. RIGHTOR, "The Progress of Rapid Transit in Detroit", *National Municipal Review* (March 1927), pp. 310-13.

years searching for a financial formula that paid for rapid transit without undermining Detroit's municipal credit. It finally decided that subways should be financed by those who benefitted most from them, namely, users and owners of abutting property. It wanted riders to pay for the rolling stock — approximately thirty-two percent of the total cost — through ten cent fares. And as the R. T. C. saw no reason to enrich a few fortunate property holders, it assigned fifty-one percent of the cost to landlords within "proximity assessment zones" extending a half-mile on each side of subway lines. They were to pay a special tax assessed against the appreciation in the value of their property. A city-wide tax covered the remaining seventeen percent. As the financial plan mentioned no dollar figures, it easily carried a referendum held in September 1924. Detroiters obviously liked the idea of subways, at least in the abstract.⁵⁰

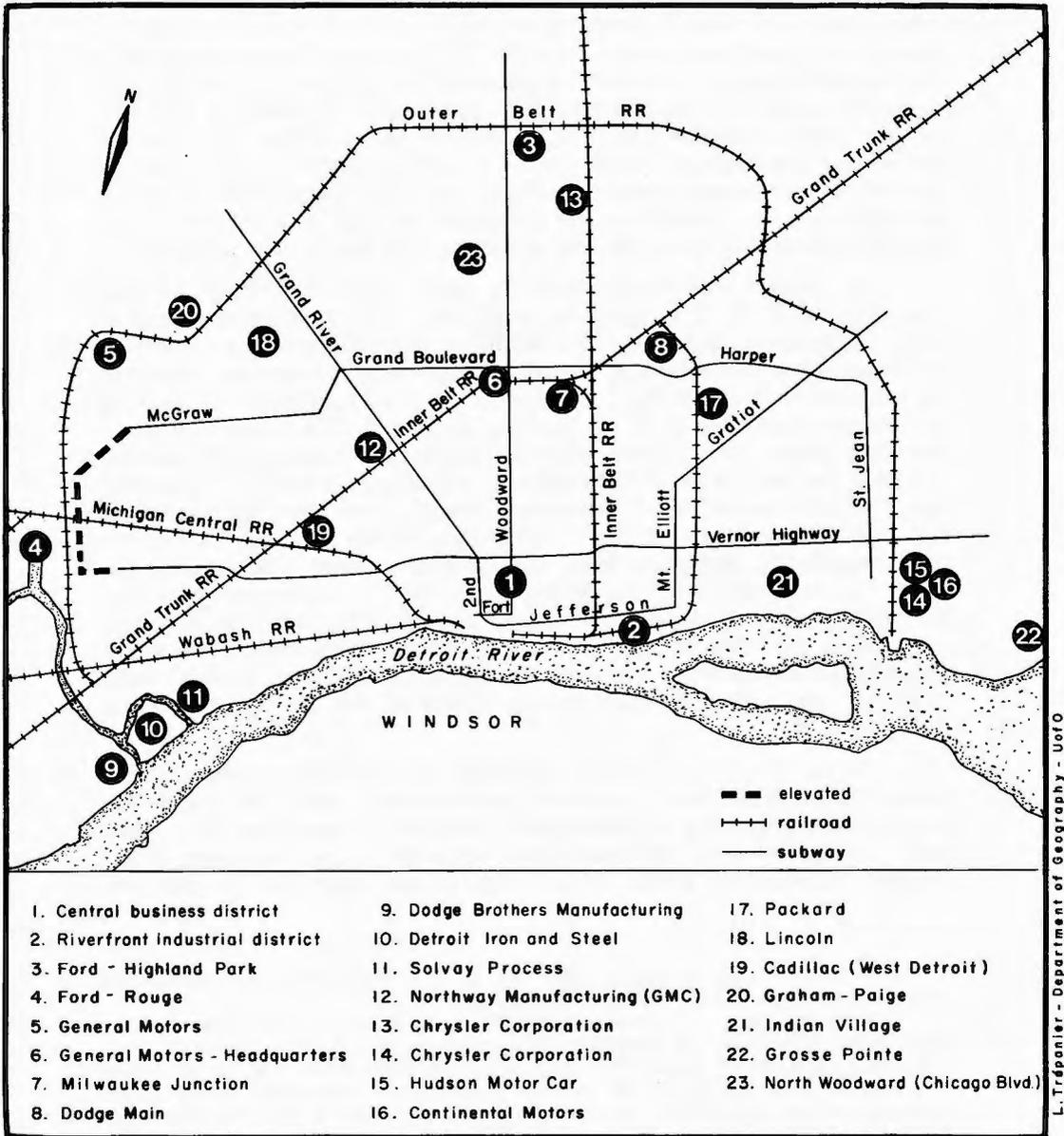
Still, people balked at paying for them. In 1925 when it became clear that the R. T. C. planned to spend more than \$200 million on subways, enthusiasm dwindled. The Michigan Manufacturers' Association, an organization controlled by Detroit's automobile companies, endorsed the programme of the R. T. C. but prevented a referendum on it. Ignoring this danger signal, the R. T. C. unveiled in August 1926 a comprehensive four line system, forty-seven miles in length, and costing \$280 million. The plan had the virtue of thoroughness (see Map): the R. T. C. boasted that "420,000 out of 445,000 workers [would] have their jobs within a half mile of a rapid transit line". Aside from Henry Ford and the downtown merchants, however, little support materialized. There was, the R. T. C. soon realized, "no organization, nor ... newspaper, that had the courage to endorse the plan as a whole". The Business Property Association told the R. T. C. that the city administration, Common Council, Manufacturers' Association, and small property holders were "more or less united in doubting the ability of the city to absorb the whole plan".⁵¹

Yet the R. T. C. resisted trimming its proposal. Research convinced its members that "piecemeal construction" upset the population equilibrium, producing unmanageable congestion along the first lines built. To the mind of the automotive engineer it made no more sense to build a truncated transit system than to use conveyors in only one

⁵⁰ *Detroit News*, 24 August 1924. The R. T. C.'s activities and proposals for 1923-25 can be followed in the *News*, 14 February 1925.

⁵¹ *Detroit News*, 8 September 1924, 17 August 1926, 24 March 1929; minutes, Rapid Transit Commission, 29 November 1926; memorandum of conference with Mr Frick, 9 November 1926, RTCP; *Detroit Free Press*, 27 August 1926. The R. T. C. hoped to have a referendum in the Spring of 1925 but the Manufacturers' Association bottled up the necessary enabling legislation in the State legislature, preventing a vote. The automobile industry's control of the Association can be inferred from the delegation it sent to the R. T. C. to discuss subways: Arthur T. Waterfall, vice-president of Dodge Brothers; Milton Tibbets, Packard counsel; Earl W. Webb of General Motors; Hal H. Smith, president of Hayes Manufacturing (wheels) and director of Federal Truck; J. Mallery, president of the Association; and John Lovett, its executive director. See *Detroit News*, 15 February 1925 for an account of the meeting.

DETROIT INDUSTRIAL AND TRANSPORTATION FACILITIES.



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Source: Rapid Transit Commission Master Plan of 1926 (showing projected subway routes).

or two sub-assemblies in a factory. For maximum efficiency everything had to be in motion. Herbert Alden therefore said he "would rather see the whole thing go down to defeat than to make a compromise ... detrimental to the interests of the city". Clarence Hubbell and Waldon agreed, the former stating that "as engineers their business had been to investigate and ascertain what was best for the city... They had recommended a system which offered city-wide service, and now if ... they yielded to pressure, ... the entire relation of the original work to the comprehensive plan would be lost."⁵²

In January 1927 the R. T. C., bending before intense political pressure, finally agreed to piecemeal construction. To preserve their professional pride as engineers and their self-image as reformers, the members had to find a new cause to champion. No longer could they tout the Master Plan as their major contribution to progress in Detroit. The Commission therefore decided "that the financial plan was the most important thing [it] had done and the routes and mileage could well be compromised to preserve the principle of special assessment", that is, the requirement that benefitted property holders pay fifty-one percent of subway costs. *Engineering News-Record* called the plan "an eminently equitable arrangement, far in advance of anything carried out in rapid transit construction in American cities". Its implementation would assure the R. T. C. a place in the pantheon of municipal reformers. Moreover, with private property paying its fair share, the city would — the R. T. C. contended — have sufficient resources for eventual completion of the entire rapid transit system.⁵³

Its reform zeal channelled into the financial plan, the R. T. C. was able to compromise on routes and in February 1927 submitted a scaled-down proposal with a price tag of \$135 million. That was still too much, for the local economy had soured: real estate values and automobile sales were falling and unemployment rising. On 10 March, Mayor John W. Smith shelved the proposal. Two months later Ford shut down production, throwing 60,000 Detroiters out of work for six months or more while the company changed models. With its income cut and its welfare expenditures multiplied, the city pared departmental budgets to the bone. The R. T. C. barely survived.⁵⁴

Ford rebounded in 1929, boosting the automobile industry to a record sales year. The R. T. C. judged the signs propitious for subways,

⁵² H. W. Alden to Sidney Waldon, 2 November 1926; minutes, Rapid Transit Commission, 29 December 1926, RTCP.

⁵³ Minutes, Rapid Transit Commission, 5 January 1927, RTCP; clipping from *Engineering News-Record*, 4 April 1929, found in the Detroit Bureau of Governmental Research Papers, BHC; *Windsor Star*, 28 October 1925. For a study of the relationship between professionalism and reform see Edwin T. LAYTON, Jr, *The Revolt of the Engineers: Social Responsibility and the American Engineering Profession* (Cleveland, 1971), chap. 3.

⁵⁴ Memorandum of conference with Mayor's Finance Committee, 10 December 1926; memorandum of meeting in Mayor's Office, 24 January 1927, RTCP; *Detroit Free Press*, 11 March 1927; *Detroit News*, 27 February, 12 March 1927; SWARD, *Legend of Ford*, p. 201.

provided that its plan were not overly ambitious. It proposed a \$91 million, thirteen-mile system, consisting of short street car dips downtown "built to rapid transit specifications" and a double-track line crossing the city via the Vernor Highway from the east-end factory district to Ford's Dearborn plant in the western suburbs. The plan contained two important concessions: first, the R. T. C., swallowing its distaste for piecemeal construction, reduced its Master Plan to one line; second, to win over the street railway department, a bitter foe in previous battles, the Commission included street car tunnels in its plan, even though it regarded them as an obstacle to "real train-operated rapid transit". This compromise also mollified public opinion by contradicting the prevalent view that the R. T. C. intended to eliminate the people's street railway. The R. T. C. had given in on virtually every front; only the financial guidelines of the 1926 plan remained intact. Benefitted property holders were still being asked to pay fifty-one percent of the cost. This was the one non-negotiable principle.⁵⁵

The new plan won the support of a powerful coalition of business interests, including the downtown merchants. Poor sales the preceding Christmas convinced them that subways alone could counteract the growing tendency of people "to shop at the nearest available point, rather than come to the department stores". The Vernor Highway line *per se* did little to help them but they hoped it would get the subway movement rolling again. Similar considerations brought swift endorsements from the retail and wholesale merchant bureaus, the Employers' Association, the Board of Commerce, the Detroit Engineering Society, and the Real Estate Board. Somewhat more circumspectly, for it was important to maintain the illusion of neutrality, the Citizens' League and Governmental Research Bureau also enlisted in the cause. The grouping was not unusual: throughout the United States similar business coalitions had formed behind transit projects designed to avert the threatened decline of the central business district by reducing traffic congestion and improving its accessibility to outlying residents. Detroit's downtown, however, was in especially deep trouble because the city's commercial and financial sectors were so underdeveloped and because General Motors in 1919 had elected to locate its headquarters three miles up Woodward at Grand Boulevard in an area it dubbed the "New Center". General Motors then energetically promoted it as a rival for the downtown's retailing and office functions.⁵⁶

⁵⁵ Report, J. P. Hallihan to Mayor John C. Lodge, 8 January 1929, Detroit Mayor's Papers; *Detroit Free Press*, 2 February 1929; *Detroit News*, 11 January 1929; *Detroit Times*, 10 January 1929.

⁵⁶ Memoranda of meetings with the Business Property Association, 26 December 1928, 7 February 1929, RTCP; *Detroit News*, 27 January, 9 February, 24 March 1929; *Detroit Free Press*, 9 February 1929; TICKNOR, "Motor City", p. 186. For comparison see accounts of mass transit politics in Los Angeles, Baltimore and Chicago in the 1920s by Robert M. FOGELSON, *The Fragmented Metropolis: Los Angeles 1850-1930* (Cambridge, Mass., 1967), pp. 175-82; FOSTER, "The Model T", pp. 469-70; David Owen WISE and Marguerite DUPREE, "The Choice of the Automobile for Urban Passenger Transportation:

The automobile industry added its weight to the subway campaign. It had made its position clear in 1925 when John Lovett, general manager of the state Manufacturers' Association, told reporters that industrialists, although alarmed by rising taxes, nonetheless wanted rapid transit because they saw no other way to change the fact "that it takes an hour and a half for the average worker to get to his place of employment". Employers could expect neither punctuality nor alertness from factory hands dependent upon street cars, for the railway system had failed to keep abreast of Detroit's outward sprawl. Yet only twenty-five percent of industrial workers commuted by automobile in 1929 and the rest needed improved public transportation. In a way the assembly line itself dictated subways. Moreover, many executives probably agreed with Waldon that traffic congestion hurt automobile sales and reduced Detroit's appeal as a factory site. Some perhaps even shared his vision of a "new kind of city ... where there will be sunlight and air, [with] rapid transit on rails and rubber with ... far greater ... safety than now exists anywhere".⁵⁷

Ford had an additional reason to embrace the R. T. C. plan: the proposed subway linked its principal plant at the River Rouge in Dearborn with twenty-seven of Detroit's twenty-nine street car lines. It therefore offered a solution to Ford's pressing logistical problems. As late as 1924 three-fifths of Ford's employees in the Detroit area had worked at the company's Highland Park plant, located as the map indicates on Woodward Avenue six miles north of the central business district. By 1929, however, Highland Park had only a skeleton force left; most of Ford's employees now commuted to the company's isolated River Rouge plant, six miles west of downtown along the Vernor Highway. The Rouge in 1929 employed 98,000 workers, or almost thirty percent of the city's industrial labour force. Few of them had cars: somewhere between one-fifth and one-quarter came to work in their own vehicle in the late 1920s. The municipal ban on jitneys passed in 1926 further complicated Ford's task of gathering its workers each workday.⁵⁸

The company's enthusiastic endorsement of the subway proposal was therefore to be expected, as was Edsel Ford's decision to join senior executives from Briggs Manufacturing, Packard, Hudson, Chrysler, and Timken-Detroit on the Citizens' Better Transportation Committee organized in February 1929 to direct the subway cause for the April 1st refer-

Baltimore in the 1920s", *South Atlantic Urban Studies*, 2 (1978): 153-79; and Paul BARRETT, "Public Policy and Private Choice: Mass Transit and the Automobile in Chicago Between the Wars", *Business History Review*, 49 (Winter 1975): 473-97. For a more general overview of the transportation question see Mark FOSTER, "City Planners and Urban Transportation: The American Response, 1900-1940", *Journal of Urban History*, 5 (May 1979): 365-91.

⁵⁷ *Detroit News*, 9, 22 February; 10, 24, 27 March 1929; minutes, joint meeting of the Rapid Transit Commission and Department of Street Railways, 8 February 1929; memoranda of meetings of the Citizens' Better Transportation Committee, 25 February, 4 March 1929, RTCP; *Detroit News*, 14 March 1926.

⁵⁸ *Detroit Times*, 12 March 1929; NEVINS and HILL, *Expansion and Challenge*, pp. 279, 524, 687; *Detroit News*, 9 February 1929; Robert CONOT, *American Odyssey* (New York, 1975), p. 320.

endum. As usual, General Motors kept aloof from the campaign but did admit it wanted rapid transit, provided that Detroit passed a zoning law to forestall overcrowding along the route.⁵⁹

Subways had formidable sponsors. The economic élite of Detroit had probably not been so united behind a project since the rise of the Ford Motor Company, for Ford generally went its own way. But now Ford, GM, Chrysler and the rest of Detroit's major business concerns were speaking with a single, authoritative voice. The subway coalition was, to quote an opponent, the "biggest lobby Detroit [had] ever known". Yet only thirty percent of the registered voters turned out, and the proposition went down to a "crushing defeat", winning only twenty-eight percent of the vote and fifty-five of 852 precincts. "The defeat of the project", the *Detroit Free Press* mused, "was more decisive than that received by any project in recent years." Although Waldon kept the R. T. C. alive and even came close in 1933 to winning federal financing for a Woodward Avenue subway, rapid transit as a local cause was prostrated by the 1929 debacle, and has only recently revived. Detroit's automotive industry had at the height of its economic power, on a matter of essential importance, suffered a complete rebuff.⁶⁰

VI

With less than thirty percent of the vote, subways appealed to a fairly select group. The R. T. C. identified them as "people who lived in hotels and apartment houses ... and tenements", and complained that homeowners had resoundingly rejected the proposal by margins as high as ten to one. A study of the vote by precinct basically confirms the Commission's analysis. The wealthy, whether living in downtown hotels or in élite residential districts like Indian Village and North Woodward, gave a narrow majority to the plan. Their vote was not very important, however, for the suburbs had by 1930 lured away more than half of Detroit's "substantial families".⁶¹

Subways fared best in inner-city slum districts piling up substantial majorities in wards three, five, and seven on the near east side, home of the black and Jewish ghettos and port of entry to the city's recent immigrant groups. Subways did equally well in the "world of furnished rooms" hugging Woodward and Jefferson Avenues and the blighted factory district on the near west side (wards two, four and six). In other words, the city's poorest and most disorganized districts voted for the subway. The proposal in fact had a respectable showing, gaining forty

⁵⁹ *Detroit News*, 17, 24 March 1929; minutes, Rapid Transit Commission, 8 February 1929, RTCP.

⁶⁰ *Detroit News*, 23 March, 2 April 1929; *Detroit Free Press*, 2 April 1929.

⁶¹ Minutes of Department of Street Railways and Rapid Transit Commission joint meeting, 5 April 1929, RTCP; R. D. MCKENZIE, *The Metropolitan Community* (New York, 1933), p. 8.

percent or more of the vote, everywhere within the inner city, an area bounded in 1929 by Grand Boulevard. In 1900 this area had been virtually the entire city, the essential Detroit. But by the 1920s its vitality and population were being rapidly drained away by the encroachment of the central business district (growing rapidly because of the automotive boom) and the lure of better housing in the Zone of Emergence beyond the Boulevard. Most of the housing stock within the Boulevard was now obsolescent and depreciated by the invasion of such non-conforming uses as auto garages and body shops. So blighted had the central city become that the "population decrease, within the Boulevard", between 1925 and 1929, "averaged thirty per cent per square mile".⁶²

Residents of the inner city had little to lose by supporting rapid transit. Many of them were floaters, casual workers, unemployed single males, and unskilled labourers who in theory would benefit from increased accessibility to the industries on the periphery. Yet the ten cent fare proposed for subways meant that the inner-city poor could expect little direct, tangible benefit from rapid transit. Their vote for subways may have been induced, then, by civic pride or loyalty to the city's leadership. In other words, the inner-city slums — the area most disorganized with the least sense of local community — may paradoxically have been the one section of Detroit able or willing to respond to the metropolitan vision of the subway lobby. It gave them succour in their poverty, perhaps, to think that Detroit was a great city, capable of an imperial accomplishment like a rapid transit system.

Beyond the Boulevard a different perspective prevailed. The vote against rapid transit, as Graph 1 demonstrates, became progressively more one-sided as one moved away from the inner city. Within each ward, the anti-subway forces became stronger as the count moved away from the Detroit River, so that the massive no vote in the northern precincts of the first ward could overwhelm the inner-city returns. The geographical pattern lent credence to the R. T. C. claim that the outlying wards and neighbourhoods were simply voting their own selfish interests: they apparently "did not believe the east and west subway offered them any advantage", the Commission complained. But the response of the entire city beyond the three-mile circle was so uniformly hostile, even in areas promised service, that an additional factor must have been at work.⁶³

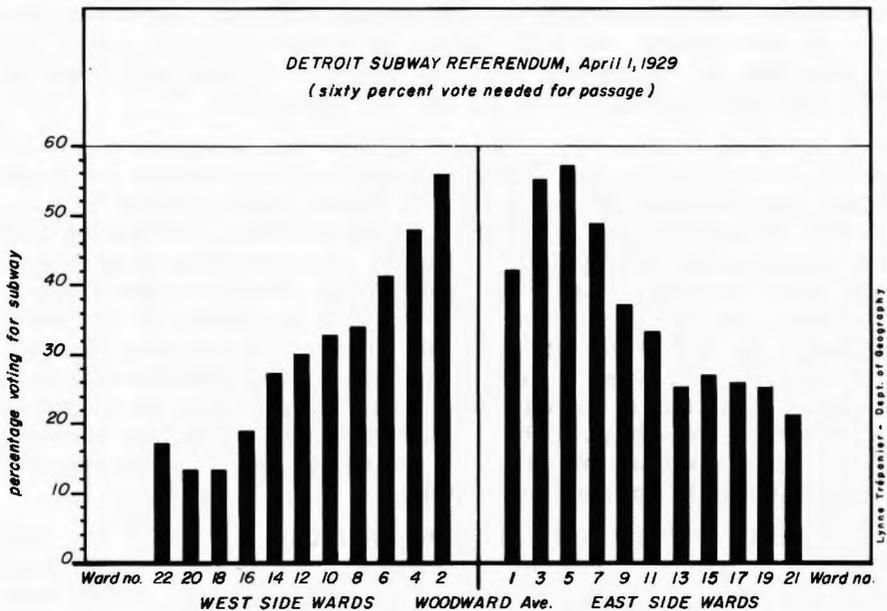
It was the "fear of heavy assessments". The R. T. C. tried to explain that the financial plan expressly barred the city from charging any property holder more than his actual benefit from the subway; but opponents warned that the Commission intended taxing "purely theoretical"

⁶² THOMAS, "City of Detroit", pp. 89-106. See also Mark GOLDMAN, "Buffalo's Black Rock: A Neighborhood and the City", *Journal of Urban History*, 5 (August 1979): 458; and Harvey W. ZORBAUGH, *The Gold Coast and the Slum* (Chicago, 1929), pp. 69-86, 127-58 for discussions of the pressures on inner-city neighbourhoods in this era.

⁶³ Sidney Waldon to James Couzens, 4 April 1929, RTCP. Only eight precincts beyond the Boulevard gave sixty percent support to the subway.

profits. Howard Starret, a leading critic, pointed out that the homeowner's profit depended upon selling his house, a difficult task once the market became glutted with forced sales. "The home owner receives no [immediate] increase in money. His salary or wages will not increase but he will have to pay \$2,200 on his home."⁶⁴

Graph 1.



Detroit's small property holders did not trust City Hall to treat them fairly. They assumed that the "great business interests" would use their political influence to evade paying their share of the costs. Most people knew that the economic élite backed subways. Even had industrialists and merchants been more discrete, small property holders would have recognized the imprint of big business on the R. T. C.'s cherished financial plan, for the plan ignored land use in fixing assessments. A workingman's bungalow owed the same tax per square foot of ground space as a skyscraper if equidistant from a line or station. A letter to the *Detroit News* thus exaggerated only slightly when it claimed the R. T. C. wanted "home owners ... to pay the bulk of the cost as usual, while the downtown business people would be the chief beneficiaries".⁶⁵

Would the R. T. C. proposal have passed with a different assessment formula? Had the Commission, in other words, defeated itself by channelling its reform zeal into the financial plan? Perhaps, but it is more

⁶⁴ *Detroit News*, 4 February, 9 March, 2 April 1929; *Detroit Labor News*, 29 March 1929.

⁶⁵ *Detroit News*, 4, 9 February 1929; *Detroit Times*, 12, 14 February 1929; minutes, Rapid Transit Commission, 5 April 1929, RTCP.

likely that the small property holders living beyond the Boulevard would have vetoed any proposal in 1929 that threatened either to raise their general taxes or to impose a special assessment on them because they were anxious to clamp a lid on municipal spending. They simply could not afford the grandiose plans of the automobile industry and its reform cohorts. Much of the city was already paying special assessments levied for opening and paving roads or laying sewers, and needed a respite. The municipal government was also not in adequate fiscal shape to undertake a costly project; in 1926 it reached the constitutional limits on both its current budget and its borrowing. Although the R. T. C. plan was designed for that reason to be self-liquidating, the city's fiscal problems did not create a climate favourable to expensive new undertakings.⁶⁶

The city would have enjoyed considerably higher revenues had it been able to tax the property of the Ford Motor Company, but the suburban location of Ford's two plants protected them against Detroit's importunities. Although Ford had left Detroit behind, the bulk of his unskilled and semi-skilled employees had not. Unlike the better paid Ford workers who generally chose to live in Dearborn, Highland Park or in the new suburbs developing north of Eight Mile Road, they were forced to live in cheaper housing inside Detroit's city limits. Many of them ended up from time to time on the city's relief rolls. Job security at Ford was minimal in the late 1920s: in addition to the six-month shut-down in 1927, the company forced extended furloughs on its work-force each winter, as did most of the other producers. In Detroit relief for the unemployed was to an unusual degree a public matter. In 1929, ninety-five percent of relief granted in Detroit came from public funds, as compared to an average of fifty-four percent for seventy-four cities. The auto industry's layoffs therefore placed a special strain on the city's finances. In March 1930 Detroit's per capita expenditure for public relief was the highest of 117 cities reporting. Its slowness to respond to the auto industry's call for a \$280 million subway system (as proposed in 1926) is understandable.⁶⁷

The pattern for Ford — skilled workers living in exclusive suburbs; unskilled and semi-skilled, in the city proper — was copied by most of the major automobile companies. As a result, Detroit in the 1920s was a "working-class spread city" with most of its middle class departed for the suburbs. Behind them, between the inner city slums and Detroit's boundaries, lay a vast middle ground of working-class homes: a Zone of Emergence into which the ethnic ghettos had emptied themselves after 1914. Ford's five-dollar day, announced in January of that year, ushered in an era of high wages that made possible a ten percent increase in the percentage of homeowners in Detroit during the 1920s, even as the city lost much of its middle class. With wages of five dollars a day or more,

⁶⁶ *Detroit News*, 7 April 1926, 7 January 1927.

⁶⁷ WILSON, "Functional Areas", pp. 405-6; *Detroit News*, 6 March 1916; TICKNOR, "Motor City", p. 195; THOMAS, "City of Detroit", pp. 125-34, 142-83; FINE, *Frank Murphy*, pp. 202-4.

unskilled workers were able to leave behind obsolete, typically rented, housing in the inner city and to move as homeowners into the zone beyond the Boulevard. As a result, two-fifths of Detroit's families were homeowners in 1930, a high percentage for a city that large.⁶⁸

Thus the auto industry's decisions concerning wages and plant location had created a sprawling city of "working class homeowners". But what the industry had with great fanfare given, it later quietly had to take away. After 1925 automotive wages fell behind the rate of inflation as manufacturers, suffering from excess capacity and a saturated market, sought to improve their competitive position by reducing labour's share in the value added by manufacturing. Real wages fell so rapidly that the trend towards increased homeownership reversed. In late 1926 the bottom fell out of the local real estate market, causing great distress in the Zone among homeowners, many of them recent immigrants from Italy, Poland, or the Balkans, who found that they could no longer escape a heavy mortgage by a profitable resale. Ford, by shifting production to the River Rouge, threw the Polish districts around his Highland Park plant into turmoil, as many Poles had to sell their homes on a depressed market in order to move closer to their jobs at the Rouge. Their anger towards Ford, and that of other employees subjected to the 1927 layoff, the incessant factory speed-ups, and the cuts in real wages may have contributed to the massive rejection of Ford's subway scheme by the eighteenth and twentieth wards, the area of the city closest to the Rouge complex and therefore probably the home of most of its line workers.⁶⁹

The Zone's decision to reject the subway is not, then, all that surprising. The working-class homeowners of Detroit simply could not afford the dreams of engineers. This was made only too clear in mid-1929 when four of the city's six private Italian banks collapsed. With the Depression the next two years saw Detroit struck by a wave of mortgage foreclosures. According to Jane Addams, fifty thousand Detroiters lost the equity in their property during a two-month period in 1931.⁷⁰

Despite the difficulties of the Zone's marginal homeowners, the subway lobby might yet have prevailed, given its organizational advantage and the refusal of any of the city's leading politicians to speak out against the rapid transit proposal. To defeat an alliance as powerful as the one assembled by Waldon and the automobile industry, homeowners needed leadership. They found it in the Committee of Fifty-One, a coalition of

⁶⁸ Michael P. MCCARTHY, "On Bosses, Reformers, and Urban Growth: Some Suggestions for a Political Typology of American Cities", *Journal of Urban History*, 4 (November 1977): 33; David LEVINE, *Internal Combustion: The Races in Detroit, 1915-1926* (Westport, Conn., 1976), pp. 42-43.

⁶⁹ Robert DUNN, *Labor and Automobiles* (New York, 1929), pp. 121-28; *The Detroit Realtor*, 9 (February-March 1927): 16; CITY PLAN COMMISSION, *People of Detroit*, p. 32; FLINK, *Car Culture*, p. 167.

⁷⁰ RANKIN, "Detroit, Nationality Groups", p. 157; FINE, *Frank Murphy*, p. 247. Rankin also points out that the Italian Chamber of Commerce was for financial reasons inactive after 1927.

neighbourhood improvement associations organized in January 1929 by Howard Starret, a "well-to-do engineer and real estate operator", to oppose subways and promote charter reform. It claimed to have ten thousand "active workers", each of them pledged to deliver ten votes for the cause. It blanketed the city with mimeographed broadsheets and its campaign workers telephoned or visited most of the homes in Detroit. A budget operation apparently financed by Starret, the Committee of Fifty-One was, nonetheless, extremely effective in portraying rapid transit as a plot to enrich Ford and the downtown merchants at the expense of the neighbourhoods.⁷¹

The Committee owed much of its success to the groundwork laid by its two parent organizations — the Property Holders' Protective Association and United Community Associations. Starret created the former in 1920 to battle proposed city-wide zoning on behalf of the principal downtown landlords. The City Plan Commission, authorized by the 1918 charter to draw up a comprehensive zoning ordinance, sought to impose severe restrictions on high-rise development in Detroit. Downtown property owners, their eyes on Manhattan's skyscrapers, wanted no upward limit on buildings or profits and so created a lobby that staved off zoning until 1940, making Detroit one of the last major cities in North America to enact a comprehensive ordinance.

The lobby prevailed for twenty years because it also served the interests of several thousand Detroiters who owned blighted residential property inside Grand Boulevard. This land had little value unless it could be sold for commercial development, and so inner-city property holders stoutly resisted any attempt to restrict land use in residential neighbourhoods. They looked to the protective association to restrain the planners and to defend their interests at City Hall. By 1927 the small property holders had achieved total dominance of the protective association and were even using it to attack the large business interests that had founded it. Starret, an ambitious man with his sights on the mayoralty, probably guided the takeover; small property holders did, after all, have more votes than big business.⁷²

But the latter was much better organized. With political parties neutralized by the non-partisan ballot, organizations like the Citizens'

⁷¹ Maurice RAMSEY, "Some Aspects of Non-Partisan Government in Detroit, 1918-1940" (Ph.D. dissertation, University of Michigan, 1944), pp. 191-92; *Detroit Saturday Night*, 11 May 1929; *Detroit Times*, 13 February 1929; *Detroit News*, 27 January 1929. The remarks on financing are extrapolated from Starret's admission that he paid eighty percent of the expenses of the charter campaign the following October. See RAMSEY, "Some Aspects", pp. 200-1.

⁷² Property Holders' Protective Association, Miscellaneous Material, BHC; *Detroit News*, 8 February 1920; Isedore GOODMAN, "Local Zoning Administration, A Study of the Growth, Operations, and Contributions of Detroit's Zoning Law, 1919-1949" (Master's thesis, Wayne State University, 1950), pp. 7-17; FRAGNOLI, "Transformation of Reform", pp. 303-5; DETROIT CITY PLAN COMMISSION, *22nd Annual Report* (Detroit, 1940), p. 7; Howard A. Starret Reading Room File, BHC. Starret in 1931 ran for mayor as the "tax-payers' candidate". He lost to Frank Murphy.

League, Governmental Research Bureau, Board of Commerce, and the daily press enabled the business élite to dominate municipal affairs to the virtual exclusion of competing interests.⁷³ To defeat this imposing host the protective association needed allies, which it found in civic improvement associations. These, like Detroit's neighbourhoods, coalesced in the Zone of Emergence after 1918 around one of the major arteries fanning out of the hub. Thus Woodward, Fort, Jefferson, Gratiot, Michigan, and Grand River Avenues created improvement associations with several hundred members or more. The associations were usually organized by businessmen anxious to protect property values during an economic and population boom that changed the character of streets with alarming rapidity.

Where large business interests predominated, as on Woodward, improvement associations accepted élite rule and endorsed subways. But the Gratiot association, among others, became a bitter foe of rapid transit after small property holders from the outlying subdivisions took charge. The improvement associations represented the emerging neighbourhoods at City Hall, arguing for increased public services at less cost to small property owners. They lobbied hard against special assessments but to little avail until Starret persuaded about a dozen of them — later twenty-five — to federate as United Community Associations in March 1927 under the leadership of two lawyers, Veno Sacre and Joseph Primeau; a realtor, F. W. Harding; and a radio dealer, Paul Benzie. Financially and ethnically, these men had little in common with Detroit's élite, but they accurately reflected the population mix of the outermost wards.⁷⁴

"To kill rapid transit" was the explicit objective of United Community Associations and its leaders played an important role in the 1927 subway debate. The members disagreed, however, about the desirability of a charter amendment sponsored by Howard Starret and the Property Holders' Protective Association. Starret therefore fused together sympathetic elements within both organizations to form the Committee of Fifty-One. No one knew exactly how much support the Committee enjoyed because it refused to identify its members. Starret explained:

⁷³ RAMSEY, "Some Aspects", pp. 183-86. Several scholars have pointed out the élitist bias of non-partisan elections and the advantage they give to the better organized groups in the community. See, for example, Willis D. HAWLEY, *Non-partisan Elections and the Case for Party Politics* (New York, 1973), pp. 46-50; and Eugene C. LEE, *The Politics of Nonpartisanship* (Berkeley, 1960), pp. 70-96.

⁷⁴ Woodward, official bulletin of the Woodward Avenue Improvement Association, 1925-26, BHC; Michigan Avenue Improvement Association, Miscellaneous Material, BHC; S. D. Waldon to William E. Scripps, 23 December 1921, Sidney D. Waldon Papers; GRATIOT AVENUE IMPROVEMENT ASSOCIATION, *Yearbook for 1925, 1974*, BHC; *Detroit News*, 5 April 1925, 9 March 1927; *The Jeffersonian*, 1 (October 1924), official bulletin of the Jefferson Improvement Association, BHC; Clarence M. BURTON *et al.*, *History of Wayne County and the City of Detroit* (Detroit, 1930), IV: 202; "Inside Information on the Recall and Taxes", Detroit, Committee of Fifty-One, Miscellaneous Material BHC; *Detroit Times*, 12 July 1928; RAMSEY, "Some Aspects", p. 192. Improvement associations, largely ignored by historians, have recently been studied by Joseph L. ARNOLD, "The Neighborhood and City Hall: The Origin of Neighborhood Associations in Baltimore, 1880-1911", *Journal of Urban History*, 6 (November 1979): 3-30.

“Representatives of improvement associations ... are not rich men. They often work for others so their names are not given out to be pilloried by the newspapers and their jobs endangered.”⁷⁵

The anonymous rebels combined their assault on subways with an attack on the 1918 charter. They alleged that “organized wealth” — “the land owners, the manufacturers, the downtown merchants” — had “foisted [it] upon the community” to obtain a “free hand” in Detroit. The “charter ... was non-partisan for everybody except the controlling group”, the Committee charged. “To them it was assuredly partisan, because it operated in their interests.”⁷⁶

For proof of élite domination the Committee pointed to rising taxes, special assessments, and increased municipal debt. It proposed a “revision of the charter to restore representative government” as a solution. To make the Common Council more responsive to the neighbourhoods, it advocated restoration of the ward system and election of “budgeteers”, also by ward, to oversee departmental spending and fix the tax rate.⁷⁷

An initiative petition put the charter amendment on the ballot in October 1929. Business leaders vigorously attacked the Committee of Fifty-One as would-be ward politicians. The press, taking up the chant as well, closed its pages to the Committee while giving the Board of Commerce, which “headed up the opposition to the Starret Plan”, a “total of 960 inches of free text matter”. Detroit’s business leaders won the battle, even though the automotive industry offered little help in defending its own reform offspring. The amendment narrowly lost and Starret, defeated for the mayoralty two years later, soon faded from the scene. The charter survived.⁷⁸

VII

The 1929 offensive of the small property holders thus ended in a draw. Overall, however, it was clear that Detroit’s economic élite, and more specifically the automotive industry, had for two decades largely gotten its way. Granted some of its victories proved hollow. Although there has not been space here to follow the fate of prohibition in Michigan and of municipal government under the new charter, it suffices to say that the progress of both disillusioned the industry’s reformers in the

⁷⁵ Memorandum of hearing in Council Chamber, 8 April 1927, RTCP; “What is the Committee of 51?”, Detroit, Committee of Fifty-One, Miscellaneous Material, BHC; RAMSEY, “Some Aspects”, p. 192.

⁷⁶ “Inside Information on the Recall and Taxes”; Detroit *Saturday Night*, 11 May 1929.

⁷⁷ Detroit *Saturday Night*, 11 May 1929; FRAGNOLI, “Transformation of Reform”, p. 334.

⁷⁸ Minutes, Governmental Committee, Board of Commerce, 15 October 1929, Detroit Bureau of Governmental Research Papers, BHC; FRAGNOLI, “Transformation of Reform”, p. 334.

1920s. Under prohibition the illegal liquor trade blossomed into a \$215 million business, employing fifty thousand locally, thus making it Detroit's second largest industry. It also took prohibition only seven years to increase the number of retail liquor establishments ten-fold. As for the 1918 charter, it did seem to protect business interests; certainly it increased spending on the city's infrastructure. Yet it did not prevent and may even have contributed to the city's communal tensions in the 1920s. The elections that decade usually hinged on religious antagonisms, with the Ku Klux Klan temporarily acting as one of the city's power brokers. Perhaps the Klan might not have become as influential had the new charter not closed more traditional avenues of protest and political access by overcentralizing the municipal government. Still, there is no evidence that Detroit's religious war impinged on the prerogatives of the automobile industry.⁷⁹

The chief limits on the industry's power seem to have been largely self-generated. As we have seen, automotive executives made the key decisions shaping the economy and social geography of Detroit. These decisions were, as Samuel Hays has suggested, dictated to some degree by a technological imperative; and once the auto industry had set the basic course for Detroit's development after 1910, social forces did evolve beyond the industry's control. Thus, the homeownership group that defeated the subway proposal was in essence created by the industry whose plant location and wage policies made possible both the development of a marginal homeownership class of unskilled and semi-skilled workers and its subsequent reduction into an embattled pressure group, hostile to the industry's transit programme for Detroit.

The subway defeat showed the contradictions produced by the industry's economic power. Auto executives could not by spending a few thousand dollars on promoting rapid transit reverse two decades of socio-economic development that their expenditure of several hundred million dollars on wages, production, and materials had produced. In other words, the dimensions of automotive power in Detroit were not sufficiently grand to include the ability both to force thousands of families to move from Highland Park to Detroit's west end and then to persuade them, once settled, to vote for subways and higher taxes. As rapid transit, unlike the industry's wage and plant location policies, required a referendum, there was scope for popular resistance. In that respect, the pluralist critique of Hays and Weinstein is correct. But it is only a minor nuance in a general theme of automotive dominance.

Far more limiting for the automotive industry's power in Detroit was its sporadic interest in community affairs. Only a few issues captured its attention; most elicited only ritualistic observations. Moreover, the automobile industry's involvement in community decision-making seems

⁷⁹ ENGELMANN, *Intemperance*, pp. 125-26. For Detroit's politics of race and creed in the 1920s see Kenneth JACKSON, *The Ku Klux Klan in the City 1915-1930* (New York, 1967), chap. 9; LEVINE, *Internal Combustion*, pp. 136-41, 153-90; and B. J. WIDICK, *Detroit: City of Race and Class Violence* (Chicago, 1972), chap. 2.

to have declined after 1918. The subway defeat might have been less one-sided (it probably could not have been avoided, given the hostility of the Zone) if auto executives had campaigned for rapid transit as aggressively as they once had for prohibition or "good government". But as the industry and its leadership aged, the energy and optimism of their youth withered. A cautious conservatism replaced the former desire to remake the city.

The rise of the multi-nationals further reduced the role of the auto industry in the community power structure. Before World War I there had been two or three dozen automobile companies operating in Detroit at any given time. Most had only a handful of stockholders, almost invariably local capitalists, and their fates depended upon one or two "engineer-entrepreneurs". Usually one man — a Henry Leland, Roy Chapin, or Hugh Chalmers — dominated so completely that the firm became an extension of his personality; and he, as a result, experienced little difficulty enlisting its prestige and resources for his favourite civic cause.⁸⁰

But war and postwar depression eliminated most of Detroit's auto producers. By 1929 only seven remained and three of these — Ford, Chrysler, and General Motors — did most of the business. As the small companies crumbled, the influence of their founders waned and defence of industry interests increasingly devolved upon the Big Three.

Chrysler and General Motors had great potential power but their impersonal, highly-structured bureaucracies could not wield it with the same self-assurance as entrepreneurs of the progressive era. Salaried managers had no authority to jeopardize sales by embroiling the corporation in municipal politics, and in the interests of promotion they shied away from controversy. Absentee stockholders, most of them institutional investors, controlled both companies, and key executives operated out of New York. Neither company considered itself a Detroit firm. Moreover, their world-wide scope reduced their interest in local problems. They apparently wanted rapid transit but did not campaign vigorously for it. Multi-national corporations, General Motors and Chrysler did not attempt a very active role in local decision-making.⁸¹

⁸⁰ See DAVIS, "Gasoline Aristocracy", pp. 37-189; John Bell RAE, "The Engineer-Entrepreneur in the American Automobile Industry", *Explorations in Entrepreneurial History*, 8 (October 1955): 1; C. B. GLASSCOCK, *The Gasoline Age* (New York, 1937); George S. MAY, *A Most Unique Machine: The Michigan Origins of the American Automobile Industry* (Grand Rapids, 1975); John Bell RAE, *The American Automobile: A Brief History* (Chicago, 1965).

⁸¹ DAVIS, "Gasoline Aristocracy", pp. 147-89, 393-415. On the behaviour of absentee-owned corporations see Mark GREEN, "The Corporation and the Community", in *Corporate Power in America*, eds: Ralph NADER and Mark GREEN (New York, 1973), pp. 42-64; Roland J. PELLEGRIN and Charles H. COATES, "Absentee-Owned Corporations and Community Power Structure", *The American Journal of Sociology*, 61 (March 1956): 413-19; and Paul E. MOTT, "The Role of the Absentee-Owned Corporation in the Changing Community", in *The Structure of Community Power*, eds: Michael AITKEN and Paul E. MOTT (New York, 1970), pp. 170-79.

Henry Ford obviously had stronger local ties, even if his plants lay outside the city boundary. Since he owned his company outright, it obeyed his every whim and fancy. He definitely wanted subways but his endorsement no longer helped a cause. His mishandling in 1927 of the model changeover, a mistake that put 60,000 out of work for six months, did much to tarnish the lustre of the automobile industry. Its claims to expertise must have been greeted more cynically after the bleak winter of 1927-28.

That may explain some of the hostility that surfaced in February 1928 towards the R. T. C., whose alleged "arrogance" and "stubbornness" became the target of several newspaper editorials and speeches in the Common Council. With the city's economy in a Ford-induced slump, the Council pressed the R. T. C. to reconsider an alternative plan, known as the Miller-Schorn system, for rapid transit via express streetcars. Miller-Schorn had the great virtue, from the Council's perspective, of offering rapid transit for a fraction of the cost of subways. It did not of course appeal to the R. T. C., still hoping one day to see the entire city interlocked by an underground system. On several occasions since March 1925, when Harry R. Miller, a realtor, and Nicholas J. Schorn, a tanner, had first presented their "system" to the Council, the R. T. C. had testily rejected the proposal as both impractical and likely, if adopted, to block construction of a subway. From the tone of the R. T. C.'s reports it was clear that its engineering staff resented the deference given the two amateurs. In February 1928 the Commission, when pressed once again to study the express proposal, refused "even [to] talk with Miller and Schorn".⁸²

The Commission came under heavy attack for its stubbornness in the first half of 1928. One Councilman alleged that it was composed of "professional subway promoters interested only in their pet schemes ... I don't want to see a meritorious plan rejected", he said, "because a small group wants to wait years and years for subways and won't try anything else in the meanwhile." In an editorial the *Detroit Times* agreed that "the Rapid Transit Commission is ... more to be pitied than censured. What has the commission to do now except block possible transit relief that does not include its scheme of subways?"⁸³

With the return of prosperity (of sorts) in the second half of 1928 pressure on the R. T. C. to compromise abated, and it was able to have a vote scheduled for the following spring. The *Detroit Times*, a critic the previous year, even called for an affirmative vote. "The financial plan is hard for the average citizen to understand", it admitted, but its soundness was assured by "the names of the men ... asking that the proposition be approved". The subway plan, "if ... sound enough for

⁸² *Detroit News*, 13 January 1926, 14 February 1928; *Detroit Times*, 14 February 1928; *Detroit Free Press*, 25 March 1928; memorandum of conference with Downtown Property Owners Association, 7 February 1929, RTCP.

⁸³ *Detroit Times*, 15 February, 19 July 1928.

industrial and business heads, ... should be sound enough for the average citizen". Detroiters in other words were asked to trust the experts.⁸⁴

Yet the average citizen appeared certain neither of the disinterestedness nor of the competence of the R. T. C.'s staff and allies. United Community Associations objected that the project's "design [had] been determined by political expediency instead of engineering efficiency". A full-page newspaper advertisement purchased by a Detroit realtor went farther: "Great Stress is Laid on the Fact that It is Approved by Some Eminent Engineers", it read, but "These Men Are Not Infallible." Another realtor wondered whether the financial aspects of the subway proposal "should ... be left entirely to engineers, however capable they may be in their own line".⁸⁵

In other words, the subway referendum represented in one of its many guises a revolt against the claims to special expertise by the industry and of the engineers who ran it. The outcome of the balloting suggests that the critique of the Hays-Weinstein thesis by Kenneth Fox and other proponents of the "new middle class" hypothesis requires the cautionary note that in Detroit, at least, a backlash against the "new middle class" professionals and bureaucrats had developed by the late 1920s, with obvious implications for the future distribution of power within the community.

The automobile industry had based its claims to leadership in Detroit on both its economic success and its technical expertise, professing in other words to be not only stronger but also wiser than other Detroiters. For more than two decades the two roles had reinforced each other, giving the industry unprecedented power in Detroit. Yet the combination of roles ultimately made it easier for small property holders to unite against them. Some supporters of the Committee of Fifty-One objected to class rule, as embodied in the R. T. C.'s financial plan, while others simply denied the expertise of the R. T. C. and its automotive allies. The subway issue allied the two camps, the revolt against the "interests" merging with the revolt against the "experts". Small property holders of the Zone were tired of élite domination, whatever its rationale.

The subway revolt, however satisfying it was to Detroiters in the Spring of 1929, had unfortunate consequences. The auto industry had been trying through its advocacy of rapid transit, municipal ownership, and structural reform of municipal government to reintegrate a community fragmented by the industry's economic policies. Its transportation reforms were designed, by reducing the two hours needed to cross the metropolis by public transit, to knit the city closer together and to increase the mobility and flexibility of the city's workforce. To be sure, the industry was no altruist in trying to shorten its workers' commuting time. But

⁸⁴ *Detroit Times*, 16, 25 March 1929.

⁸⁵ *Detroit Times*, 24 January 1929; *Detroit News*, 31 March 1929; *The Detroit Realtor*, 7 (January 1925): 9.

Detroit might also have gained from an automobile victory on 1 April 1929, for as Waldon predicted in a post-mortem, the long commute "to factories outside of the city [could not] help stimulating the upbuilding of new home areas also outside of Detroit, and the consequent further blighting of already depressed districts inside ... [the] city".⁸⁶

Admittedly, it is impossible to know for certain whether rapid transit would have retarded Detroit's decline. In a low-density city like Detroit, it may only have further imbalanced the city budget, perhaps permanently. Yet the referendum verdict did have one definite negative result: it reduced the auto industry's responsibility to Detroit. Before 1929 the industry's power in the Motor City seemed limitless: it was therefore possible for residents, including auto executives themselves, to believe that the industry could and should intervene forcibly to improve the social conditions that their business policies had produced. But it was more difficult after 1 April 1929 to assert that the auto industry wielded sufficient influence to turn the situation around. After all, transportation was the industry's specialty, and yet its unanimous advice had been rejected. Thus, the referendum by exposing the limitations on the power of the industry and its executives, paradoxically reduced their obligations to Detroit, thereby freeing them to pursue more energetically their own self-interest.⁸⁷

⁸⁶ Sidney Waldon to Arthur Dingeman, 28 February 1930, RTCP.

⁸⁷ The organization of United Cities Motor Transport by General Motors in 1932 to acquire street railways in order to convert them to GM-made buses has been criticized as blatant pursuit of self-interest (at the cost of mass transit) by a major automobile company. See Bradford C. SNELL, *American Ground Transport*, report presented to the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, U.S. Senate (26 February 1974), p. 30. The industry decision in the early 1930s to abandon prohibition might also be taken as further evidence of its withdrawal from reform and commitment in the wider community. See ENGELMANN, *Intemperance*, pp. 205-15; and Paul A. CARTER, "Prohibition and Democracy: The Noble Experiment Reassessed", in *Decisions and Revisions*, eds: Jean CHRISTIE and Leonard DINNERSTEIN (New York, 1975), pp. 75-80.