12-18-2014

Institutionalized Speech: The Presidency and the Domestic Auto Industry

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INSTITUTIONALIZED SPEECH:
THE PRESIDENCY AND THE DOMESTIC AUTO INDUSTRY

by

STEVE STUGLIN

Under the Direction of Mary E. Stuckey, PhD

ABSTRACT
A number of presidents have aided the auto industry, protected it from external threats, or saved it from collapse, while presidential rhetoric about the industry is positive and consistent across political parties and over time. I conduct rhetorical analyses of the entire history of presidential speech about the industry to explain the evolution of the relationship between these two institutions. I argue that this relationship is an example of the institutionalization of speech; perfunctory campaign praise became habitual and eventually coalesced into a rhetorical legacy that entailed rhetorical and material resources and constraints for the institution of the presidency. In the case of the auto industry, presidents sought political support from the auto industry as a constituency, erased blameworthy aspects of industry history, and created an industry identity that was exceptional, which served as justification for defense of the industry
and intervention during periods of economic recession, regulatory stress, foreign competition, 
and imminent collapse of an automaker. Such cases of institutionalized speech between the 
presidency and other institutions are special, but not unique; this case provides an instructive 
example of how speech becomes legacy over time, and of what the consequences of such 
legacies might include for this case and for possible others.

INDEX WORDS: Rhetorical presidency, Presidential rhetoric, Collective identity, Collective 
memory, Epideictic, Auto industry
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by

STEVE STUGLIN

A Dissertation Submitted in Partial Fulfillment of the Requirements for the Degree of
Doctor of Philosophy
in the College of Arts and Sciences
Georgia State University
2014
INSTITUTIONALIZED SPEECH:
THE PRESIDENCY AND THE DOMESTIC AUTO INDUSTRY

by

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Office of Graduate Studies
College of Arts and Sciences
Georgia State University
December 2014
DEDICATION

This dissertation is dedicated to my step-father Mike Malecki, my father-in-law Dave Yob, and the millions of other men and women of the domestic auto industry. Your work raised generations of families; your product changed the world.
ACKNOWLEDGEMENTS

There are always many thanks due to many people with the completion of a project this size, but I want to first and foremost thank my advisor Mary Stuckey for her assistance. The original ideas that led to this dissertation began in her presidential rhetoric course. The drafting process was easier thanks to her tireless and selfless support. The final version of this work would not be possible without her insight and critique. If in places this text is lacking it must be because I failed to heed her advice. (Imp/bc?).

Other faculty were crucial to the completion of this project, particularly those that read and critiqued the final version. I owe M. Lane Bruner gratitude for his help advising me during coursework, and for his course on theories of the public, which remains one of my favorite to this day. You were the first faculty member to buy me lunch, Michael, and it is such small kindnesses early in my career that made me feel less like an outsider in academia. I owe James Darsey gratitude for the wonderful discussions he led in a course on texts and contexts, and for the high standards he set (and modeled) for everything he asked me to do. You may not know it, but you gave me an excellent piece of motivation the first time we spoke. Thank you. I owe George Pullman gratitude for embodying Socratic dialectic in every interaction. David Cheshier and Sean O’Rourke helped shape the earliest versions of this project, and I appreciate the commentary and critique each provided. In addition, Jeff Bennett, Beth Burmester, Davin Grindstaff, Greg Lisby, Marian Meyers, Tomasz Tabako, Ann Williams, and Carol Winkler deserve thanks for broadening my theoretical and pedagogical horizons. I also owe gratitude to Dennis Patrick, Michael Tew, and Ray Quiel for continued support and encouragement.

This dissertation would have been impossible to complete without the research materials provided by the American Presidency Project. In addition, I am thankful for the help provided to
me by archivists at various archives, including at the Nixon Presidential Library, the Carter Presidential Library, the Reagan Presidential Library, and the Clinton Presidential Library. Kelly Barton, Abigail Malongone, and Lisa Sutton were particularly helpful. I can never repay Andrew Barnes for visiting the Bush Presidential Library on my behalf and spending some of his research time photographing documents for me. I owe Georgia State University and the GSU Department of Communication thanks for financial support of my work.

Graduate study often leads to deep, insightful, provocative conversations that happen late at night over pizza and beer. Stephen Heidt, Andrew Barnes, Nicole Barnes, Sam Perry, Shannon Montgomery, Matt Duffy, Terry Morales, Karen Petruska, Drew Ayers, Maria Boyd, Elizabeth Cohen, Anita Atwell Seate, Christian Norman, Chris Toula, Phil Kostka, Thomas Breideband, and Valerie Robin, among others, deserve special mention for helping me see ideas from different perspectives and for modeling passion, argument, critique, and academic civility.

I could not have survived the mental and physical strain of this project without the support of family and friends. Thank you Sue and Mike Malecki, Jill and Dave Yob, and Cliff Holdampf, for your continuing encouragement of everything I do. I am especially grateful that you consistently allow me to break the “no politics” rule at holiday dinners. Ben, Eileen, Anastasia, and Tricia, thank you for making me talk about something other than politics. My Mumble group was especially important as they provided me with entertainment and escape; Dale, Glen, Chris, Stephanie, and Kirk, thank you for always being around when I needed to wind down with a game. Finally, to my wife Tara, thank you for your support, your encouragement, and your reminders to get back to work. Our marriage and my doctoral program started the same month, and I could not have completed the latter without you. Love.
<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACKNOWLEDGEMENTS ................................................................. v</td>
</tr>
<tr>
<td>1  THE PROSPECT OF INSTITUTIONALIZED SPEECH .............................. 1</td>
</tr>
<tr>
<td>1.1  The Political Utility of Crafted Identities and Memories ............ 4</td>
</tr>
<tr>
<td>1.1.1  Presidential Rhetoric and the Political Imperative .................. 4</td>
</tr>
<tr>
<td>1.1.2  Constructing Collective Identities ...................................... 10</td>
</tr>
<tr>
<td>1.1.3  Collective Memory and Collective Forgetting .......................... 21</td>
</tr>
<tr>
<td>1.1.4  The Rhetorical Presidency and Rhetorical Legacies .................. 26</td>
</tr>
<tr>
<td>1.1.5  The Case of the Domestic Auto Industry Identity ...................... 29</td>
</tr>
<tr>
<td>1.2  Presidential Rhetoric About the Auto Industry .......................... 35</td>
</tr>
<tr>
<td>1.2.1  A Century of Texts ............................................................ 35</td>
</tr>
<tr>
<td>1.2.2  Chapter Outline ................................................................. 37</td>
</tr>
<tr>
<td>2  BECOMING A PRAISEWORTHY INDUSTRY .................................... 42</td>
</tr>
<tr>
<td>2.1  Automobiling, the Model T, and the Presidential Image ................ 43</td>
</tr>
<tr>
<td>2.2  War Production: Not Your Grandmother’s Arsenal of Democracy ........ 54</td>
</tr>
<tr>
<td>2.3  (Don’t) Remember the Overpass!: The Unionization Movement ......... 72</td>
</tr>
<tr>
<td>2.4  Mass Employment, Material Advances, and Extreme Violence .......... 97</td>
</tr>
<tr>
<td>2.5  Historical Erasures Make an Exceptional Industry Identity ............ 114</td>
</tr>
<tr>
<td>3  SHIFTING BLAME AWAY FROM THE INDUSTRY ............................. 118</td>
</tr>
<tr>
<td>3.1  Auto Safety: The Costs of Protection ....................................... 120</td>
</tr>
</tbody>
</table>
3.1.1 More Highways, More Problems ................................................................. 120

3.1.2 Johnson Defines Automakers as the Solution ........................................... 126

3.2 Auto Pollution: Frontier Skies and Emission Standards ............................. 130

3.2.1 American Environmentalisms ................................................................. 130

3.2.2 Nixon’s Accidental Environmentalism ..................................................... 136

3.3 A Gentleman’s Agreement on Regulation ................................................... 151

3.4 The Praiseworthy Avoids Blame ................................................................. 170

4 INTERVENTION IN THE INDUSTRY .............................................................. 174

4.1 The Carter Intervention: (Not Quite) Fiscal Restraint or Responsibility.. 177

4.1.1 Discipline: Carter Resists an Industry in Trouble ................................. 177

4.1.2 Compromise: Carter’s Chrysler Bailout .................................................. 182

4.1.3 Punishment: Carter’s Loss ..................................................................... 201

4.2 The Reagan Intervention: (Not Quite) Free Enterprise or Free Trade .... 205

4.2.1 Freedom in the Marketplace: Reagan’s Ideals ...................................... 207

4.2.2 (Not Quite): Reagan’s Regulatory Relief .............................................. 209

4.2.3 “Voluntary”: Reagan’s Protectionism .................................................... 221

4.3 The Bush and Clinton Non-interventions: Apply Praise Generously ....... 228

4.3.1 Everything is OK; Bush’s Praise ............................................................. 229

4.3.2 Everything is Great!; Clinton’s Praise ................................................... 233

4.4 Complimenting Your Captor ...................................................................... 238
5. AN EXCEPTIONAL INDUSTRY ........................................................................ 240

5.1 The Bush Bailout: Principles, Exceptions, and a Special Industry .......... 242

5.1.1 “They’re Making the Right Decisions:” Bush’s Praise ......................... 242

5.1.2 Rhetoric of Exception: Bush’s Bailout ............................................... 250

5.2 The Obama Bailout: “Change” In Every Sense ...................................... 266

5.2.1 Industry Critic: Obama’s Rhetoric as Senator and Candidate .......... 267

5.2.2 Industry Defender: Obama’s Rhetoric as Nominee and President-Elect. 274

5.2.3 Industry Savior: Obama’s Rhetoric During the Bailout .................... 283

5.3 Precipice, Success, Shellacking, and a Victory Tour ........................... 298

6. CONCLUSION: INSTITUTIONAL LEGACIES .............................................. 307

6.1 Review: The Presidency and the Domestic Auto Industry .................... 308

6.2 Institutionalized Speech: Requirements, Stages, and Other Cases ......... 318

6.2.1 Requirements of Institutionalized Speech ......................................... 319

6.2.2 Stages of Institutionalized Speech ..................................................... 327

6.2.3 Further Cases of Institutionalized Speech ......................................... 331

6.3 Implications of Institutionalized Speech .............................................. 335

REFERENCES .............................................................................................................. 346
1 THE PROSPECT OF INSTITUTIONALIZED SPEECH

In 2009, Barack Obama told the nation “We cannot, and must not, and we will not let our auto industry simply vanish.”¹ Such statements are rather common; presidential rhetoric about the domestic auto industry is positive and strikingly consistent.² This consistency is puzzling because this rhetoric crosses party lines, even in an era of heightened partisanship. The similarities across time and across party are consequential: they construct and maintain an identity for an industry that demands appreciation, assistance, and protection from government. Ultimately, that rhetoric becomes a legacy that shapes the present and potentially, the future.

In this dissertation, I examine how presidents have talked to and about the industry over the last century. I argue that this consistency is not coincidental but constitutes evidence of the ways in which presidential rhetoric is best understood as institutionalized. The institutionalized speech produced by the presidency is a product of the rhetorical past, a past that current and future administrations must contend with. In the case of the domestic auto industry, this rhetorical legacy perpetuates both a constructed identity for the industry and the government action that identity invites. I examine the institutionalization of speech between the domestic auto industry and the presidency, but I also argue that the phenomenon of institutionalized speech might apply to other cases, and has implications for how we understand presidential rhetoric, epideictic rhetoric, the rhetorical presidency, rhetorical history, collective identity, collective memory, and rhetorical circulation.

² The “domestic auto industry,” for my purposes, refers to the American auto manufacturers also known as “The Big Three:” General Motors, Ford Motor Company, and Chrysler Group LLC, which for a period dominated domestic production. It does not include foreign transplant automakers like Toyota that have American factories, and it is not a synonym for Detroit.
The case of the domestic auto industry is not unique, but it is special. The United States government imposes restrictions and regulations on the activities of the domestic automobile industry, as it does with many others. Government also protects the auto industry from the swings of the marketplace in ways that are less common than with most industries.\textsuperscript{3} The domestic auto industry is vital to the national economy, producing a durable good that defines American life and employing millions both home and abroad, or so we are told every time a president justifies new aid or regulatory relief for the industry. Yet at the time of the most recent bailout, Toyota was the biggest automaker in the world. As of 2012, General Motors was the second largest in global production of vehicles, with Ford fifth and Chrysler eleventh.\textsuperscript{4} Foreign transplants, factories owned by foreign companies that operate in the United States, employ tens of thousands of Americans within our borders making vehicles that outsell and outperform domestic products.\textsuperscript{5} The domestic industry may have once been “vital” economically but that may not still be the case.\textsuperscript{6} Yet presidents have consistently justified aid to the industry because of its economic importance, presenting a puzzle: presidents, across party and time, defend and aid an industry on the basis of its centrality to the U.S. economy when it is not, in fact, central.

\textsuperscript{3} For example, various government agencies imposed regulations on safety, emissions and fuel efficiency standards. These are counterbalanced with the poor enforcement of those standards, government rescues of the industry in 1979 and 2008, and protectionist policies to help the industry compete with Germany, Japan, and Southeast Asia.


\textsuperscript{5} For example, J.D. Power routinely recognizes as many or more foreign makes than domestic makes for vehicle dependability and initial quality. Even in 2014, when domestic producers had closed the gap on quality, Toyota (including Lexus and Scion), Mercedes-Benz, Bavarian Motor Works (BMW), Nissan, Honda (including Acura), Hyundai, Mazda, Porsche, Volkswagen, and Kia were among those frequently highly rated. The highest rated vehicles in the “cars” category for 2014 are as follows: 31 foreign makes and 7 domestic makes for initial quality, 16 foreign makes and 8 domestic makes for dependability. See: J.D.Power.com, \textit{Top Rated Cars: 2014}, 2014, McGraw Hill Financial Available: http://autos.jdpower.com/ratings/quality/cars.htm, 9/1/2014.

\textsuperscript{6} Manufacturing as an economic sector has been declining in prominence in the United States for half a century. Still, auto workers are skilled laborers and those skills are in demand, so that when a domestic plant closes, a foreign transplant may be able to absorb some of the labor force over time. If government were to intervene on economic justifications that would ignore the likelihood that laborers could still be reemployed – just by the competition.
There have been other industries or companies that were at least as deserving of
government largesse as the automakers, and each was allowed to fail or struggle in the
marketplace without federal intervention. Pacific Gas and Electric (PG&E) declared Chapter 11
bankruptcy in 2001 and was bailed out by the state of California in the absence of federal aid.
Enron, famous as a prototypical example of corporate fraud, declared bankruptcy in 2001.
WorldCom was forced into bankruptcy in 2002 and restructured as MCI. When it became clear
that Lehman Brothers, a global financial services firm, could not survive under its debts and had
failed to partner with Bank of America or Barclay, the government decided against emergency
assistance and the company was forced to liquidate. Bear Sterns, another global financial
services company, was likewise denied government aid and forced to liquidate, selling itself for
pennies on the dollar to JP Morgan. These companies employed tens of thousands of
Americans. Like the domestic auto industry, each of these companies also provided nationally
important goods or services. In each case, government chose not to intervene.

The auto industry receives government intervention when comparable companies in other
industries do not. Economic necessity thus does not fully explain government action. Something
else, aside from the material imperative, must be at work. The puzzle is not only material. It is
also rhetorical. Presidents have defined the domestic auto industry in ways that highlight its
economic and symbolic importance, but as that economic position has weakened considerably
over the last forty years, this definition, and the entailments associated with it, remained. Those
definitions, which I argue contributed to a collective identity for the industry, became part of a
rhetorical legacy inherited from past presidents. An exceptional and praiseworthy version of auto

7 For details on these bankruptcies see: Michael M. Phillips, "Government Bailouts: A U.S. Tradition Dating to
Bailout Nation: How Greed and Easy Money Corrupted Wall Street and Shook the World Economy (Hoboken, NJ:
Wiley, 2009).
industry identity, shaped in part by presidential speech, has remained long after its economic basis eroded. This industry identity is resilient to market forces. It is a rhetorical consequence of the institutionalization of speech in the presidency.

1.1 The Political Utility of Crafted Identities and Memories

This dissertation involves a close analysis of over a century rhetoric in order to outline the utility of institutionalized speech. The concept of institutionalized speech and the ways that my analysis leads to it are informed by a number of other conversations. In the following sections, I consider those conversations, drawing from each to defend my focus on presidential rhetoric, connect such rhetoric to the political imperative of gaining electoral or governing support, explain how political speech can contribute to crafting collective identities, and why collective memory and collective amnesia are key aspects of that process, and situate all within an institutional approach to the presidency.

1.1.1 Presidential Rhetoric and the Political Imperative

The domestic auto industry is a storied institution steeped in American symbolism and mythos. It has been the subject of hundreds of books; many such works detail the rise to greatness of the new industry, many others document the sometimes gradual and sometimes catastrophic falls from greatness that the industry has been through. The domestic auto industry is relatively stable today but has recently been less so, and a wave of new books and articles appeared during and after the crisis and subsequent government rescue of automakers in 2008-9. Explanations for the state of the industry in those works generally include some blend of foreign competition, geographic limitations, evolution away from manufacturing to a service or information driven economy, changing consumer demand, turbulent energy markets, and the
individual choices of executives at the Big Three. These works posit that many factors have contributed to the industry’s history, and some combination of all of them is likely the best explanation for the industry’s situation. The domestic auto industry is a complicated institution with a complicated history that is struggling against decades of a complicated decline.

This dissertation, in part, adds to the conversation about understanding that industry and its status. Certainly, adding government to the list of influences on the industry is nothing new. With the auto industry, as with most large industries, understanding public policy is vital to more complete understanding of why the industry is as it is. Some authors, chiefly economists and political scientists, argue that some of the responsibility for the decline of the industry must lie with the safety, fuel efficiency and emissions regulations that began in the 1960s. I agree that

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these played a role. However the government influence argument advanced by these scholars neglects an important element: presidential rhetoric.

When the president speaks to or about the industry, that speech does some kind of work. Given that presidents have been speaking to and about the industry for twelve decades, scholars must not overlook those instances of speech or whether, and if so, in what ways those speeches might add up to something else over time. To that end, I add the presidential rhetoric to the list of relevant factors in auto industry history. Specifically, I argue that presidential rhetoric, with the authority often granted to the presidential voice,\(^\text{10}\) is able to shape a narrative of history and construct an identity for an industry; the presidency has done so in the case of the auto industry.

Since the relevance of presidential speech to the auto industry must first stem from the presidential voice, we must first consider what presidential speech can do. The president speaks to the nation as the only nationally elected representative and to the world as the clearest representative of the United States of America. Due to the visibility and symbolic importance of the office, presidential rhetoric has the potential to be a foundational discourse guiding other levels of discourse. Presidential influence might include signaling constituent groups, setting a national agenda, directly persuading and bargaining with other elites, going public to request support, acting through discourse as in the establishment of doctrines, the definition or

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\(^{10}\) The authority inherent in the presidential voice is open to question. Rhetorical presidency and presidential rhetoric literature, considered later in this chapter, posits that at least in some cases the presidential voice is among the most authoritative in American culture. This may be less accurate today or in the future, as media technologies exponentially multiply the number of voices and as public trust in institutions declines. Still, the president is a special kind of rhetor and the presidential voice can, at times, have special authority.
redefinition of objects and events, or the construction of national identities. Presidents can also frame events, are more able to frame events than are others, are more able to frame complex issues (such as economic policy) than others, and are more able to use exogenous events to political benefit. So, in many ways, presidential rhetoric has the potential for influence.

There are limits to this potential. Teena Gabrielson, for instance, points out that presidents will have a more difficult time influencing the discourse with diverse party composition, or when discussing heavily institutionalized or historically contentious topics. Brandon Rottinghaus notes that presidents have more success when they face less interpretive competition. Matthew Corrigan argues that presidential influence also has to compete with other political actors in public discourse, and this competition means a potentially public loss on an issue and of political capital, authority, or credibility. George Edwards III, in a famous

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15 Corrigan argues that President Clinton’s choice to bring complicated health care reform into public debate opened him up to counterattacks that simplified the plan in the worst possible ways. The failure to pass reform may have been due to the President’s inability to explain complicated policy while defending it from reductionist attacks. See:
challenge to scholars claiming that presidential rhetoric has influence, argues that the influence of public presidential rhetoric is more assumed than supported. According to Edwards, presidents have, at best, claims to popular support that give them leverage, not control.\textsuperscript{16}

The apparent limits of presidential influence mandate further study of the role of presidential rhetoric in national policy. Claims such as those mentioned by Corrigan and Edwards often link the limit of presidential influence to the fact that the presidential voice is only one of many voices – it must compete for prominence. They are absolutely correct there. Still, the argument I make about institutionalized speech refers specifically to the relationship between two institutions: the presidency and the auto industry. That means that the audience of presidential speech is national, but also, importantly, local. The object of speech, in the present case the auto industry, is an important audience in a discussion of institutionalized speech. Corrigan and Edwards are correct that a presidential speech to a group of auto workers in Detroit must compete (and will likely lose) for prominence in the national discourse. But there are CEOs, engineers, and dealership owners in that audience, and as B. Dan Wood argues, presidential rhetoric is an important cue to business leaders.\textsuperscript{17} For example, Mark M., a teacher in California, probably does not care about a speech on the auto industry. John J., a Ford Motor Co. dealer in Southeast Michigan, probably does. More importantly, according to Wood, John J. is paying close attention to that speech and potentially using it as a guide for business decisions. In John’s case, this potential presidential influence matters. The tendency for certain people to pay more attention to the presidential voice on certain issues is at the core of Jeffrey Cohen’s argument that presidents can (and do) go local, rather than going public nationally, to appeal to a

\begin{itemize}
\end{itemize}
very specific constituency on a specific issue. So, while there are real limits to presidential influence, in the present case those limits are less important than the potential influence presidential rhetoric can have with certain audiences.

If, based on such literature, we allow that presidential speech can have influence, and perhaps more so when dealing with an identified and focused subgroup of the national audience, we can examine what presidents say to the auto industry and consider what influence such speech might have. As with most constituencies, historically, most presidential speech directed at the auto industry occurred during campaign seasons, as a candidate or incumbent appealed to that constituency for support. Also, as with other constituencies, that speech was largely positive. To be elected, presidential candidates must win votes. To get reelected and to build or maintain approval ratings and policy support, incumbents attempt to maintain appropriate levels of public support. The political imperative of being elected to the presidency, of governing, and to a lesser extent of being reelected, then, is to gain attention, approval, and ultimately votes. Ideally, a presidential candidate or incumbent will try to gain such support from multiple groups, forming electoral and later governing coalitions.

Winning votes and support does not necessarily require but often entails praising a given constituency. Presidents thus often approach a speech to a constituency by looking for praiseworthy attributes and determining how to mention or focus on them. For example, a president might begin a speech about a series of economic proposals to a group of small town residents by thanking them and praising the “heart of America,” “good people,” or “hardworking folks.” In the case of the domestic auto industry, presidential speeches about a wide range of

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18 Jeffrey E. Cohen, Going Local: Presidential Leadership in the Post-Broadcast Age (Cambridge: Cambridge University Press, 2010).
topics have thanked the industry that “helped build the middle class,” “was our arsenal of democracy,” and was run by “the blue-collar workers that are the backbone of our country.” Platitudes like this can be an important means for understanding the presidency because they offer a window through which we can see how a given president understands the realities of the political imperative. “Real Americans” are Midwesterners for some candidates, Great Plains farmers for other candidates, or the diverse peoples we might find in New York City for still other candidates. The choice to praise a given group in a given way, and in so doing, define that group, can also offer insight on how important a president sees a certain group as being in his electoral or governing math - especially in cases when only certain groups are so praised.

In addition, scholars like Roderick P. Hart argue that these everyday words and phrases can carry power. Most interesting here is what happens when these platitudes accrete; when the consistency of praise over time and across party lines solidifies into an association between the subject and the praise that is difficult for new rhetors to break, if they choose. This solidification, based on consistency over time, is what I call “institutionalized speech.” This dissertation ultimately considers the consequences of the rhetorical legacies institutionalized speech creates and bequeaths, both for the object of praise, for an individual president, and for the institution of the presidency. Those consequences begin with the political imperative of attaining office and the potential for influence inherent in the presidential voice.

1.1.2 Constructing Collective Identities

Presidents speak to various audiences on the campaign trail and from the Oval Office, sometimes in hopes of securing political or financial support from those audiences. As argued in

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the previous section, this political imperative results in perfunctory praise of constituencies. In this section, I examine scholarship about collective and national identity construction as I argue that in praising a group to secure support, presidents contribute to the shaping of a collective or national identity for that group.

In the process of appealing to a constituency for votes or support, and doing so in part by praising certain aspects of that constituency, presidents engage in identity construction. They tell us stories about a group’s past, present and future, highlighting its moments of triumph while obscuring or avoiding its moments of failure. Benedict Anderson called these tendencies to highlight and obscure “characteristic amnesias,” and wrote, “Out of such oblivions, in specific historical circumstances, spring narratives.” These narratives, built on carefully constructed versions of the past, create identities. As Maurice Charland argued about the *Peuple Québécois*, “in telling the story of a *peuple*, a *peuple* comes to be.” The group *is* because it was *defined*, because it was *narrated*.

In the simplest grammatical form, an identity is an understanding of “self” dependent on a relation to “other.” Collective identities then, are understandings of “we” in relation to “they.” We can see the roots of modern theorizing about collective identity in early studies of nationalism. In 1882, troubled by the origin of nationalistic sentiments, Ernst Renan defined a nation as “a large-scale solidarity” summarized by “consent, the clearly expressed desire to continue a common life.” Renan’s answer to his question was, at its core, a theory of collective identity. He argued that collective identities are built of solidarities; broad feelings of connection

between unrelated individuals. These solidarities exist in a cyclical relationship with mutual needs or desires. It could not exist in isolation – Renan studied nations, including the borders drawn between this nation and that – so solidarity must also be plural. In this early theory of collective identity, by way of national identity, Renan suggested a sense of union between those with common responsibilities and interests, which are in some way contrary to the responsibilities and interests of others.

Rhetorical scholars, taking interest in questions of identity and collective identity years after Renan, ultimately help to explain how collective identities are formed. This scholarship explains identity formation by proposing, to my mind, three interconnected ideas: collectivization originates in discourse, collectivization is a process, and collectivization works by employing illusions or fantasies. So, collective identities are the result of a process of retelling narrativized illusions or fantasies.

First, rhetorical scholarship on collective identity situates collectivization in discourse. Wayne Booth argued that texts have embedded implied authors, discernible to the critic through the language employed. Drawing on the implied author, Edwin Black argued for the existence of an implied auditor, the second persona, which is the audience inherent in, or imagined to be inherent in, the text. The connection forged between an author and auditor, which Kenneth Burke called “identification,” originates in the discourse between them. That discourse is sometimes contested. Michael McGee, for example, citing the existence of multiple authors and auditors, noted that collectivization is a competition – at any given time one author and auditor are seemingly accepted as representative of all, which thereby negates other authors and

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auditors. M. Lane Bruner also argued that collective identities are “incessantly negotiated between advocates and publics in a never-ending struggle.” These scholars share the view that, first and foremost, to understand how collective identities are formed we must commit to analyzing the discourse about the given, contested, “we.” In the case of the domestic auto industry, then, understanding how rhetors shaped and deployed that identity demands an understanding of the contested nature of that collective “we.”

Second, rhetorical scholarship on collective identity is concerned with the process of collectivization. For McGee, collective identities are “more process than phenomenon… They are conjured into objective reality, remain so long as the rhetoric which defined them has force, and in the end wilt away, becoming once again merely a collection of individuals.” McGee argued that identities are limited temporally; they can only remain for a certain period of time and eventually are replaced by others. This process begins with what McGee called the “seeds of collectivization,” which are “dormant in the popular reasonings.” These “seeds” are the commonplaces in a culture and how those commonplaces are associated with individuals or groups. Drawing on such commonplaces, “advocates organize dissociated ideological commitments into incipient political myths, visions of the collective life dangled before individuals.” Collective identities are formed as people connect to or respond to the myth. The identity fades when the link between the identity and its ideological commitments weakens.

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29 McGee, "In Search of 'the People': A Rhetorical Alternative," 242.
30 For McGee’s full explanation of these stages, see: McGee, "In Search of 'the People': A Rhetorical Alternative," 243.
31 McGee, "In Search of 'the People': A Rhetorical Alternative," 243.
32 According to Bruner, stages three and four of this four stage process are understudied and rhetorical scholars are uniquely suited to complete such investigations. Bruner, "Rhetorical Theory and the Critique of National Identity Construction ": 311.
The present work follows the process of these identities as they are co-created between two institutions, and finds that the identity might remain even when expected to fade, thus contributing to the conversation about this process in rhetorical theory.

Third, rhetorical scholarship emphasizes the point that collective identities are not real, at least not in the sense of being actual groups of entities. A collective identity, as Benedict Anderson argued, is an “imagined community.”\(^{33}\) The collective identity must reflect a fiction because, as James Andrews put it, the task is to make “one” out of “a plethora of nationalities.”\(^{34}\) In imagining one out of many, a certain level of negation or erasure is unavoidable. The representation of the many by the one will, by necessity, be fictive. But collective identity is also a fiction itself because it involves creating, from many, a collective vision. For McGee, a collective identity is a “fiction dreamed by an advocate and infused with an artificial, rhetorical reality.”\(^{35}\) Collective identities, then, are fictive on two counts: first as representing an idealized rather than an actual group of existing people and second as embodying an illusory vision produced with some political end in mind. In the case of the auto industry, as this dissertation shows, it is possible for the vast majority of history and identity to be fictive, with only a few crumbs of truth, and yet such an identity can still be widely shared and embraced.

Collective identities, then, are formed in a discursive process employing fantasies, imaginations, or illusions. Edward Blum, Phillip Bratta, Michael Bruner, Maurice Charland, Celeste Condit, and John Lucaites have all examined some aspect of this process in action.\(^{36}\) I

\(^{33}\) Anderson, Imagined Communities.
\(^{35}\) McGee, "In Search of ‘the People’: A Rhetorical Alternative," 240.
add to that conversation by investigating another instance of collective identity formation, but importantly, my case is representative of what can happen when collective identities are formed through presidential speech. It is important then to consider scholarship that examines presidential attempts to shape collective identities.

In the United States, scholarship about presidential attempts to shape collective identity generally focus on presidential attempts to shape a national “we,” a national identity. In 1991, Mary Stuckey described the president as “the nation’s chief storyteller, its interpreter-in-chief.”

In 1998, Erwin Hargrove suggested that the president’s job is to teach reality through rhetoric.

In 2002, David Zarefsky claimed that presidents are the chief national definers of situations.

For these scholars, presidents at least try to influence the way Americans view themselves, their historical and political context, and the nation. Instead of emphasizing an organic process wherein an identity emerges or an active process prompted by a specific local rhetor, these scholars place some of the power over the collectivization process in presidential hands.

Stuckey explained presidential attempts at collective identity construction with reference to the power of narrative: the president “tells us stories about ourselves, and in so doing he tells us what sort of people we are, how we are constituted as a community. We take from him not only our policies but our national self-identity.”

So, if the president tells the people of the nation who we are and how we are constituted as community, he must as part of that process


37 Stuckey, The President as Interpreter-in-Chief 1.
40 Stuckey, The President as Interpreter-in-Chief 1.
As noted earlier, collective identity is a process of determining who “we” are and who “they” are. Americans have always been a highly heterogeneous people, meaning that there has never been a shortage of those some would like to exclude. For much of our national history, African Americans were not included in the national “we.” During WWI and WWII, Americans forcibly revoked the “we” status of some German Americans and many Japanese Americans. The LGBTQ community, atheists, and members of many other excluded groups are still fighting for more complete inclusion in our collective identity. If presidents attempt to teach us who we are, as Stuckey, Hargrove, and Zarefsky separately suggest, presidents must also negotiate the tension between new identities seeking inclusion in the collective and those already included resisting change.

One of the most important periods in this process of inclusion and exclusion was during the presidency of Theodore Roosevelt. As Leroy Dorsey argued, Roosevelt broke ranks with the history of racial otherness as a justification for a white “we.” Instead, Roosevelt extended opportunity to those traditionally excluded in the form of a mythic story: if you want to be equal, he argued, earn it, just as these other great Americans did. When Roosevelt told the story of, for example, a great Native American who earned equal treatment through hard work, Dorsey argued Roosevelt was able to both inspire the excluded masses to work towards proving themselves and also reassure those already in the national “we” that only the best few “others” would ever achieve equality. While Dorsey focused on the Roosevelt administration, other scholars have noted a similar process of exclusion and inclusion in national identity across much of American history. In You, the People, Vanessa Beasley argued that presidential handling of

41 Stuckey, Defining Americans: The Presidency and National Identity.
42 German Americans and Japanese Americans arguably never truly had fully equal “we” status, but xenophobia and nationalism amplified made the division clearer.
national identity is a process of diversity management, juggling the ever expanding list of those wishing to be included in the national “we.” In *Defining Americans*, Stuckey showed how this presidential activity has served to broaden the political community over time. Still, presidents must in each case justify any new inclusions and exclusions.

Zarefsky, Hargrove, Dorsey, Stuckey, and Beasley discussed the ways in which presidents tell the nation about itself. It is important to note a caveat to this potential influence: it might not work. More specifically, the president could speak endlessly about a particular view of the national “we” but that view might be rejected. This is evident in the continuing struggle over inclusion from those groups still not fully incorporated into the “we.” Barack Obama’s 2008 presidential election victory speech featured a very inclusive definition of the national “we:”

> It’s the answer spoken by young and old, rich and poor, Democrat and Republican, black, white, Hispanic, Asian, Native American, gay, straight, disabled and not disabled. Americans who sent a message to the world that we have never been just a collection of individuals or a collection of red states and blue states. We are, and always will be, the United States of America.

Obama’s speech notably added “gay” Americans to the national “we.” This has been contested for decades. Obama also unified “red” and “blue” into the “United” States, a claim occasionally advanced in presidential speech in modern times. Since his election, Tea Party activists have contended, with increasing zeal, that Obama’s America is not the “real” America. New versions of identities, delivered from the microphone, are often contested. As James Andrews noted, a

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nation “does not spring full blown from a divine head.” As long as there are groups that believe they should be part of the national “we” but do not feel included or groups that do not believe something belongs in the national “we,” there will be resistance to the current sense of the identity, especially when a single person, such as a president or presidential candidate, attempts to tell us who “we” are.

I am not suggesting that scholars interested in presidential attempts to shape national identity fail to recognize this. Rather I am reiterating the point, evident in much of their work, that the process of collectivization involves a struggle - collective identities are always open to contestation. This point is evident in work on other kinds of collective identities, including that by Charland and Bruner already discussed. It is also a crucial aspect of Ernesto Laclau’s approach to publics, as the public exists in tension with other publics, and in Michael Warner’s work on counterpublics. These scholars of collectivity, whether at the national or local level, point to the difficulty of shaping an identity and the struggle each version of an identity must endure as part of broad acceptance.

An elected president has, to some extent, been able to forge a vision and a national “we” that connected to voters - at least one that connected to enough voters to get him elected. It seems that there are two common attributes of successful views of who “we” are, those views that are broadly adopted rather than contested. First, the president who tells a story about a group that the members of that group are ready and willing to believe is more likely to avoid contestation. Here, rather than defining, as Zarefsky would have it, the presidential action instead

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serves to confirm. When, for example, a president tells the American people that “we” are strong, resilient, powerful, resourceful, and leading the world, Americans who buy into the historical sense of the nation and its people as exceptional are not likely to argue. Implicit in this first tactic is a second: presidents are more likely to gain traction with a given characterization of the national “we” if that characterization is largely (or fully) positive. While presidents have, in some cases, apologized on behalf of the nation or reminded the nation about a moment for which we should be ashamed, the shameful moment usually lies in the past. The difference between a presidential admission that “we are doing bad things” and “we have done bad things” is important. Presidents often speak of present actions as attempts to, in Constitutional terms, “form a more perfect union.” This implies that in the past we were a less perfect union, a less perfect people. The emphasis is on the wrongs of the past. The “we” of the present can acknowledge certain past wrongs without feeling wholly blamed in the contemporary moment by the present president. So while the past “we” instituted discrimination against African Americans, the present “we” is somehow better, stronger, more just, and more hopeful. The present “we” can look back and acknowledge that mistakes were made without admitting collusion in those mistakes. A presidential attempt to establish a contemporary shamed national “we” seems more open to contestation because it is more accusatory and allows less for the benefit of hindsight. Presidents will paint a positive picture of the national “we,” and include limited shaming only in service to progress towards a more perfect union.

49 Consider, for example, President Obama’s 2008 apology to the international community on behalf of America’s actions in prior years, or other presidential reminders about the shame of slavery, internment of Japanese Americans during WWII, or the Jim Crow system.

50 For further discussion of what can and cannot be said, not limited to the context of national identity, see Michel Foucault, "Politics and the Study of Discourse," The Foucault Effect, ed. G. Burchell (Chicago: University of Chicago Press, 1991). It may also be helpful to review Bruner’s discussion of limits, the unspeakable, and “dramatically rejected speech” in Bruner, Strategies of Remembrance: The Rhetorical Dimensions of National Identity Construction, M. Lane Bruner, "Rhetorical Criticism as Limit Work," Western Journal of Communication 66.3 (2002).
So presidents might try to shape identities for politically useful constituencies, but the auto industry is not unified by nationality or other demographics. It is unified by a trade, yes, but in some ways, it is also unified by a city. Like many cities, Detroit has a sense of itself. Just as with other old cities, including for example Boston, Philadelphia, New York, Charleston, and Chicago, there is a deep history. Locals generally identify with the whole on some level. In Detroit, the long and powerful presence of the domestic auto industry has made it an integral part of the city’s history and the memories of its people.\(^ {51} \) This sort of civic identification rooted in a historical group is something Nicole Laroux noted of ancient Athenians that identified with the Ionian family, a mythologized tribal ancestry that became synonymous with the civic identity.\(^ {52} \) For Athenians and Detroiter’s, their city’s past is connected to inhabitants’ sense of collective identity. If it can be said that the auto industry has an identity, it is intricately tied to Detroit’s. The industry looms large in city history, it is Detroit’s Ionic family, a touchstone for civic identity in the area. The city and the industry have an intertwined history full of invention resources for rhetors, resources which might be intentionally remembered or forgotten.

Collective identities may arise organically or be initiated by interested advocates. This dissertation is trained on presidential attempts to win support, which results in praise and thereby shaping of collective identities. For such attempts to gain the desired support, presidents must carefully examine, select, edit, and reshape the past and present. As any good storyteller knows, the past is full of details, but only certain ones make for the best story. The auto industry, with its deep history in the city of Detroit, has lots of details a storyteller might choose from. In the next

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\(^ {51} \) The reader will remember that “the domestic auto industry” and “Detroit” are not synonyms. That does not mean that each does not inform the other, especially when considering collective memory and collective identity.

section, I examine the role of collective memories, and the importance of collective forgetting, in
the storytelling of identity.

1.1.3 Collective Memory and Collective Forgetting

Identity and memory are interdependent. Who we are depends on what we know about
our past – what we remember and what we have forgotten. For the purposes of presidential
attempts to shape collective identities, who we are told we are depends on what our presidents
want us to remember and what we are meant to forget, whether that is intentional or a rhetorical
coincidence. In this section, I examine scholarship on collective memory. I argue that for
presidents to shape collective identities such as that of the domestic auto industry, which as we
have seen comes of praising that group in hopes of securing support, presidents must remember
the past for the group and a broader national audience. To have the best chance of securing
support from the group, presidents must remember the best aspects of the past while forgetting
others; presidents must craft a narrative about the group that the group wants to hear and
embody. Presidentially shaped collective identities are based on sanitized narratives about the
past and present.

Identities are often tied to narrativized aspects of history. For example, Renan argued that
nations are united through possession in common of “a rich legacy of memories:” victories,
defeats, heroes, and villains. In the American case, these might include narratives of the colonial
era, George Washington and the Revolution, Thomas Jefferson and westward expansion,
Abraham Lincoln and the Civil War, railroad tycoons and the Old West, our role in the World
Wars, the Civil Rights Movement, the decay of the Midwest into the Rust Belt, the “battle”
against Communism, Korea, Vietnam, Watergate, and the 9/11 attacks. For Renan, our rich
legacy of memories, shared among us, are what make us “American.” For Edward Said, such

53 Renan, What Is a Nation?
shared memories are a precondition to presence.\textsuperscript{54} By this logic, to exist, to have presence, is to have a past. For Anthony Smith, possession of a shared history is a precondition to survival - to having a future.\textsuperscript{55} Smith’s “deep resources” are the memories of the past and the myths constructed around those memories that provide some vision of a heroic future.\textsuperscript{56} Collective memories of the past provide a structure of characters, narratives, and lessons in which the present is framed and through which the future is imagined. Given this, an understanding of collective memories is integral to an understanding of collective identities; the past forms the basis of presence and future.

As with collective identity, collective memory can be conceptualized as something organically occurring or shaped by an advocate. Zarefsky suggested that the more likely path is that memory is shaped. The past, according to Zarefsky, whether heroic or villainous, victorious or defeated, does not speak on its own. It must be spoken for.\textsuperscript{57} And it is: every time modern speakers ask us to remember the “lessons” of Vietnam, they invoke, and in so doing shape, our memory of that period. As G. Thomas Goodnight put it, advocates engage in “crafting, revising, and extending historical narratives. Thus, historical analogies become deployed to forward a controlling horizon of meaning.”\textsuperscript{58} Advocates call upon the past, accessing a partially shared collective memory of that past, and highlight certain elements of it to support a certain view of what the past meant. We might imagine advocates visiting a marketplace of our shared past that

\textsuperscript{54} Said argued that Palestinians have waged war to reclaim memories as a necessary precondition to presence. Edward Said, "Invention, Memory and Place," Cultural Studies: From Theory to Action, ed. Pepi Leistyna (New York: Blackwell Publishing, 2005) 162.


\textsuperscript{56} Smith’s deep resources are memories of golden age(s), myths of ethnic election and covenant that inspire faith in a glorious destiny, and territorial attachments to ancestral homelands and sacred sites. See: Smith, "Lse Centennial Lecture: The Resurgence of Nationalism? Myth and Memory in the Renewal of Nations."

\textsuperscript{57} Zarefsky, "The Presidency Has Always Been a Place for Rhetorical Leadership."

trades in memory. Each advocate negotiates with others over exactly what a given memory is and what it is worth. The negotiation is crucial, because if one advocate can call upon the past and cast it in a certain way, another advocate could as well, using it similarly or casting it in a different way, one that might be more widely accepted. Just as collective identity can be contested, collective memory can be contested, and when one is contested the other becomes more open to critique. Just as presidents are not omnipotent in shaping collective identity they are also unable to fully control collective memory. As Zarefsky put it: “no one has a monopoly on public memory.” Rhetors must negotiate with each other and the broader “we” about the value and nature of our shared past, as they must negotiate definitions of who “we” are.

This negotiation is a turn-taking behavior of a rhetor advancing one version of memory, with each turn happening in major addresses, stump speeches, debates, television interviews, and press conferences. The president is not an ordinary rhetors; he gets extra and longer turns. The president is given special voice as our only nationally elected representative. Presidents can use this special position as a means for shaping national identity, but also as a means for shaping collective memory. Shawn Parry-Giles and Trevor Parry-Giles provided an example of such a presidential attempt to shape memory. They explained how President Clinton used collective memory and political nostalgia to political advantage, and in so doing, had an influence on how we remembered our shared past and who we think we are today because of it. Kathryn Olson provided another example when she argued that Ronald Reagan engaged collective memories during his presidency, asking both “we, the people” and the international community to share in

59 Zarefsky, “The Presidency Has Always Been a Place for Rhetorical Leadership,” 37.
60 Certainly, the internet and cable television have exponentially increased the number of voices that compete with the presidential voice for attention. While an individual president may not have the audience the presidency enjoyed in radio and early broadcast television eras, contemporary presidents are still no average speaker.
a modified memory of the past.\textsuperscript{62} In each of these examples, the president drew on the past to inform the present; he drew on memory to shape identity.

The utilization or manipulation of shared memory in the construction of collective identity demands that the rhetor ignore some aspects of the past. When Booth noted that collective identities are “conjured,” he implied that the formation or construction of a collective identity is a kind of magic trick. It is indeed. As the rabbit is drawn from the hat the audience is meant to miss what actually happened. The illusion lies in the momentary suspension of what we think to be true. In forming collective identity, drawn as it must be from collective memories, the magic trick is the momentary, or permanent, suspension of certain aspects of the past. The act of forgetting, the illusion in the trick, is the most important aspect of collective identity.

All memories are partially forgotten. We forget the exact details of a situation, the order of events, and sometimes even the people involved. This is due to the imperfection of normal human brain function and, possibly, to the categorization system we use for mentally storing memories.\textsuperscript{63} The notion that collective memory involves collective forgetting operates on a somewhat different principle. Kristen Hoerl described how media narratives can function as “selective amnesias,”\textsuperscript{64} with “selective” highlighting the fact that sometimes memory lapses are not accidental. As Bruner explained, collective forgetting is intentional, at least for the advocate of a particular version of a memory. Memories “depend upon the forced absence of variously important historical facts.”\textsuperscript{65} If the absence is forced someone must be doing the forcing. Rhetors remove certain aspects of the past as they shape it for desired purposes. Rhetorical scholars have

\textsuperscript{62} Olson, "The Controversy over President Reagan's Visit to Bitburg: Strategies of Definition and Redefinition."
\textsuperscript{63} Humans have the capacity to remember a surprising level of detail about objects and, perhaps, events in the past. Yet we are often unable to remember details when we need to remember them. See: Timothy F. Brady, Talia Konkle, George A. Alvarez and Aude Oliva, "Visual Long-Term Memory Has a Massive Storage Capacity for Object Details," Proceedings of the National Academy of Sciences of the United States of America 105.38 (2008).
\textsuperscript{64} Kristen Hoerl, "Selective Amnesia and Racial Transcendence in News Coverage of President Obama's Inauguration." Quarterly Journal of Speech 98.2 (2012).
\textsuperscript{65} Bruner, "Rhetorical Theory and the Critique of National Identity Construction ": 315.
noted this phenomenon inherent in the construction of narratives since at least 1966, when Kenneth Burke argued that any reflection of reality is also a selection and a deflection of reality.\textsuperscript{66} The very act of calling upon the past means that we choose a past and shape a certain view of that past over other possible pasts and views of the past.

Any rhetor, including a president, uses this selective view of the past in two broad ways. First, the rhetor overtly explains to us what a given view of a given past means. The rhetor uses history as the “ultimate parallel case,” with “Preachers, pundits, and politicians… chief among its panderers.”\textsuperscript{67} As E. Culpepper Clark and Raymie McKerrow succinctly put it: “‘History tells us,’ they say, and of course, it tells us what they want it to say.”\textsuperscript{68} Charles E. Morris, III both adopted this perspective and provided an example of it in narratives about Abraham Lincoln.\textsuperscript{69} This is also an example of how advocates overtly shape the “reality” of the past, as revising history suggests that a “new lesson” of what history tells us is more appropriate (or relevant, or accurate) than an old, institutionalized lesson based on a received view of the history.

Yet rhetors also use memory and forgetting more covertly (perhaps more subtly). As Thomas Benson argued, Franklin D. Roosevelt quietly removed most mention of Lincoln from a commemorative address at Gettysburg. Benson noted that FDR’s speech is an example of “a site of silent contestation, revision, and forgetting.”\textsuperscript{70} Rather than proclaim the lessons of the past as Clark and McKerrow’s “they” and historians arguing over Lincoln’s sexuality do, Benson argued that FDR engaged in the play of memory and forgetting \textit{silently}. This manipulation of collective

\textsuperscript{66} Kenneth Burke, \textit{Language as Symbolic Action} (University of California Press, 1966) 45.
\textsuperscript{68} Emphasis in original. Clark and McKerrow, “The Rhetorical Construction of History,” 35.
memory may be more effective precisely because it does not offer itself up for rebuttal. It eliminates a part of the past while calling no attention to the act of doing so. In either case, whether rhetors overtly or covertly exclude elements of the past, the result is a partial view of what was. The obstruction of certain elements of a given past provides empty space upon which the advocate writes new meaning.

Collective identity, then, is built on a structure of collective memories. Those memories are inherently only partial; they are selections and deflections of reality. Rhetors can use the forced absence of certain elements to either overtly teach us the “real lesson” of the past or covertly, over time, change our understanding of what was without flagging opposition. Presidents, as rhetors with privileged voices, can use collective remembering and forgetting to shape collective identity. In the case of the domestic auto industry, the political imperative invited presidents to speak to the auto industry in ways that remembered the best aspects of the past, while forgetting or obscuring the worst aspects of that past. An individual president might do so with a favored constituency to limited effect. In the next section, I consider the presidential voice from within the institution of the presidency; individual presidents might speak, remember, and forget with limited effect, but such might be more effective (more broadly adopted) when speech, memory, and forgetting remain consistent across presidencies over time.

1.1.4 The Rhetorical Presidency and Rhetorical Legacies

Institutionalized speech happens when the presidency develops a relationship with other institutions based in certain kinds of speech across party lines over time. Given the requirement that such happens over time, we cannot consider only the speech of an individual president nor the rhetorical strategies a president might use for dealing with a given exigency. We must consider instead what is common to presidents and presidential rhetoric over time and across
party lines. The body of work on the “rhetorical presidency” is instructive here.\textsuperscript{71} This scholarship takes an institutional view of the presidency. Individual presidents then, are merely temporary holders of an office that has a deep history, rules, limits, precedents, prospects, and patterns of speech. In this section, I consider this scholarship on the rhetorical presidency and how it suggests that, in short, the presidency has legacies with which incumbents must deal.

Scholarship on the rhetorical presidency takes an institutional view of the presidency. These scholars often, though not always, see the rise of the rhetorical presidency as a negative turn of events in both the historical division of powers between branches of the government and in the constitutional role of the president.\textsuperscript{72} My conception of institutionalized speech is specifically trained on this tendency in focusing on the presidential voice rather than the origin of legislation in congressional voices. Institutions, like the presidency, build on themselves over time. Presidents inherit traditions, including rhetorical traditions, from predecessors. In turn, presidents bequeath those traditions to future presidents. The rhetoric of past presidents creates, over time, a structure upon which current and future presidents can act.\textsuperscript{73} For scholars like Roderick Hart, Kathleen Hall Jamieson, and Mary Stuckey, who in different ways investigated changes in speech frequency and medium, this has meant that presidents speak more often about


\textsuperscript{73} This is the basis for genre studies of presidential rhetoric. See: Karlyn Kohrs Campbell and Kathleen Hall Jamieson, Presidents Creating the Presidency: Deeds Done in Words (Chicago: University of Chicago Press, 2008).
less, speak more informally, and that modern presidents rely on mass communication in ways that former presidents did not. These kinds of shifts in rhetorical activity are, importantly to this body of theory, a result of shifts in the context in which the institution operates.

The notion of institutionalized speech that I advance in this dissertation relies on these claims of presidential prominence and inherited rhetorical strategies. As political and institutional contexts evolve, presidents employ new rhetorical strategies and draw on those of predecessors. Consider, for example, how Jimmy Carter and Ronald Reagan talked to the auto industry. Carter spoke to representatives of the United Auto Workers (UAW) often, presumably knowing (or believing) that the union was a powerful voting bloc that could help him get reelected. Reagan, while campaigning against Carter, also chose to speak to the UAW much more frequently than one would expect from a political actor so famously against manufacturing unions. Addressing the UAW was practically a political necessity at that point in history. Past presidents had done so, which meant that current candidates probably should. Forty years later the UAW had lost much of its clout and much of its ability to organize a voting bloc. The UAW was a key part of Al Gore’s strategy in 2000, helping him secure Michigan even though it could not deliver him victory elsewhere. Still, Barack Obama and John McCain spoke to the UAW often while campaigning for the presidency in 2008, singling out union representatives for

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76 “How past presidents used the communication media constrained their successors in the office,” Stuckey, The President as Interpreter-in-Chief. 2. The modern presidency relies on mass communication in ways that the past ones did not: Mary E. Stuckey, Michael A. Genovese, Sharon E. Jarvis, Craig Allen Smith, Craig R. Smith, Robert Spitzer and Susan Zaeske, "Report of the National Task Force on Presidential Communication to Congress," The Prospect of Presidential Rhetoric, eds. James A. Aune and Martin J. Medhurst (College Station: Texas A&M University Press, 2008).
77 For example, Ceaser et al argued that the doctrine of modern presidential leadership, the mass media, and the modern presidential campaign contributed to the new forms of presidential rhetorical activity. Ceaser, Thurow, Tulis and Bessette, “The Rise of the Rhetorical Presidency,” 20.
special attention. Addressing that audience was once a political imperative for gaining office, but has become a rhetorical commonplace, even as the actual power of unions continues to decline.

Half a century ago, the political imperative of gaining support led candidates to appeal to the then-powerful auto industry constituency. Such appeals included positive speech, which also would have by necessity relied on collective memory and collective forgetting as the candidate shaped a useful narrative for a speech to a given constituency. The relative power of the auto industry constituency led candidates, across party lines and over time, to seek its support, repeating the same carefully crafted narratives and thereby contributing, over time, to a carefully crafted identity for the constituency. This behavior became a rhetorical expectation within the presidency, a legacy that Gore, Obama, McCain and others would have to deal with, even as the political clout of the constituency gradually declined. Adherence to that legacy, whether rewarded with support or not, has consequences for future occupants of the office. In the next section, I consider how the auto industry as a specific constituency was primed to accept the exceptional version of its own history and identity as received from the presidency, making that rhetoric all the more powerful over time.

1.1.5 The Case of the Domestic Auto Industry Identity

Political imperatives draw candidates and incumbents to address constituencies for support. The domestic auto industry has historically benefitted from this political imperative because it actually represents two major constituencies: the kind of global business often courted by Republicans, and traditionally Democratic organized labor. These two constituencies are inextricably intertwined in the auto industry because of the relative success the UAW has had leveraging numbers for power against auto executives. In the next chapter I examine, among other examples, how the unification of these two warring factions into “the auto industry”
constituency was an important part of crafting a politically useful praiseworthy identity. Here, I consider why the auto industry constituency was primed to accept the version of its identity described in presidential speech even though constructed identities are often contested.

To gain support from the large and potentially influential constituencies of the auto industry, presidents have told a positive story about a fictional, imagined construction of an idealized “auto industry.” Of course, elite identity construction is two-sided. There is the elite rhetor, telling the people who they are, but there is also “a people” that must be able to see itself within that story. Identity is complex, “we can live within many texts,” and not everyone will agree to identify with a certain narrative. As Stuckey and Beasley separately argued, presidents have told an increasingly inclusive story about the American people. The diverse American people have in turn been increasingly able to see themselves in that story. This is vital, since the process is only useful insofar as the group accepts the rhetorically constructed identity by recognizing themselves in it.

In the case of the domestic auto industry, the dual nature of identity construction means that the corporate representatives and the union members must see themselves united as “the auto industry,” and believe the exceptionally positive and consistent story presidents have told about it. If the story was told in such a way that members of the constituency rejected it, support for the rhetor would follow. A presidential candidate or incumbent needs a believable version of the history and identity in order to gain acceptance and thereby the political support that invited the address. It is difficult to know what individuals, representing groups, “believe” over time. Still,

79 Charland, “Constitutive Rhetoric: The Case of the Peuple Québécois,” 142-43.
80 Stuckey discusses patterns of inclusion and exclusion, while Beasley refers to the process of national identity construction as diversity management. See: Stuckey, Defining Americans: The Presidency and National Identity, Beasley, You, the People: American National Identity in Presidential Rhetoric.
81 “It is the process of recognizing oneself as the subject in a text,” see: Charland, “Constitutive Rhetoric: The Case of the Peuple Québécois,” 143.
we can safely say that many in the auto industry could have and probably did adopt the presidential version of auto industry identity and history, for three reasons. First, industry leaders have talked loudly and at length about the exceptional nature of the industry, and have done so in terms that parallel presidential narratives. Second, the industry has had quite an exceptional history; by objective measures it has changed the country and the world. Third, many have independently reached the conclusion that there is a culture of exceptionalism in the industry. The exceptional version of the story thus began with reality, was repeated by industry leadership, and then by presidents or candidates seeking support from that constituency. Each of these points deserves more attention.

First, industry leaders talk about the exceptional nature of the industry. Industry leaders, beginning with Henry Ford, have not been humble about their own stories. Ford was the most vocal, co-authoring half a dozen books about his company and the industry. Ford’s early success pairing mass production with mass consumption led him to think that he had discovered a “universal code” that all businesses could use profitably.  

82 Ford proudly related how his company was able to continue increasing wages even through years of economic depression.  

83 Lee Iacocca, who worked for each of the Big Three, and Robert Lutz (General Motors) both highlighted the exceptional nature of the industry and its individual companies.  

84 The “head guys” at the automakers, according to one author, “trafficked in bravado and charisma,” selling their companies to sell the cars.  

85 If industry representatives did not shy away from braging about their exceptional industry there is no reason to suspect they would reject a presidentially

82 “I am now most interested in fully demonstrating that the ideas we have put into practice are capable of the largest application – that they have nothing peculiarly to do with motor cars or tractors but form something in the nature of a universal code... I want to demonstrate it so thoroughly that it will be accepted as a natural code.” Henry Ford and Samuel Crowther, My Life and Work (Garden City, NY: Garden City Publishing Co., 1922) 3.


84 See the discussion of each in Johnson, Six Men Who Built the Modern Auto Industry.

authored version of that history that sounded just as exceptional. In fact, auto executive behavior suggests that presidential attempts to secure support from the constituency through praise might be very well received. At the very least, it is difficult to imagine an industry so confident and vocal about its exceptional nature embracing anyone that did not profusely agree.

The exceptional version of auto industry past is also not entirely fictional. Like all good stories, the tale of the auto industry has a kernel of truth - many, in fact. The second reason to think the auto industry was primed to accept an exceptional narrative about itself is that, by many measures, the industry has quite an exceptional record. Douglas Brinkley retold the story of Ford Motor Co. and the auto industry in what amounts to honest praise for changing the world for the better.\footnote{Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress.} Brinkley credits the industry with raising wages, raising the standard of living, and helping to build a new middle class. According to Brinkley, Ford’s “five-dollar-day” policy led to a rapid expansion of wages in durable goods manufacturing, prompting praise from workers and rebuke from competitors forced to match them.\footnote{Allan Nevins and Frank Ernest Hill, Ford: The Times, the Man, the Company (New York: Charles Scribner’s Sons, 1954).} David Gartman further argued that the industry provided a salve for the wounds it created: owning stylish automobiles helped the early middle class deal with the indignities of mass production.\footnote{Gartman, Auto Opium: A Social History of American Automobile Design.} These automobiles also contributed to the rise of suburbs and, with the highway system, the freedom of interstate travel.\footnote{Teaford, Cities of the Heartland: The Rise and Fall of the Industrial Midwest.} The auto industry, then, is credited by scholars with prompting important positive changes in American life, and doing so while turning a tidy profit. Members of the auto industry are certainly aware of, and likely proud of, the success that the industry has had and the ways that it has improved the world. It is plausible to think that these members would not see an exceptional presidential narrative as a political story - rather, they might see it as verification of what they already knew.
Finally, a number of works have concluded that there is a culture of exceptionalism in the industry. Some of the leaders are described as so sure of themselves and decisions that they are unresponsive to a changing world or ignorant of their own limitations. Roger Smith, a CEO of General Motors, had a “general obliviousness [that] reflected his isolation from the world outside Detroit,” according to Alex Taylor. Henry Ford, even while described as a “feeble 80-year-old,” insisted that his company was too important for him to step down and let anyone else run it. The industry as a whole has been criticized for being unresponsive to consumer demand, changing supplies of nonrenewable resources like oil, and inherent questions of safety, with this lack of responsiveness ultimately endangering the industry. These arguments are also reflected in media narratives. Robert Monks and Nell Minow provided an apt description of the culture of exceptionalism in the industry:

GM was the premier car company in the world for so long that it failed to see the need for change. The company was so used to being leader that it couldn’t contemplate following others. It was this mindset, this overwhelming belief that it was GM’s divine right to be the most successful automobile company on earth that condemned the company to two decades of disaster.... GM… became living proof of the old boxing maxim: the bigger they are, the harder they fall.

92 Edwards, Dynamics of the United States Automobile Industry 127.
While this passage references GM specifically, it speaks broadly to the trends that have contributed to the notion that the industry’s successes have actually hamstrung it for the future. I posit that presidents have constructed an identity for the constituency of the domestic auto industry, but if such a narrative were to be dramatically rejected by an industry that did not agree, such presidential attempts would be irrelevant. That was not the case with the domestic auto industry: its leaders described the industry as exceptional, the industry has objectively had an exceptional history, and many outside the industry see it as a gross case of exceptionalism. It is safe to say that the domestic auto industry would accept, and perhaps adopt, practically any positive story a rhetor told about it. For a presidential candidate or incumbent, this meant that the deep history available as an invention resource could be widely manipulated. A rhetor could shape that past in almost any way, so long as it remained positive, in hopes of praising the industry and gaining its support.

Before proceeding to a discussion of the work of this dissertation it is worth summarizing where my usage of the literature has brought us thus far. I began with presidential rhetoric, arguing that it was a valid addition to the work describing the auto industry. Next, I argued that the political imperative for presidential candidates and incumbents meant that they would choose constituency groups with support to offer and address them, largely in positive ways, in hopes of securing said support. Next, I drew on literature about collective identity construction to argue that presidential attempts to win support via praise can be part of or contribute to politically useful identities that they construct for constituencies. This would involve, by necessity, I argued, strategic usage of collective memory and some intentional collective forgetting. Yet presidents do not speak in a vacuum, so next I drew on literature on the rhetorical presidency to argue that such speech is part of broader, institutional legacies - presidents inherit and bequeath
traditions, including, perhaps, the ways that certain groups are addressed. This led to the case of the domestic auto industry, which in many ways, I argued, was ripe for accepting an exceptional version of its own history and identity. This dissertation uses the case of the domestic auto industry to demonstrate a broader phenomenon likely at work between the presidency and a number of institutions: institutionalized speech. Over time, across party lines, presidents speak to certain constituencies in consistent ways in order to secure support. That speech draws on history, shapes collective identity, and serves as a rhetorical legacy that, with each successive president, eventually becomes powerful enough to shape or even determine material action. In the next section, I explain the work of this dissertation. The auto industry is my case, but only the first. In each, institutionalized speech helps us better understand why and how certain groups are defended, protected, and praised, regardless of political party, situation, or time.

1.2 Presidential Rhetoric About the Auto Industry

In the following sections, I explain the work in this dissertation. I begin by detailing how I chose and attained my objects for analysis and what material I used to supplement the analysis. Next, I map out the chapters to follow, providing a preview of the overall historical and rhetorical work I complete in each chapter.

1.2.1 A Century of Texts

In order to understand the complicated relationship between the domestic auto industry and the presidency over time, and to be able to make any attempt to understand how that relationship has evolved and what it might become, we must closely examine the ways the two institutions interacted. This demands a close analysis not just of the recent speeches of George W. Bush and Barack Obama on occasion of rescuing the industry from collapse, but rather of the entire sweep of historical interaction between the institutions. This dissertation is based on the
entire history, not just the most recent events, because the latter is a manifestation of the former. To that end, I examined presidential rhetoric to and about the domestic auto industry over the last one hundred and twenty years.

I attained the bulk of the analyzed texts using an online database of presidential speech: the American Presidency Project. I employed keyword searches to identify a body of speech-texts that referenced the industry, which resulted in thousands of documents. I discarded texts that mentioned autos or the industry in insignificant ways. The result was a body of roughly 300 speech-texts, many of which involved a president addressing an auto industry audience or speaking at length about the industry. Of those, the most significant are used as examples in the chapters ahead. Many of these texts were carefully and strategically drafted, and in those cases, I supplemented my analysis of the texts themselves with insight gained from drafts or other documents attained at the relevant presidential archives of Nixon, Carter, Reagan, Clinton, and Bush. In order to better understand the context in which these speeches were crafted, I supplemented this body of texts further with multiple additional sources. These included, for example, books on the relevant periods of American history, books on the relevant social movements or forces at work, dozens of books about the history of the auto industry, news articles, news organization created transcripts of presidential candidate debates, and autobiographies and biographies about presidents and administrations.

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98 This online resource is the only one that has indexed for search the Messages and Papers of the Presidents: Washington - Taft (1789-1913), the Public Papers of the Presidents: Hoover to Bush (1929-1993), the Weekly Compilation of Presidential Documents: Clinton - Obama (1993-2009), and thousands of other presidential documents, including Office of the Press Secretary press releases. See: Gerhard Peters and John T. Woolley, The American Presidency Project, 2009, The American Presidency Project Available: http://www.presidency.ucsb.edu/.

99 Search terms include the following: (primary) Detroit, auto, automobile, auto industry, car, truck, SUV, Chrysler, Ford, General Motors; (secondary) Midwest, Michigan, union, United Auto Workers, UAW, pollution, emissions, mpg, fuel efficiency, safety, airbag(s), seatbelt(s); (tertiary) manufacturing, production, National Highway Safety Administration, Department of Transportation

100 For example, the phrase “We arrived by automobile this morning...” does include a search term but does not reference the industry in a significant way. Such speech-texts were discarded if the only reference was insignificant.
Although there is a significant amount of historical information in this dissertation by design, the value added comes from the rhetorical analysis of presidential speeches situated in that history. Throughout, I sketch the history in order to best understand the situation each president was presented with, including both the relevant material demands and political implications. With this history in hand, I analyze those speeches (and when possible, the drafting process that created them) in order to understand what presidents did in response to the situation. As times changed, so did the rhetorical strategies of each president, but the sum of my individual analyses in this work shows how each variable approach in time contributed to the emergence of broader patterns: the shaping of an exceptional history and identity for the industry, the defense of that industry against domestic and foreign threats, the justification of intervention on the basis of said exceptionalism, and ultimately, the resources and constraints that intervention and rescue so justified have produced - rhetorical legacies that explain the present and can predict the outlines of the future between these two institutions.

1.2.2 Chapter Outline

The historical and critical work of the dissertation begins with an explanation of how the domestic auto industry, as I titled that chapter, became praiseworthy. From the turn of the nineteenth to the twentieth centuries up until the 1950s, the domestic auto industry had four major claims to praiseworthiness. The first claim is that the domestic auto industry created a commodity that was rapidly adopted, widely used, and that improved the nation. Second, the domestic auto industry served the nation by producing war matériel as the arsenal of democracy. Third, cooperation between the labor movement and the domestic auto industry helped to improve working conditions and compensation for work. Fourth, the domestic auto industry helped to build an American middle class. By the 1950s, presidents had selected enough useful
material from history to portray a consistently exceptional version of the auto industry when such was needed, as it might have been, for example, when a president needed to appeal to that constituency for support. Of course, a different account of the events, which I examine in that chapter, demonstrates the extent to which presidents had to force the absence of important historical facts - presidents had to ignore or forget certain things in order to be able to remember and relate a politically useful version of the past. The industry became praiseworthy over this period of time, at least in presidential speech, due to the careful erasure of that which was blameworthy from the narrated history. I show how presidents approached the industry out of political necessity, addressed the groups within it in positive ways, and ultimately constructed an exceptional identity for the constituency as a unified whole. My analysis includes how themes and stories became an identity, and how the domestic auto industry is ultimately an ideal case to see this process at work.

The next substantive chapter is called “Shifting Blame” in order to reference a dominant tactic during the intervention era between government and the domestic auto industry. The 1960s and the 1970s were challenging for the industry, in that during these decades national movements took interest in and demanded action to control the by-then mega corporations. The environmentalist movement wanted government to regulate how efficient and clean automobiles were, while the consumer safety movement wanted government to create mandatory safety standards for automobiles. Presidential response was slow and at times reluctant. After examining the actions taken by the legislative and executive branches to regulate the auto industry and analyzing presidential speech about those regulations, I argue that, in order to maintain the political and financial support of the auto industry constituency, presidents gave in to industry demands in the implementation of said regulations. In addition, rather than adopting a
confrontational approach, Johnson, Ford, and especially Nixon, defended the industry. Together, these presidents positioned the industry as the solution to the problem rather than its cause, distributed blame away from automakers to implicate all Americans, externalized problematic actions to redirect anger away from the executives, and subsumed regulatory concerns under an economic argument, claiming that the industry must always remain profitable because of its economic importance to the country. By the end of this period, a pattern emerged in the relationship between the presidency and the auto industry: presidents were willing to regulate the industry to quiet advocacy groups but defended the industry at the same time. While defending the industry, presidents made reference to the praiseworthy identity and history crafted by predecessors. I argue that this pattern demonstrates that the praise of the industry had become institutionalized in the presidency: multiple presidents across time and party rely on the praise to explain action towards the industry, all in an effort to maintain support. Rather than adopting an adversarial or even a neutral stance vis-à-vis automakers, the presidency stood with them.

The third chapter covers the period of direct intervention prompted by the auto industry’s struggles in the 1970s and 1980s. Compliance with further regulations combined with new forces pulling at the industry’s economic model: foreign competition, the rising price of gasoline caused by successive oil shocks, and national economic stagflation. As is often the case in such situations, the industry looked to government for assistance. Yet the auto industry was special; unlike many industries, it had decades of presidential praise to point to as justification for intervention. I explain how Jimmy Carter and Ronald Reagan, very different political figures in many respects, both violated previously articulated political beliefs in order to rescue the industry and maintain its political and financial support. I argue that Carter violated his commitment to responsibility and restraint to bail out Chrysler, while Reagan violated his
commitment to free trade and free enterprise to protect the industry from competition. Each justified such intervention by referencing the praiseworthy identity created by predecessors. I argue that while Carter and Reagan certainly could have chosen not to intervene and accepted the consequences of lost support from that constituency, the choice to intervene and justify such action with reference to the praiseworthy identity cemented the relationship between the presidency and the domestic auto industry. Following the Carter and Reagan administrations, an incumbent would not only have to counter the praiseworthy identity in refusing to help the industry as needed, he would also have to explain why intervention from Carter and Reagan was warranted but further intervention was not. Although George H.W. Bush and Bill Clinton did not need to intervene, they contributed to this dynamic as well. With no necessity for action, each reverted to perfunctory campaign praise on the occasion that each visited an auto factory. The near collapse of the industry faded from memory during the next two administrations, while the praiseworthy narrative was further reinforced in presidential speech. By the end of the Clinton administration, the rhetorical legacy was in place, providing resources and constraints to future incumbents and shaping the boundaries of interactions between the presidency and the industry. If things were good for automakers, typical campaign praise would do. Yet when the industry was in trouble, the president practically had to intervene and publicly defend that intervention.

The fourth chapter examines recent history, including the most recent intervention to save the industry from itself and the world during the administrations of George W. Bush and Barack Obama. I analyze the interventions and the rhetoric surrounding them to argue that Bush and Obama repeated and reinforced the patterns and tactics of predecessors for dealing with the auto industry - each relied on the legacies passed down through the institution of the presidency as a guide for what to do and what to say about it. Bush declared himself an unwilling participant in
an exceptional situation, yet still declared intervention necessary and the industry worth saving. Obama argued that the industry deserved the aid of the American people for its past, that we were obligated to act to save the industry, and in addition, that the government had to guarantee industry success. The Bush and Obama interventions demonstrate mature institutionalized speech, especially in Obama’s near total reliance on the auto industry rescue as a warrant for reelecting him to a second term.

I conclude the dissertation with a chapter discussing the concept of institutionalized speech. In the case of the domestic auto industry, institutionalized speech explains why the industry consistently received aid and praise decades after the justification for either eroded. It also predicts the boundaries of the relationship between the presidency and the industry going forward. Setting the case of the domestic auto industry aside, I explain the structure of institutionalized speech as it might apply to other cases, mapping the requirements other cases need to satisfy and the stages such might progress through as institutionalized speech between them and the presidency developed. Finally, I discuss the implications of the present work for the theoretical conversations from which it arose: presidential rhetoric, epideictic rhetoric, the rhetorical presidency, rhetorical history, collective identity, collective memory, and circulation.

Our understanding of how rhetoric evolves in institutions is enhanced with a demonstration of the institutionalization of speech in a special, but not unique, case like the domestic auto industry. This work adds to our understanding of how presidents, in certain cases, become rhetorically and materially trapped by legacies from the past. Also, our understanding of the collapse of the domestic auto industry benefits from a consideration of the rhetorical dimension. Specifically, no understanding of why Detroit stumbled, fell, and stayed down (or struggled to rise) is complete without consideration of rhetoric from presidents over time.
2 BECOMING A PRAISEWORTHY INDUSTRY

The strikingly consistent presidential rhetoric about the domestic auto industry, over time and across party lines, is consequential. This rhetoric paints a positive, if illusory, picture of the industry and those who work in it. Presidents participating in the recitation of auto industry strengths may be merely attempting to build favor or win votes, but the act of recitation reinforces the “truth” of the positive image. Over time, the history of the industry was reworked into a politically useful heroic identity and mythical past through presidential speech. This chapter explains how that identity formed. The title of this chapter, “becoming praiseworthy,” references my argument that the industry is not just praiseworthy per se. The industry had to become so, a process completed by the 1960s. Between 1910 and 1960, the industry did things that were, indeed, worthy of praise. More importantly for my purposes, presidential speech highlighted the best aspects of that history, erasing or excluding others, contributing to the creation of an identity that was exceptional. Collective identity, such as the identity of the domestic auto industry, relies on collective memory. Collective memory in turn depends on collective forgetting – the forced absence or intentional forgetting of important historical facts. For political purposes, in order to secure support from the increasingly powerful groups within the auto industry, presidents from Theodore Roosevelt to Lyndon Johnson forced the absence of aspects of auto industry history, highlighted the best aspects, and contributed to a mythic identity built on a fictional, heroic past. This identity became the basis for explaining regulatory approaches in the 1960s and justification for intervention in the 1970s.

To support this argument, this chapter establishes a more complete picture of the industry’s past. I examine four themes of auto industry history: the acceptability of automobiling, wartime production, the labor movement, and racial division. Each is important because of the
glaring absence of certain aspects of the past - each is a specific version of history that reinforces an exceptional view of the industry. In the first section, I focus on the rise of the auto as a material commodity and how automobiling moved from being a hobby for the rich that incited class tension to something deemed at once “for the workingman” and “presidential.” In the second section, I explain how the auto industry came to be known as the arsenal of democracy, including an analysis of the ways in which the meaning in that phrase changed over time. Next, I analyze the history of the labor movement in the auto industry, focusing on the violence that preceded the “historic” agreements between management and union and the reputation the industry built as being particularly receptive to collective bargaining. Finally, I detail the auto industry’s reputation for helping to build a middle class in tandem with its relatively forgotten record of instigating intense racial animosity and violence.

In each section, I explain how presidents described the industry. I pay particular attention to those aspects of the history that are left out, arguing that forgetting certain elements is crucial to the construction of a useful political constituency. Each section covers a specific period of time necessary to show an evolution in the way presidents talked about that theme. This chapter ends with the 1960s, at the end of the golden era for the industry. The good years lasted long enough to establish the industry as praiseworthy in American political culture and in the rhetoric of American chief executives. Following this period, presidential candidates and incumbents are able to reference a sanitized, praiseworthy identity and history, as each continues to seek support from the constituency.

2.1 Automobiling, the Model T, and the Presidential Image

The domestic automobile industry enjoys a glorified birth narrative. The story begins with poor geniuses on farms, tinkering with tools in the barn or shed, producing early motorized
carriages that thrilled the first drivers. Not long after, the story goes, the Model T was born, and with mass production techniques, geniuses put America on wheels. This version of early industry history is worthy of praise; it speaks to ideas about American ingenuity, resourcefulness, and the ability of one dreamer to change the world. As such, this version of the history is perfect for a presidential candidate or incumbent looking for ways to praise the industry constituency in hopes of securing support. In order to do so, though, such rhetors must make use only of the most sanitized and glorified version of the history. In this section, I flesh out the rest of that history, forgotten in presidential speech, possibly because it did not paint a praiseworthy picture of the industry, and therefore would be no use in securing support from the praised group. In truth, the early automobile industry was derided by many, early automobiles were seen as dangerous abominations, and early presidents refused to ride in them because it was not “presidential.” By the Wilson and Harding administration, the success of the Model T and the proclivities of a series of presidents combined to make autos both “presidential” and a boon for the masses.

The latter third of the 1800s, the “Gilded Age” of the United States, was a period of rapid economic growth and technological achievement that created a new generation of wealthy businessmen by the 1880s and 1890s. The Gilded Age ended with the Panic of 1893, which lasted until 1897, and ushered in the rise of the Progressive Era. At the turn of the last century, then, the American political climate was characterized by a transition between an era of extravagance, extreme wealth, and corruption to an era of government reform, social activism, and emphasis on improving the condition of the working class.  

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101 See, for example: Ballard C. Campbell, The Human Tradition in the Gilded Age and the Progressive Era (Wilmington, DE: Scholarly Resources, 2000).
included the birth of a commodity that exacerbated tensions between the wealthy and the masses: automobiles.\(^\text{102}\)

In 1900, the fledgling domestic auto industry could not have been more different than the one we know today. The industry was disorganized, economically insignificant, and employed ad hoc solutions to technological problems in small-production workshops. Spread across the Northeast and Middle West of the United States, automobile pioneers tinkered with electric, steam-powered, and “explosion” engines to add on-board power to the horse-drawn carriage.\(^\text{103}\) Prior to 1900, “horseless carriages” were quite literally a hobby industry. Hobbyist tinkerers and mechanics produced custom vehicles sold as hobby-toys for the wealthy. Just as the Gilded Age came to an end and Progressivism began to take root in the United States, the superrich discovered the joy of speeding along the few early roads in motorized carriages.

It is no surprise, then, that much of the early sentiment amongst the general public towards automobiles was largely negative. The vast majority of Americans could not afford the hobby-toy of the rich. Moreover, those in rural areas saw the early automobiles as a threat to their livelihood. To fight the threat of autos, people blocked roads with debris, dug trenches to deter driving, and even fired rifles at motorists to frighten or injure them.\(^\text{104}\) As the industry took hold and thousands of small shops were set up to build specialty automobiles, more rich motorists meant a larger threat for everyone else. In 1906, an anonymous author in the North American Review wrote “the rich prefer to buy immense cars which take almost all of a narrow street or road, and to drive them on all streets, narrow or wide, at such speeds as imperils [sic]...
the lives and limbs of everybody in their path."\textsuperscript{105} The author’s contempt for motorists is palpable, while also speaking to one of the many ways that the poorer masses felt against the superrich, as society moved from the Gilded Age to Progressivism.

Early automobiles were dangerous, with little safety precautions taken for drivers and even less thought given to pedestrians. Roads were designed for horse, carriage, and foot traffic— not the speed and size of autos. Autos were also a nuisance for other reasons, including the considerable noise they created. Yet early automobilists drove autos anyway, careening around town and the countryside in their expensive toys. The very nature of driving autos, its public- ness, its intrusion on others, its unabashed cost, contributed to the negative sentiment against it. For example, while president of Princeton in 1906, the future President of the United States Woodrow Wilson said “nothing had spread Socialistic feeling in this country more than the use of automobiles. To our countryman they are a picture of arrogance, of wealth with all its independence and carelessness.”\textsuperscript{106} Wilson, no poor man himself, was less concerned with the usage of wealth than with wealth publicly flaunted, publicly abused. Wilson depicted autos as a flagrant attack on the senses and sensibilities of the working class by those too rich to care.

In 1900, just before Theodore Roosevelt assumed office, there were 8,000 registered automobiles in the United States.\textsuperscript{107} Thousands of small shops started to build autos, largely out of standardized components, even though many of those shops failed before having produced and sold a car.\textsuperscript{108} Still, a select group of producers were successful, steadily increasing the number of drivers on the roads.

\textsuperscript{106} Quoted in Gartman, \textit{Auto Opium: A Social History of American Automobile Design} 16.
\textsuperscript{107} Brinkley, \textit{Wheels for the World: Henry Ford, His Company, and a Century of Progress} 118.
Roosevelt, in office while automobiling became a popular hobby for the rich, shared in the derision for automobiles and those who drove them. According to historian Michael Bromley, Roosevelt exhibited a “public revulsion” toward automobiles. Roosevelt, while wealthy, wanted to be seen as a man of the people and the people could not afford automobiles. The image of the automobilist ran contrary to the image Roosevelt carefully crafted for himself. For Roosevelt, the strenuous life was the life worth living. He was, according to Leroy Dorsey, “obsessed with physical power” and a “rough-and-tumble grit.” Automobilists were not physical men. They had no “grit.” Rather the opposite: they were associated with “effete dandyism.” Roosevelt carefully crafted an image of himself as a frontiersman, Rough-Rider, and sportsman, images antithetical to automobiling.

Roosevelt’s frontiersman image qualifies as what Trevor Parry-Giles called a political image, a rhetorical marker of character. These kinds of images are crafted, sometimes more carefully than others, to represent a certain ideal or myth in the hope of gaining a crucial constituency or broad national appeal. According to H.W. Brands, the frontiersman image was successful because it did just that: it connected Roosevelt to a romantic past, resonating with Americans to make him the political phenomenon of his day.

The image of Roosevelt atop a horse in military regalia, armed with a rifle and exuding confidence, was no accident. Roosevelt’s “strenuous life,” his image as frontiersman, was

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110 Dorsey, We Are All Americans, Pure and Simple: Theodore Roosevelt and the Myth of Americanism 23.
according to Dorsey a direct response to the closing of the American frontier. In the wake of what has come to be known as Frederick Jackson Turner’s “frontier thesis,” Dorsey argued that Roosevelt tried to personally reinvigorate the frontier myth at a time when Turner claimed that it was gone. Roosevelt embodied the romantic era of farm and ranch work, the open range, the forest and the stream. Roosevelt’s chosen presidential image was oddly a forward-looking solution for the future that demanded a nostalgic return to a lost past. The automobile, which undeniably competed with equestrianism, and with physical exertion and honest work, could not align with the Rough Rider image. Roosevelt, recognizing this, rarely even rode in automobiles while in office and refused to purchase one for the White House.

When William Howard Taft was elected to succeed Roosevelt, one of the (arguably less pressing) decisions he would have to make was whether or not to be the first president to ride in automobiles. His predecessor had harangued against riding in automobiles because it was effete, out of line with the presidential image Roosevelt had crafted as the solider-frontiersman. Others had importantly accused the industry of exacerbating class tension by flaunting wealth. If Taft decided to become the first motoring President, he might face political consequences. The first motoring president would have to deal with how autos were understood at the time: a show of extravagance, dangerous, unmanly, and not “presidential.”

Yet the industry was changing. During the Roosevelt administration, even as rural residents, Roosevelt, and Wilson took “shots” at the motorists, Henry Ford was designing a car for the masses. The rich hobby-toy, for Ford, should become instead a tool and a pleasure for the working public. On October 1, 1908, Henry Ford introduced the Model T, advertised as a vehicle

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115 Dorsey, We Are All Americans, Pure and Simple: Theodore Roosevelt and the Myth of Americanism
117 Bromley, William Howard Taft and the First Motoring Presidency, 1909-1913 32.
for the city dweller to use to enjoy the pastoral world. The hobby-toys that Roosevelt derided were still around. Yet by the time Taft assumed office in 1909, Model T cars appeared on streets all across the country. There were 500,000 autos on the road by 1910, many of them embraced for value as a workhorse on the farm.\textsuperscript{118}

Freed somewhat from Roosevelt’s anti-auto legacy by the for-the-masses Model T, Taft began crafting a presidential image that moved away from the shadow of the horse-mounted frontiersman. Of course, Taft was not Roosevelt and everyone knew that. But Roosevelt’s popularity and charisma had influenced what it seemed to mean to be presidential. For Taft, moving away from this involved two things: the visual image of the president actually riding in an automobile and enjoying it, and verbal support for the new understanding of automobiling taking root in the country. It is worth considering each of these in turn.

First, Taft rode in automobiles. Taft \textit{loved} to ride in automobiles. While at the White House he and his wife made regular use of four different ones, riding to banquets, around town, and on leisure rides away from the city.\textsuperscript{119} Any president coming into office at around the time the Model T spread across the country might have chosen to make use of autos simply as a more efficient mode of transportation, thereby becoming the first motoring president. Taft went beyond that; he frequented auto races, in so doing demonstrating that it was “presidential” not only to ride in an auto but to enjoy watching others do so.\textsuperscript{120} In choosing to publicly associate himself with this new form of entertainment, Taft helped make automobiling more “presidential” even as he unofficially encouraged such for ordinary citizens.

\textsuperscript{118} Brinkley, \textit{Wheels for the World: Henry Ford, His Company, and a Century of Progress} 118, 27.

\textsuperscript{119} Taft had the White House stables repurposed as a garage for maintaining automobiles. Bromley, \textit{William Howard Taft and the First Motoring Presidency, 1909-1913}.

\textsuperscript{120} Brinkley, \textit{Wheels for the World: Henry Ford, His Company, and a Century of Progress} 116.
Second, Taft publicly praised the potential autos had to change the world for the better. Whereas Roosevelt (and Wilson, at Princeton) criticized the automobile for what it had been, Taft emphasized what it could become, arguing that “the automobile coming in as a toy of the wealthier classes is going to prove the most useful of them all to all classes, rich and poor.”

Taft thus turned the most powerful criticism of automobiling against itself. Since a mass produced auto would be cheaper, it would be available to more than just the rich. It represented not a division between rich and poor but rather something useful for workers that might improve their lot - both as an affordable source of entertainment and as a tool for maximizing efficiency on the farm. Autos were the future, and Taft embraced them as such.

Taft’s vocal support for auto production extended to its potential to employ. Mass production of Model T autos, for example, demanded many more workers than the craft production of 1895-1905, which would provide many new jobs and generate new wealth. The automobile, for Taft, meant “an industry that contributed greatly to the wealth of this country, and adds much to its manufacturing product.”

Automobiling came within reach of the masses while auto manufacturing grew the economy, leading Taft to declare that “we live in the Age of the Automobile.”

Taft did not just relate the joy of riding in autos; he actively championed the automobile as a symbol of progress and advertised automobiling as a boon to the country rather than a threat. By declaring the Age of the Automobile, Taft cast the anti-auto crowd as out of touch with the present and future.

Throughout the Taft administration, the young auto industry grew significantly. The Ford Motor Company dominated the industry, producing Model T cars at seeming break-neck speed.

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121 Bromley, William Howard Taft and the First Motoring Presidency, 1909-1913 232.
122 Bromley, William Howard Taft and the First Motoring Presidency, 1909-1913 5. While campaigning for president in 1908, Taft called the manufacture of automobiles “one of our leading industries,” (49).
123 Bromley, William Howard Taft and the First Motoring Presidency, 1909-1913 221.
By 1911, a quarter of all the autos sold in the world were Fords.\textsuperscript{124} By the end of Taft’s term in 1913, Ford produced 1,000 autos a day, more than the next ten largest U.S. automakers combined.\textsuperscript{125} The automobile was attaining a normalcy not possible during the Roosevelt administration, and therefore it was easier for a given president to support autos.

Throughout this period, Taft worked visually and verbally to craft an image of a presidential auto enthusiast. The once clear-cut dichotomy between a Rough Rider president and the extravagant display of wealth in automobiling drowned in a wave of Model T Fords. Some were reluctant to publicly welcome automobiling, but with Taft’s embrace of the auto, newspapers were “suddenly full of names and notices of prominent men and women becoming automobile owners for the first time – or admitting it.”\textsuperscript{126} The presidential auto enthusiast helped make automobiling seem acceptable; at the same time the Model T made owning an auto useful. Once President Taft mounted the Great Seal on the side of White House automobiles “the right thinking and [those] in the halls of Congress” could openly discuss motoring.\textsuperscript{127} Between the new Model T and the new image of a presidential auto enthusiast, automobiling became more acceptable for Americans in every economic stratum.

Perhaps Taft’s most important contribution to burnishing the image of the automobile industry and automobiling was his address to the Automobile Club of America in December, 1911. In that speech, Taft almost casually said “I admit that the general Government had the power to build roads for the purpose of promoting interstate commerce. It has already done so.”\textsuperscript{128} This statement, according to Bromley, changed road-building from a government

\textsuperscript{124} Anonymous, "An Emphatic Anniversary," Ford Times 1911.
\textsuperscript{125} Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 181.
\textsuperscript{126} According to Bromley, the presidential seal on the side of an automobile allowed others to openly discuss motoring. Bromley, William Howard Taft and the First Motoring Presidency, 1909-1913 5, 98.
\textsuperscript{127} Bromley, William Howard Taft and the First Motoring Presidency, 1909-1913 5.
responsibility, to maintain “post-roads” or to build memorial roads, into a congressional power under the commerce clause of the Constitution. “From this simple, sweeping admission,” Bromley argued, “Taft decreed the legality and inevitability of the Federal Aid Road Act of 1916 [and] the Federal Highway Act of 1921.”\(^{129}\) If Congress had the right to act on behalf of promoting interstate commerce, it could build roads. If Congress could build roads, it could use taxes to pay for those roads. If roads were good for interstate commerce, highways could be better, and so Congress must be allowed to spend tax money to build those as well.

With a legal justification in place, the popularity of the Model T made road construction a principal activity of the government: In 1920 alone, road construction was the second largest government expense.\(^{130}\) In the space of twenty years, roads had gone from threatening the last vestiges of American frontier to providing new frontiers.\(^{131}\) Autos had gone from threatening the horse, symbol of the frontiersman, to opening new wide-open spaces of leisure and exploration to the working class. This meant that by the time Woodrow Wilson assumed office, he did not need to publicly defend his use of automobiles. The Model T changed impressions of what autos were for and Taft helped to make automobiling seem more acceptable. Automobiles were everywhere, and people of all classes could be seen riding in them. Wilson proved an automobile fan while in office and Warren Harding became the first president to ride in an auto during his inauguration procession. For Harding, as for Wilson, the debate over automobiling was moot – they rode in autos openly, as did a rapidly growing segment of Americans.

\(^{129}\) Bromley also sees the 1956 Interstate and Defense Highway Acts as an effect of this early legal justification, although, of course, it is important to add that these Acts were advanced on the basis of strengthening national defense by enabling troops and war materials to move freely across the country, rather than as way to improve interstate commerce. See: Bromley, William Howard Taft and the First Motoring Presidency, 1909-1913 234.

\(^{130}\) Education was the largest. See: John B. Rae, The American Automobile Industry (Boston: GK Hall, 1984) 8.

\(^{131}\) First wave frontiersmen “tamed” what they saw as wild. Second wave frontiersmen built roads to the “tamed” places to speed settlement, threatening the pristine nature of the wild. By 1920, road building projects opened up new “frontiers” the everyday American could enjoy in still limited leisure hours. See: Dorsey, We Are All Americans, Pure and Simple: Theodore Roosevelt and the Myth of Americanism 5.
The image of Roosevelt the Rough Rider on a horse, taming the frontier, was “presidential” at the turn of the last century. At that time, autos were viewed as extravagant, dangerous, and cause for resentment. By 1924, government was empowered to build roads, Ford produced the ten millionth Model T, and the symbolically important presidential inauguration parade featured automobiles. In those days, Americans under thirty could remember the early 1890s, when not a single car could be found. The automobile eventually become ubiquitous in the United States and a crucial component of presidential security and public appearance.

Previously, I argued that in order to contribute to the construction of a politically useful collective identity, a speaker would tell a story about the past that excluded certain negative aspects. In the case of the early auto industry, the president would have to tell a version of events that minimized the early contempt and derision many had for the product. It is during this period that the automobile as a commodity became acceptable, and in fact, praiseworthy.

Roosevelt, Taft, Wilson, and Harding lived through the transition of automobiles from hobby-toys for the superrich to the ubiquity of Tin Lizzies, and during that transition, each played a role in the way automobiling connected to the office of the presidency. When later presidents refer to this period of history, and they do, it is with a convenient focus on the second half of the relevant period. In order to gain support from the auto industry, presidents shape the narrative into its most praiseworthy form: the industry vastly improved the quality of life and leisure with its product. Incorporating a version of praise for the auto and how it changed American life for the better necessitates that those future presidents ignore the earlier years of this period; they must ignore the intense negative reactions against automobiling. To claim autos

132 Contemporary presidential events, and essentially any time the president is transported on the ground, involve the presidential motorcade, featuring one of a few specially designed presidential cars.
133 “In their mere three decades, they had seen auto manufacturing evolve from a back-shed hobby into the biggest industry in the United States.” Brinkley. Wheels for the World: Henry Ford, His Company, and a Century of Progress 272-73.
were a boon for the workingman, presidents must “forget” that that autos were viewed as an openly arrogant display of wealth. We must forget that the initial origin of the industry as a whole was creating hobby-toys for the rich, not useful transportation. By focusing on the eventual success and popularity of the Model T, future presidents effectively erase the actual, but less pleasant, birth of the domestic automobile industry. This process of erasure, of removing aspects of the history because they do not fit the desired political story, is evident in the next important area of auto industry history, war production, to which I now turn.

2.2 War Production: Not Your Grandmother’s Arsenal of Democracy

For contemporary scholars like Julian Zelizer, the arsenal of democracy was about much more than the significant war production of the domestic auto industry. The phrase is certainly not synonymous with Detroit or the auto industry. In the six hundred pages of Zelizer’s *Arsenal of Democracy*, the auto industry is not singled out from broader references to industrial war production and no single automaker is mentioned by name.\(^{134}\) *Detroit’s Wartime Industry: Arsenal of Democracy*, by Michael R.W. Davis, has a title that seems to suggest a central role for the auto industry or the city in the broader arsenal of democracy. Yet Davis argued that the industry and city were only a small part of the story, a part he happened to highlight in his book.\(^{135}\) Arthur Herman’s *Freedom’s Forge* said much the same: Detroit was important, but not the whole arsenal.\(^{136}\) In A.J. Baime’s *The Arsenal of Democracy*, Detroit and the relationships within the Ford family define the overall narrative of the book, but Baime suggests that such is


merely a storytelling convention in his introduction.\textsuperscript{137} In contemporary presidential address, though, presidents frequently credit Detroit and the auto industry for the arsenal of democracy, as I discuss in later chapters. Here, I trace the origins of that claim.

Bruce Gronbeck argued that “the professionalization of history has created gaps between academic historians’ and public readers’ versions of the past.”\textsuperscript{138} The “gap” between what historians “know” about our past and what we as a body politic think we know is crucial; it provides inventional material for politicians to use to political advantage. Of course, this entire chapter is directed at elements of the past forgotten in the present and so Gronbeck’s “gap” applies to the entire history of the auto industry. Still, it is particularly important to note it in a discussion of the arsenal of democracy, because the gap between Franklin Delano Roosevelt’s use of the phrase arsenal of democracy and how the term is used today is vast. In this section, I examine the history of auto industry war production. I focus specifically on an explanation of how the term has shifted from Roosevelt’s usage to the version evident by the time of the Kennedy administration, which is the version generally employed today. I argue that the version of the phrase in use by the Kennedy administration is a move away from the original condensation symbol, one that erases key aspects of history. It cannot function as a label making the domestic auto industry praiseworthy unless we “forget” four things. First, automakers did not want to produce war materials. Second, automakers only did so because the government forced them to. Third, automakers were not universally good at war production. Fourth, automakers were only one kind of producer in a much broader national collaboration.

\textsuperscript{137} A. J. Baime, \textit{The Arsenal of Democracy: FDR, Detroit, and an Epic Quest to Arm America at War} (Boston: Houghton Mifflin Harcourt, 2014).
Despite the identification of FDR with the term, tracing the deployment of the phrase “arsenal of democracy” cannot begin with Roosevelt. Rather it must begin with Henry Ford and World War I. Representing the largest automaker in the country, Ford’s opposition to war production at all costs is emblematic of the industry’s general resistance to shifting from domestic to war-time production when asked, although Ford was the most extreme example of such behavior. So it is instructive to examine Ford’s response to war in Europe well before FDR’s speech calling for an arsenal of democracy.

In July of 1914, following the assassination of Archduke Franz Ferdinand and Serbia’s failure to live up to the Austria-Hungary July Ultimatum, Austria-Hungary declared war on Serbia. Russia and Germany, concerned about losing influence in the Balkans, mobilized. France and the United Kingdom responded by mobilizing as well. By August, the war engulfed much of Europe and expanded into Africa and islands in the Pacific.\(^{139}\) That same year, the domestic auto industry was still in its adolescence. A few companies had made the transition to mass production but the industry was still largely composed of small automakers making small production runs for a limited group of consumers.

Ford Motor Company was the exception in the auto industry; it was growing, organized, mechanized, and dominated domestic production at the time. Henry Ford, in control of Ford Motor Company, was an outspoken pacifist who believed war was wasteful and destructive.\(^{140}\) Ford, working with Rosika Schwimmer, chartered an ocean-going vessel that came to be known as the Peace Ship. In 1915, along with over one hundred other pacifists, Ford sailed to Europe to


assist in peace talks,\textsuperscript{141} hoping to have soldiers out of the trenches by the coming Christmas.\textsuperscript{142}

Due to the disorganization of the mission, rivalry within its ranks, and the lack of feasibility (or sense) in the notion that an American industrialist could calm territorial and political aggressions dating back centuries, the \textit{Peace Ship} mission failed. Ford came back to the United States defeated but maintained that the war was a travesty and that America must not become involved. Ford maintained such a strong stance against the war he allegedly went so far as to state that he would burn his factory to the ground before he built war materials.\textsuperscript{143}

With Britain at the mercy of the German blockade, importing food to feed soldiers and civilians meant less cargo space on ships to import munitions. Britain needed more tractors, of better quality, to fully cultivate its home soil and feed its people. By 1917, Ford finally agreed to make tractors for Britain, marking the first official auto industry war production.\textsuperscript{144}

Once the United States entered the war in April 1917,\textsuperscript{145} Ford Motor Company, like its smaller counterparts and companies in other industries, contributed to war production largely through the Liberty Engine program.\textsuperscript{146} The government also contracted with Ford Motor to produce 100 Eagle boats ($275,000 each) and pay to upgrade a factory to build them ($3.5 million), but the company was woefully unprepared to mass-produce ships. The process proved too complicated and Ford only finished 60 boats, most after the end of the war.\textsuperscript{147} Still, Ford kept the fee for the entire 100 and used the government factory upgrade funding to create an artificial

\textsuperscript{142} Brinkley, \textit{Wheels for the World: Henry Ford, His Company, and a Century of Progress} 196-97.
\textsuperscript{143} Brinkley, \textit{Wheels for the World: Henry Ford, His Company, and a Century of Progress} 191.
\textsuperscript{144} Ford, true to his pacifism, would not produce weapons, but also produced ambulance chasses and battle helmets for the Allies before the United States entered the war. Brinkley, \textit{Wheels for the World: Henry Ford, His Company, and a Century of Progress} 208-10. See also: Allan Nevins and Frank Ernest Hill, \textit{Ford: Expansion and Challenge, 1915-1933} (New York: Charles Scribners' & Sons, 1957) 55-85.
\textsuperscript{145} Following resumed German U-Boat aggression in 1917 and the famous Zimmerman Telegram.
\textsuperscript{146} Jesse Vincent and E.J. Hall, both engineers working for relatively small automakers, were commissioned to design an aircraft engine for use in military craft with a high power-to-weight ratio. The result, after initial design and a series of feasibility revisions, came to be known as the Liberty engine. American manufacturers produced 13,000 of them by the end of the war.
\textsuperscript{147} Brinkley, \textit{Wheels for the World: Henry Ford, His Company, and a Century of Progress} 216.
deep water port at the Ford River Rouge plant, which ultimately enabled the company to use the massive inland factory as a shipping hub connected to the Great Lakes and the Atlantic Ocean. Henry Ford had learned a lesson: even pacifists can profit from production during wartime.\textsuperscript{148}

Yet Ford was still committed to avoiding war and he backed the plan to build a League of Nations, including running for a Senate seat to help Wilson with the League,\textsuperscript{149} but he lost to Truman Newberry.\textsuperscript{150} Ford was willing to benefit financially in the case that war broke out and he was needed but he also demonstrated continued pacifism.

Thoughts of war production and pacifism largely took a back seat for automakers during the Roaring Twenties but those concerns returned as international conflict turned to surprisingly rapid conquest around the world. Late in the 1920s, Ford did well and General Motors was on the rise, but the bottom fell out for the industry and the whole country in 1929. During the Great Depression, many automakers disappeared entirely as Ford struggled to survive and General Motors barely maintained profitability. At the same time, conflict returned in Europe and East Asia. The Japanese invasion of Manchuria in 1931 and Italian invasion of Ethiopia in 1935 heightened tensions in the United States. Americans weary from World War I and the Great Depression argued that the United States should stay out of foreign events. Roosevelt attempted

\textsuperscript{148} It is worth noting that many of the industrialists that produced materials for the war effort were accused later of pushing for war in order to profit. The “Nye Committee” hearings, so called because they were led by Senator Gerald P. Nye, looked for evidence against the “merchants of death.” No collusion was discovered, but the hearings helped lead to the Neutrality Acts that would tie FDR’s hands at the beginning of WWII. See: Senate.gov, September 4, 1943 - "Merchants of Death", 2014, United States Senate Available: https://www.senate.gov/artandhistory/history/minute/merchants_of_death.htm 6/1/2014.

\textsuperscript{149} Wilson, aware of intense opposition to the League in the United States, especially from Republicans like Henry Cabot Lodge and William E. Borah, asked Ford to stand up for his pacifist ideals at home instead of abroad. Wilson encouraged Ford to run for an open Michigan Senate seat to provide another vote in favor of the League. “You are the only man in Michigan who can be elected and help bring about the peace you so desire,” Wilson wrote to Ford. See: Russ Banham, The Ford Century: Ford Motor Company and the Innovations That Shaped the World, eds. Nancy Cash and Sarah Morgans (Tehabi Books, 2002) 44.

\textsuperscript{150} Ford refused to spend money on advertising and wound up losing the race by a slim margin to Truman Newberry, who had spent hundreds of thousands of dollars during the campaign. Newberry was later tried and convicted under the Federal Corrupt Practices Act for his exorbitant expenditures to win; the verdict was overturned in the Supreme Court but he was still rebuked by the Senate. See: Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 226-33, Newberry V. United States; 256 US 232. US Supreme Court 1921.
to warn Americans that the war would continue to grow and ultimately threaten the United States but, according to Zelizer, Americans were too preoccupied with the domestic economy to care.\footnote{151}{“The response to FDR’s warnings was almost uniformly negative. Americans were more concerned about the Great Depression than saving the world from totalitarianism.” Zelizer, Arsenal of Democracy: The Politics of National Security from World War II to the War on Terrorism 42.} Widespread domestic non-interventionism, pacifism, and isolationism precipitated the adoption of Neutrality Acts in 1935, 1936 and 1939.\footnote{152}{Also, groups like the America First Committee, with 425 chapters and 800,000 members, formed to keep government attention directed at home instead of abroad. For example, Alfred Sloan, chairman of GM, spoke publicly against U.S. involvement. See: Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 453.} As hostilities overseas escalated and Germany, Japan, and Italy signed treaties of friendship, other automakers joined Ford’s anti-war stance.\footnote{153}{For example, Alfred Sloan, chairman of GM, spoke publicly against U.S. involvement. See: Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 453.} The situation grew steadily worse in Europe, Japan invaded China, and Germany invaded Poland in 1939. By 1940, Germany had routed Denmark and Norway and begun invasions of Luxembourg, the Netherlands, Belgium, and France. In the face of Axis victories, President Roosevelt pushed Congress to authorize a rapid expansion of American Army and Navy air wings. Roosevelt wanted 50,000 warplanes ready. The United States only had 500.\footnote{154}{Davis, Detroit’s Wartime Industry: Arsenal of Democracy 7. } Roosevelt called on the auto industry, known for mass production techniques, to rapidly expand the production of military equipment.\footnote{155}{For more on FDR’s appeals to the many different industries that comprised the national arsenal of democracy, see: Bruce Catton, The War Lords of Washington (Westport: Greenwood Press, 1948). Davis, Detroit’s Wartime Industry: Arsenal of Democracy 7. Davis, Detroit’s Wartime Industry: Arsenal of Democracy 7.} Specifically, Roosevelt contacted William Knudsen, President of General Motors, who unlike Sloan and Ford, was not entirely opposed to war and held no personal animosity for FDR. In May 1940, two weeks prior to the Blitzkrieg invasion of the lowlands in Europe, Knudsen left GM to assist in the mobilization of defense production.\footnote{156}{Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 454.} In June he was named Director General of the new Office of Production Management (OPM), with the task of creating a reliable production chain for military needs.\footnote{157}{Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 454. Roosevelt gave Knudsen a commission as a three star lieutenant general. See: Davis, Detroit’s Wartime Industry: Arsenal of Democracy 43.}
Knudsen turned to Ford. Ford, mindful of his last experience, set to work with a government contract to build bombers at a small plant while he reviewed plans to construct a new bomber factory later named Willow Run. Yet Ford, and other automakers, also kept making cars.

As Knudsen directed the ramping up of production capability at home, the war expanded. By December of 1940, Germany controlled France. Britain stood alone in the European theatre. The United States could legally sell munitions to Allied powers under the cash and carry system but many American industrialists, Ford and Sloan included, maintained a non-interventionist stance: they produced what Knudsen asked them to but kept making cars as well, reducing the overall productive capacity for Britain’s needs and American rearmament.

Roosevelt had a plan to deal with automakers, non-interventionists, and others opposed to aid for Britain. On December 29, speaking to what may have been the largest radio audience ever gathered up to that point, Roosevelt outlined his plan: what he called the arsenal of democracy. “We must be the great arsenal of democracy,” Roosevelt argued. “For us this is an emergency as serious as war itself.” Roosevelt engaged in what David Zarefsky called the presidential power of definition. By choosing a definition, Zarefsky argued, a president pleads a case. Roosevelt was thus pleading a case in this famous Fireside Chat, and that case was, among other things, for domestic industrialists to set aside the profit motive and produce war materials for the government. These materials would then be sold to Britain under the cash and carry model and, later, used to strengthen American defense capabilities.

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158 The speech was broadcast in the United States, China, South America, the Soviet Union, and in six languages in Europe. See: Baime, The Arsenal of Democracy: FDR, Detroit, and an Epic Quest to Arm America at War xiv.
160 Zarefsky, drawing on Richard Neustadt, argued that presidential power is the power to persuade, and the power to persuade is itself largely the power to define. Neustadt, Presidential Power, David Zarefsky, President Johnson's War on Poverty: Rhetoric and History (University, Alabama: University of Alabama Press, 1986) 1, 8.
The economic argument, which is the basis of the speech, is not the whole definition. Rather, it is one concept that joined others under the rubric of the arsenal of democracy. Zarefsky, following Edward Sapir, called this kind of definition a condensation symbol, wherein the rhetor “condense[s] into one symbol a host of different meanings and connotations.” The new term or symbol is created from the sum of its parts; though certain parts may be featured more than others in the new construction, each is inextricably part of the whole. The arsenal of democracy, as a condensation symbol, meant more than merely increasing the amount of production. It meant a shifted definition of neutrality necessary for our self-preservation and our responsibility to the people of Europe. It also meant making sacrifices at home in order to succeed abroad. Each of these aspects of the symbol are worth considering in turn.

First, the condensation symbol included a new definition of neutrality. Roosevelt argued that an arsenal of democracy was not direct involvement in the war. “There is no demand for sending an American Expeditionary Force outside our own borders. There is no intention by any member of your Government to send such a force... any talk about sending armies to Europe [is] deliberate untruth.” We were not sending troops, just materiel. Roosevelt clarified, somewhat disingenuously, that an increase in production meant only an increase in sales of materials, consistent with the letter of the Neutrality Acts even as it shifted away from neutrality in spirit.

Second, this legal increase in war production was not, Roosevelt said, to save Britain, but to save ourselves. Roosevelt began by arguing that the purpose of the speech, his plan, and the presidency itself was “to keep you now, and your children later, and your grandchildren much later, out of a last-ditch war for the preservation of American independence.”

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162 Roosevelt, "Fireside Chat, 12-29-1940." ¶20.
163 Roosevelt, "Fireside Chat, 12-29-1940." ¶1.
seem so to Americans in Kansas, but Roosevelt was putting the war on their doorsteps. If we
did not produce for Britain, we would be the next ones fighting the Axis. War overseas was a
“threat to the security of our nation” and “realistic, practical military policy” dictated a
response. Domestic isolationism kept the United States out of direct involvement in the war.
Rather than argue for direct intervention, Roosevelt situated aid to Britain through the arsenal of
democracy in an overall plan to protect the homeland. “There is far less chance of the United
States getting into war,” he said, “if we do all we can now to support the nations defending
themselves against attack by the Axis,” which, in line with the Neutrality Acts, meant
producing supplies and selling them to the Allies.

Third, Roosevelt paired the self-preservation motive inherent in his usage of the arsenal
of democracy with a sense of responsibility to others. “The people of Europe who are defending
themselves do not ask us to do their fighting. They ask us for the implements of war… we must
get these weapons to them… so that we and our children will be saved the agony and suffering of
war which others have had to endure.” So while the arsenal of democracy was about self-
preservation, it also suggested, rather than demanded, that we act on our responsibility to the free
peoples of Europe. These people were not belligerents but “defending themselves.” They asked
us simply for materials so that they can continue the fight. Roosevelt suggested that we are
responsible for providing those materials because of what “they” have had to endure, with the
unspoken but implied qualifier: “on our behalf.” They have endured the “agony and suffering of
war.” We then, must aid them, as much as we can within the confines of the current law.

165 Roosevelt, "Fireside Chat, 12-29-1940." ¶6, 23.
166 Roosevelt, "Fireside Chat, 12-29-1940." ¶15.
167 Roosevelt, "Fireside Chat, 12-29-1940." ¶17.
Fourth, Roosevelt acknowledged that following through on our responsibility to the peoples of Europe involved sacrifice at home. The “great effort” required “great sacrifice.” As Europeans endured agony and suffering, Roosevelt asked three groups of Americans to endure something here at home, as part of our responsibility to their fight, in line with our own goals of self-preservation. Roosevelt asked industrialists to “discard the notion of business as usual” and to “gladly yield” production of “consumer or luxury goods” in favor of war production. Consumers, by default, were asked to sacrifice access to these goods. Workers, who would have to actually produce the materials in factories, were asked to do so with attention to the arsenal of democracy as a whole, rather than to the working conditions around them. “The nation expects our defense industries to continue operation without interruption by strikes or lockouts,” Roosevelt stated. Everyone would have to sacrifice for the greater good of the world.

In this Fireside Chat, Roosevelt deployed the phrase “arsenal of democracy” as a condensation symbol. Within the term, ostensibly a notation for increased domestic production of military supplies to be sold to the Allies, Roosevelt embedded a shifted standard of neutrality, necessary for our self-preservation, which involved acting on a responsibility to the peoples of Europe by making sacrifices at home. The standard of neutrality reassured those who feared direct involvement in the war, while it also allowed Roosevelt to do something to aid Britain a full year before direct American involvement following Pearl Harbor.

The phrase “arsenal of democracy,” as advanced by FDR, had the potential to appeal to multiple sides of a divided public and to bridge the gap between non-interventionists and interventionists. At the same time, it addressed Knudsen’s frustration with automakers and other industrialists, appealing directly to those who choose not to sacrifice for the broader good. The

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169 Roosevelt, "Fireside Chat, 12-29-1940." ¶32, 37.
170 Roosevelt, "Fireside Chat, 12-29-1940." ¶28.
symbol could reach disparate groups on all sides of the issue because its component parts are interdependent: if one accepted the threat to the homeland and the need for self-preservation, one also accepted the need to produce war material and make sacrifices; if one accepted the threat one accepted the arsenal of democracy as a whole. If, instead, one began by accepting American responsibility to those in Europe, one would also accept that we at least do all we can in line with existing law and thus accept the arsenal of democracy as a whole. This feature of condensation symbols proved useful in gaining support, especially from some automakers, as its various components found support from different groups (such as workers, unions, management, owners), leading to broad support for the whole.\textsuperscript{171}

In Roosevelt’s speech, the phrase “arsenal of democracy” did not refer only to war production coming from the auto industry. Roosevelt named “manufacturers of watches, farm implements, linotypes, cash registers, automobiles, sewing machines, lawn mowers, and locomotives.”\textsuperscript{172} War production, for Roosevelt, involved all industries in all parts of the country. Roosevelt was capable of creating the condensation symbol, but future presidents are capable of using it, abandoning it, or changing it. As we shall see, presidential use of the phrase “arsenal of democracy” changed significantly over time; Detroit and the domestic auto industry became an ever larger part of the phrase.

Even as Roosevelt described the arsenal of democracy he developed a plan to move beyond the Neutrality Acts. Congress and public opinion, still largely favoring non-interventionism and attending to the Great Depression instead of Europe, would not allow

\textsuperscript{171} The arsenal of democracy approach to the war was well received. The Lend-Lease program that capitalized on the arsenal followed a few months afterwards and was approved by Americans two to one. Zelizer, \textit{Arsenal of Democracy: The Politics of National Security from World War II to the War on Terrorism} 50.

Roosevelt to enter the war. On March 11, Roosevelt approved H.R. 1776 into Public Law 77-11, which moved away from the Neutrality Acts. “Lend-Lease,” as it was known, moved the United States closer to direct intervention, appropriating seven billion dollars for war materiel production. The materiel would not be sold to Britain and other Allies. They would, in effect, be given, to “keep the dictators away from our own hemisphere.” We protected the homeland by producing and giving away the product.

The obligation to sacrifice in Roosevelt’s usage of the phrase arsenal of democracy, which was maintained under the Lend-Lease system, meant that automakers, for the first time, were asked to put the war ahead of domestic auto production. In May, Roosevelt reminded the nation that “Articles of defense must have undisputed right of way in every industrial plant in the country.” Automakers must make fewer cars and more war materials. Consumers must do without new cars.

In August, Roosevelt established the Office of Price Administration (OPA) by executive order and empowered it to set price controls on and ration the civilian supply of commodities, including shoes, nylon, gasoline, coffee, tires, automobiles, glass, meats and processed food. The Office of Production Management (OPM) instituted production quotas for automakers at the same time. The quotas reduced the number of cars automakers were allowed to build for the remainder of the year by 26.5% and for the first half of 1942 by a further 50%. So, by August 1941, the Roosevelt administration enforced the domestic sacrifices it had suggested as a

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173 Zelizer, Arsenal of Democracy: The Politics of National Security from World War II to the War on Terrorism, 49.
174 It ultimately allowed for the shipment of over $50 billion worth of materials by war’s end. This is equivalent to over $665 billion in 2012.
175 If they were destroyed during use, so be it. Those items that survived the war were sold to Allies, especially Britain, at around 1/30th the cost.
177 Roosevelt, "Radio Address Announcing an Unlimited National Emergency, 5-27-41."
component part of the arsenal of democracy. According to Brinkley, Henry Ford was furious. As a pacifist, he could deal with making non-lethal objects during WWI and supplying tractors to Britain. He produced warplanes (but not bombs) for the arsenal of democracy. This production was all in addition to his primary business. But the legal application under Lend-Lease and the OPM required his company and others to make war materials instead of what they usually produced. The OPA required consumers to drive less with less gasoline, buy fewer tires, go without windshields, and buy fewer cars altogether.

On December 7, 1941, four months after the new production quotas and price controls, Japan attacked the United States in a raid on Pearl Harbor. The complicated arrangement, whereby America supplied Allies, first in direct sales and later as loans/gifts, justified by self-preservation, was simpler after Pearl Harbor. The following day, Congress declared war on Japan. Three days later, Germany declared war on the United States and Congress immediately reciprocated. The Lend-Lease program continued, but the pressure to produce and supply the Allies heightened and Roosevelt began the mobilization of American forces.

Eventually, all domestic auto production ceased in favor of war production. Even though some of the leadership at the automakers, especially Henry Ford, were unhappy being forced into full war production, the industry proved especially good at it. The auto industry had a mastery of mass production, an existing network of suppliers and supply routes, and a trained workforce of unskilled laborers, skilled craftsmen, and engineers, giving it an “irreplaceable role in national

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179 The day of the attack, Winston Churchill reportedly phoned Roosevelt to ask what had happened. Roosevelt said that with the attack, “we are all in the same boat now.” Churchill replied, “That certainly simplifies things. God be with you.” Zelizer, Arsenal of Democracy: The Politics of National Security from World War II to the War on Terrorism 51.
180 Henry reportedly cabled FDR words of support following Pearl Harbor. Baime, The Arsenal of Democracy: FDR, Detroit, and an Epic Quest to Arm America at War 130-31.
By the end of the war, about one quarter of all the war materials produced were made in Detroit, leading Brinkley to call the city “the very epicenter of the Arsenal of Democracy.” The three largest suppliers during WWII included the two largest automakers.

Not everything went according to plan. The Willow Run bomber plant, perhaps the most famous WWII production center which ultimately supplied most of the B-24 Liberator bombers used in the war, had an inauspicious start. The location of the site, far beyond the borders of Detroit in a field near Ypsilanti, Michigan, had nowhere near the number of ready workers nearby to be fully staffed. Willow Run experienced massive production delays early on due largely to the workforce shortage. Once workers were bused in from around the Midwest, there was not enough housing to go around. Wildcat strikes crippled production. The plant, the largest aircraft factory in the world and also as its largest enclosed “room,” came nowhere near its early production goals. Even as Roosevelt reassured Americans in a State of the Union Address about the success of war production, Willow Run continued to struggle. Family politics at Ford Motor Company made the situation worse, prompting Knudsen to pressure the company to perform, which it eventually did.

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181 Davis, Detroit’s Wartime Industry: Arsenal of Democracy 8.
184 Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 466-68.
185 A few months after an uncomfortable visit to the factory where the problems were evident, FDR assured the nation that “The arsenal of democracy is making good.” Franklin D. Roosevelt. “State of the Union Address, 1-7-43.” online by Gerhard Peters and John T. Woolley, The American Presidency Project. <http://www.presidency.ucsb.edu/ws/index.php?pid=16386>.
186 Knudsen, worried about Ford’s failure to meet Liberator production needs at Willow Run and fearing that Henry’s death, possible after his son Edsel died in May 1943, might throw the whole company into chaos, took out an insurance policy. Knudsen worked with Secretary of the Navy Frank Knox to discharge Henry’s grandson, Henry II, from his commission at the Great Lakes Naval Training Center. The implication was that the government needed Ford Motor Company to continue and improve its production far more than it needed Henry II’s services as a Lieutenant. Henry resented the gesture and would not even give Henry II a desk at Ford Motor Company. Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 479-80.
187 By the end of the war, Willow Run produced one bomber per hour. Davis, Detroit’s Wartime Industry: Arsenal of Democracy 86.
Throughout WWII, Roosevelt continued to describe America as the arsenal of democracy. Our responsibility or obligation to intervene on the international stage and defend democracy remained a part of Roosevelt’s approach.\textsuperscript{188} The nature of sacrifice, the final piece of the original condensation symbol, changed over the course of the war. Prior to direct American involvement, the arsenal of democracy asked for sacrifice, Lend-Lease demanded it, and the OPA and OPM enforced it. It made sense to call certain behaviors a sacrifice because America was still on the sidelines. No attack on the homeland threatened citizens; no act of government made them “legal” targets. After Pearl Harbor, every American was directly involved in the war. After Pearl Harbor, references to sacrifice were often replaced with references to privilege. Roosevelt, in a Fireside Chat two days after the attack, noted that “ahead there lies sacrifice for all of us. But it is not correct to use that word,” he continued. “The United States does not consider it a sacrifice to do all one can, to give one’s best to our Nation, when the Nation is fighting for its existence and its future life. It is not a sacrifice… rather it is a privilege.”\textsuperscript{189} Whereas the citizen before Pearl Harbor must sacrifice, must give up certain things for the greater good, the citizen after Pearl Harbor was given something: an opportunity to strike back. Roosevelt, in this speech and others, gradually repositioned the arsenal of democracy from something asked of citizens to something granted to them.\textsuperscript{190} In this argument, the arsenal of democracy, service in the military, and performance at the factory were gifts to the citizen.

Mass war production was crucial to Allied victory in World War II. Roosevelt argued that the arsenal of democracy was the key to victory throughout the war: we win “by seeing to it

\textsuperscript{188} According to Zelizer, this became a “hallmark of liberal internationalism.” See: Zelizer, Arsenal of Democracy: The Politics of National Security from World War II to the War on Terrorism. 52.
that, in every action, we have overwhelming material superiority.” He was correct, in that our overwhelming production capabilities and numbers of troops were too much for the Axis to fight. Even the early Lend-Lease program supplying Britain made eventual victory possible.

After WWII, presidents started thanking Americans for their participation in the arsenal of democracy. To date, presidents have not stopped saying thank you, but over time the meaning of the phrase arsenal of democracy changed. The condensation symbol, the arsenal of democracy as originally defined by Roosevelt, was gradually linked to certain groups, refining the original breadth of the term. Zarefsky, drawing on Chaim Perelman and L. Olbrechts-Tyteca, called this aspect of definition association and dissociation. The rhetor either breaks links or establishes new links between concepts, thus changing the original term. In 1948, Harry Truman spoke in Toledo, referring to the city as the “heart” of the arsenal of democracy. Two days later, in Connecticut, Truman said that the term itself started in the Northeast, referring to the rifle and handgun factories there. In these speeches, Truman associated two different regions with either the heart of the arsenal or its origins. The “heart” and “origin” metaphors are closely linked. Both hearts and origins are something key to existence; without a heart we die, without an origin we are never born. Both “heart” and “origin” call to mind life, growth, and being.

192 If Britain had fallen (overwhelmed and lacking supplies to defend itself) the American counteroffensive might have failed as well. Operation Overlord, the Allied invasion of German-occupied Europe, began with Operation Neptune, more commonly known as the beachhead invasion at Normandy on D-Day. A sea-to-land assault at Normandy would have been impossible without lower Britain’s naval yards and airfields. Domestic production then, even under Lend-Lease prior to Pearl Harbor, helped ensure a sovereign Britain and ultimately a staging ground for an Allied counteroffensive on the continent.
In 1951, Truman spoke in Detroit and praised its role in WWII production, saying: “The word Detroit symbolizes for free men everywhere the productive power which is a foundation stone in world peace… Detroit proved itself as one of the great production centers in the arsenal of democracy.” Here, as in Roosevelt’s idea of the arsenal of democracy, Detroit was “one of” the production centers in a broader entity. Yet Truman began the process of associating Detroit and the auto industry directly with the arsenal by in the same sentence suggesting that Detroit was a symbol of the arsenal as a whole. Truman thus admitted that the arsenal was not only Detroit or the auto industry, but established a special prominence for them within the whole. Certainly, Toledo might have been its heart and Connecticut its origin, but Detroit was a symbol that stood in for all, a synecdoche for all war production. Dwight Eisenhower maintained that Detroit was but “one among many” parts of the arsenal, but that it was especially significant in the success of the program. Vice President Richard Nixon did not specifically associate Detroit with the arsenal of democracy. Rather, he continued with the theme that the term originated in Connecticut in a speech there in 1960.

The pattern of associating and dissociating a given locale, usually on the occasion that the locale was the current stop on a campaign trail, changed noticeably in the 1960 presidential election. John F. Kennedy spoke to an audience in Detroit the week before the election he wound up winning. In that speech, Kennedy told the crowd “Twenty years ago this city of Detroit was

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known as the arsenal of democracy. That name spread across the entire world."199 In this short statement, Kennedy did two important things. First, Detroit was not made to appear the heart or center or core of the arsenal of democracy; for Kennedy it was the arsenal of democracy. Detroit and the auto industry were synonymous with the arsenal of democracy. Second, this statement suggested that the “name spread across the entire world.” Here, Kennedy established Detroit as the origin of the term which spread and was eventually applied to other things. This part of the statement is a direct refutation of Truman and Eisenhower who established the origin in Connecticut and of the original condensation symbol meant to include the whole nation.

Kennedy, talking about Detroit, served as what Shawn Parry-Giles and Trevor Parry-Giles called “the chief interpreter of collective memory.”200 As a president, Kennedy was best positioned to remember the national past for his audience. Being chief interpreter allowed Kennedy to mold the original definition of the arsenal of democracy, and its associations as set by Roosevelt, into an entirely new construct. He told the audience that Detroit was synonymous with the arsenal, was where the term came from, and it always would be. Kennedy’s definition of the arsenal of democracy, not Roosevelt’s, one in which the nation relied on the great production capacities of the domestic auto industry to win the war, is the version that persisted in presidential speech since the 1960s.

In the version of history evident by the time of JFK and used by following presidents, the domestic auto industry willingly assumed responsibility for defending democracy. This sanitized narrative about the auto industry and the arsenal of democracy ignores four key things. First, automakers did not want to produce war materials. Ford Motor Company was the largest

automaker during WWI and was led by a firm pacifist. During WWII, Alfred Sloan led the
nation’s largest automaker, General Motors, and was himself opposed to American involvement
in the war. Second, when they did switch to full-scale production of war materials, enabling the
massive output that made the arsenal what it was, the automakers did so because they were
forced to. The OPM instituted production quotas on autos. The OPA rationed access to key
materials for the production of autos and to the gasoline needed to operate them. In effect, the
government closed the marketplace on autos so that the auto factories had no choice but to
produce for government contracts if they wanted to stay in business. Third, automakers were not
universally good at producing for war. Ford Motor Company failed to deliver promised Eagle
boats in WWI and the storied Willow Run bomber plant in WWII was plagued with problems.
Fourth, the domestic auto industry was not in fact the only industry engaged in war production. It
may have been important, or even the primary producer, but it was not the origin of the phrase
and certainly not the whole.

These four aspects of history paint a much more negative view of the domestic auto
industry than the laudatory application of the “arsenal of democracy” label suggests. Yet, as with
automobiling discussed at the beginning of this chapter and the labor movement, to which I now
turn, later presidents use this history to political advantage, forgetting certain aspects of it and
manipulating others. Historical accuracy cedes to the needs of entreaties that win votes and build
coalitions, with the domestic auto industry as the primary benefactor.

### 2.3  (Don’t) Remember the Overpass!: The Unionization Movement

In contemporary America, blue-collar factory workers can expect some of the safest
working conditions in the world. Factory work, especially when paired with representation from
a labor union, generally means good wages, some job security, and benefits such as pensions,
healthcare, and paid leave. This was not always the case. Safety, pay, leisure time, and benefits came as prizes of long and bitter struggles between labor and management, with Congress and the president playing important roles in those struggles.

While the automobile industry was the not the sole battleground of unionization, the clash over representation and benefits is a crucial part of the industry’s past. Notably, it is also an area of auto industry history that presidents have rewritten for political purposes. In this section, I review the unionization movement in the domestic auto industry, including the relevant historical context of the broader labor movement. I pay particular attention to explaining how presidential narratives about the issue were tied to political ends. I argue that the unionization movement, like the gradual adoption of the auto as a material commodity and auto industry war production, is a complicated history that is sanitized in contemporary presidential speech.

At the turn of the last century, early American factories were notoriously dangerous. In 1904, Upton Sinclair spent seven weeks undercover working in Chicago meatpacking plants. Based on this experience, Sinclair published *The Jungle*, first in a serialized form in 1905 in the socialist newspaper *Appeal to Reason*, and later in 1906 as a novel. The novel’s themes include a pro-union narrative, an endorsement of socialism and repudiation of capitalism, and an indictment of working conditions in factories at the time.

Other activists across the country were making the plight of the worker part of a national conversation. The Knights of Labor (KOL) had 700,000 members in 1886, but by the 1900s had 700,000 members in 1886, but by the 1900s had

202 The public response was largely directed at the novel’s depiction of the lack of sanitary controls in food preparation and is thus often mentioned in the story of the origin of the Food and Drug Administration. Even the FDA’s official narrative of its history includes *The Jungle* as an important factor in gaining public favor for the Food and Drug Act, also known as the Wiley Act. See: FDA, *History of the Food and Drug Administration*, 2009, United States Department of Health and Human Services. Available: http://www.fda.gov/AboutFDA/WhatWeDo/History/Origin/ucm054819.htm, 1-10-12.
lost much of its strength.\textsuperscript{203} New groups formed to take its place, including industrial and craft unions, such as the American Federation of Labor (AFL, founded 1886), the American Railway Union (ARU, 1893), the Western Federation of Miners (WFF, 1893), and the Industrial Workers of the World (IWW, 1905), founded with the help of the Socialist Labor Party of America (SLP).\textsuperscript{204} Workers in these unions staged strikes for higher wages and better working conditions. Early strikes were often handled violently, such as Henry Clay Frick and Andrew Carnegie’s use of the Pinkerton National Detective Agency to break the Homestead Strike of 1892.\textsuperscript{205} Socialist appeals gained traction in the U.S. at this time, in part in response to trends in Eastern Europe, the kinds of brutal conditions immortalized by Sinclair in the United States, and the equally brutal responses to strikes conducted by Frick, Carnegie, and others.

As Henry Ford began mass producing Model Ts, conditions in factories around the country remained bleak. “For those who had jobs,” Brinkley wrote, “conditions were often abysmal. The Commission on Industrial Relations issued a report in 1914 claiming that 35,000 workers were killed in industrial accidents and 700,000 injured during the previous year. Job-related disease was rampant... It was as if earning an honest living required the laborer to give up some portion of his or her life.”\textsuperscript{206} Earning an “honest living” often meant dying young; workers frequently got tuberculosis, permanent blindness, and rheumatism, for as low as fifteen cents an hour, meager wages barely above subsistence level. At Ford Motor Company, workers began to have symptoms they described as “Forditis,” a stress-induced reaction to the hard, highly-repetitive, never-ending, and ever-quickening moving assembly line work.\textsuperscript{207}

\textsuperscript{204} Marion Dutton Savage, \textit{Industrial Unionism in America} (Whitefish, MT: Kessinger Publishing, 1922/2010).
\textsuperscript{206} Brinkley, \textit{Wheels for the World: Henry Ford, His Company, and a Century of Progress} 161.
\textsuperscript{207} Meyer III, \textit{The Five Dollar Day: Labor Management and Social Control in the Ford Motor Company} 41.
Factory owners and managers, including Henry Ford, maintained an adversarial stance with the unionization movement: “The only strong group of union men in the country is the group that draws salaries from the unions [union leaders]. Some of them are very rich… All of them enjoy a certain prestige and power which, in the natural course of competition, they could not otherwise have won.”\(^{208}\) For Henry Ford, unions were not a means to improve the lot of the worker but a means to improve the lot of union managers. Since Ford did not understand workers’ drive to be represented at the bargaining table, separately from any material gains like raises, he thought he could merely outspend the unionization movement by getting ahead of it. Ford attempted to show that the company could do just as much for workers as unions could without overpaid and corrupt union leaders. In 1914 Ford announced a five dollar day, effectively doubling the average pay for the auto workers he employed. According to Stephen Meyer, Ford “immediately acquired the reputation of humanitarian, philanthropist, and social reformer,”\(^{209}\) while Nevins and Hill report that nearly all of the newspaper commentary “was favorable, much of it almost ecstatic.”\(^{210}\) According to Peter Drucker, the five-dollar day “established the American workingman as fundamentally middle-class.”\(^{211}\) The doubling of wages at Ford Motor arguably countered the incentive for workers to join a union; Ford’s non-union shop now paid among the highest wages for unskilled work in the country. In tandem with outdoing the unions, automakers joined the Employers’ Association of Detroit (EAD), which advertised its approach with slogans like “prevention is better than cure,” and which workers “bitterly referred to… as the Union Wreckers Association.”\(^{212}\) So while Ford granted workers

\(^{208}\) Ford and Crowther, My Life and Work 255.


\(^{210}\) Nevins and Hill, Ford: The Times, the Man, the Company 534.


\(^{212}\) Nevins and Hill, Ford: The Times, the Man, the Company 376-78.
higher wages, with conditions, he and other automakers also engaged in more confrontational tactics, first through the EAD and later using private security forces.

During World War I, automakers received help from the president in their war against unions. President Woodrow Wilson was a largely pro-labor Democrat who sided with unions that supported the war effort, such as the AFL. Yet Wilson provided anti-union industrialists with a powerful weapon when he pushed the passage of the Espionage Act of 1917 and the Sedition Act of 1918. While designed to protect war operations, this legislation was used as justification for the monitoring and arrest of war dissidents at home. This legislation allowed for the targeting of the IWW, other unions, Eugene Debs, and labor activists. While the legislation was not specifically designed to weaken the labor movement it had the effect of removing or silencing its most militant extremes, leaving only the most pro-war and conciliatory unions untouched.

Radical unionism quieted somewhat during the economic prosperity immediately following WWI. In some cases though, workers still fought companies and the government. For example, in May of 1921, the United Mine Workers (UMW) skirmished with a private security force protecting the interests of the Stone Mountain Coal Company. The battle, which killed eleven people, is now known as the “Matewan Massacre.” The standoff between the two groups lasted all summer, each side growing larger every day. Warren Harding at first left the matter to

213 The higher wage came with a series of requirements for how a worker maintained his person and home. I discuss these in more detail in the fourth section of this chapter.
216 The Wilson administration went so far as to conduct a mass roundup of 10,000 anarchists and labor activists in what has come to be known as the Palmer Raids, conducted after the end of World War I, to silence (or deport) political opponents. See: Stanley A. Coben, Mitchell Palmer: Politician (New York: Columbia University Press, 1963).
217 The milder AFL, led by Samuel Gompers, actually grew stronger during the war, thanks largely to support from Wilson and perhaps, protection from the Espionage and Sedition Acts.
the local police and state militia, leading to gradual escalation until late August, when the two armies, including 10,000 to 15,000 coal miners and 30,000 police and strikebreakers, clashed in the “Battle of Blair Mountain.” Harding finally used federal military force, including bombers deploying gas and explosives, against the strikers, which ended the battle in the first few days of September. In 1922, the same year that Ford Motor Company instituted the five day week, Harding again used federal troops to quell the Great Railway Strike. Harding agreed with the strikers’ demand for a reduction from a twelve to an eight hour work day, but needed the railways running. In 1923, with some pressure from Harding, the steel industry agreed to an eight hour work day. So, while radical unionism had quieted somewhat, there were still clashes, and occasionally, as with Harding’s eventual support for an eight hour day, victories.

Growing prosperity weakened the appeal of unionization by the time Coolidge assumed office. He lost a great deal of union support while Governor of Massachusetts when he intervened in the Boston police strike of 1919, famously telling Samuel Gompers “there is no right to strike against the public safety by anyone, anywhere, anytime.” This statement meant that Coolidge would use his state government to protect the “public safety,” which was never specifically defined, leaving it open to interpretation as the need arose. Later, as president, Coolidge enjoyed relative peace from labor disputes. His strong opposition and willingness to intercede, as demonstrated, likely contributed to that peace. Continued antagonism from industry and the struggle for new leadership after many prominent leaders had been arrested under Harding were also a factor in relative labor peace. In addition, a general and widely-felt rise in

prosperity drove a decline in union activity. In 1919, four million workers participated in 3,600 labor strikes. Due to some combination of Coolidge’s rhetorical bravado, management antagonism, lack of leadership, and spreading prosperity, by the end of the decade in 1929, less than three hundred thousand workers participated in 900 strikes.\textsuperscript{223}

The stock market crash in 1929 led to an explosion of union activity as the nation entered the Great Depression, with rampant closings of banks and businesses, hunger, unemployment, and homelessness. Ford Motor Company had just recently introduced its Model A Ford (1927-28) to compete with the thriving upstart General Motors (GM) and its popular Chevrolets. The company seemed in better shape than rival GM at first, in part because Henry Ford refused to consider layoffs for a full year following the crash. Ford workers, who had special job security in the early days of the Great Depression, were the “the envy of the country,” but only until 1931, when Ford’s vehicle sales went from 1.5 million to 500,000.\textsuperscript{224} Across the auto industry, workers faced job loss or pay cuts worse than in other industries. By 1931, the average autoworker earned 54\% lower wages than in 1929, and 400,000 people were out of work.\textsuperscript{225} Ford was finally forced to close plants for “retooling,” order slowdowns, and lay off workers.

In early March, 1932, a small group staged a peaceful demonstration; planning to walk up to the River Rouge plant in Dearborn in what has come to be called the “Ford Hunger March.” Local police used tear gas on the crowd. The demonstrators kept coming, so the police retreated to an overpass just outside the plant and took positions alongside Harry Bennett, the head of Ford Motor Company’s Social Department,\textsuperscript{226} then the world’s largest private army.\textsuperscript{227} As the

\textsuperscript{224} Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 381, 85.  
\textsuperscript{226} The Social Department was ostensibly a group that assisted in determining which workers qualified for higher wages, but under Bennett it was an armed squad that intimidated workers and fired them at will. See: Stephen H.
peaceful demonstrators approached Bennett, his mercenaries, and the police at the overpass, he doused the marchers in freezing water from high-pressure hoses. One of Bennett’s men fired a few shots into the crowd, killing one protester and wounding another. A few moments later someone on the overpass opened fire on the crowd with a submachine gun, killing another four, including a 16 year old newsboy, and wounding 69 others.228 Ford’s image as a “caring capitalist” ended that day.229 The event empowered the local unions, strengthened resolve against Ford Motor Company, and set the stage for the turbulent auto industry labor uprisings of the mid-1930s.

In 1932, Americans frustrated with Hoover’s inability to end the Great Depression, elected Franklin D. Roosevelt, who assumed office in 1933. During Roosevelt’s first hundred days, among other actions, he pushed a series of measures known as the New Deal; the programs provided unemployment relief with government jobs, pushed recovery through economic growth, and instituted reforms on the financing and transportation sectors. The National Industrial Recovery Act (NIRA) was a major component of the New Deal and instituted the National Recovery Administration (NRA), tasked with using wage and price controls to combat competition between businesses. In its wake, unions around the United States began widespread organizing campaigns.230

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227 Bennett had 3,500-6,000 men. His Social Department was compared to Mussolini’s Blackshirts and Hitler’s Gestapo. See: Norwood, Strikebreaking and Intimidation: Mercenaries and Masculinity in Twentieth-Century America 4.

228 Sugar and Brinkley differ slightly on the order or events, and whether or not the protestors were throwing rocks at Bennett and the police. Sugar, The Ford Hunger March 390-91, Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress.


Henry Ford adopted the wage and price controls but flatly refused to cooperate with the NRA on allowing collective bargaining at Ford Motor Company. No American automobile company recognized an auto workers’ union and Henry Ford would not let his company be the first. Instead, Ford had instituted “company unions” for its workers, refusing to meet with representatives from the tens of thousands of workers in outside labor unions.

Roosevelt, in an effort to calm the rising tensions in Detroit, pushed for a proportional representation settlement, creating an exception to the NRA. The settlement, announced March 25, 1934, also stripped the National Labor Board of authority over the auto industry, setting up in its place a special Automobile Labor Board for automakers. Under the new system, auto industry workers could be represented by both company unions and outside labor unions, in proportion to the number of members each claimed. Roosevelt, remarking on the settlement, thanked automakers for their compliance. He argued that the new settlement was “a complete answer to those critics who have asserted that managers and employees cannot cooperate for the public good without domination by selfish interest.” What went unsaid was that the new settlement put employees at a significant disadvantage in relation to managers, because it eliminated exclusive representation. An automaker could, under the new rule, establish a company union, claim some or its entire workforce as members, and then have proportional representation from the “union” in bargaining that would easily rule out any other outside union representative. The new system, contrary to Roosevelt’s optimistic characterization, weakened labor. The system did not last long: in 1935 the Supreme Court unanimously declared that the NRA law infringed on

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the constitutional separation of powers. The NRA, its Labor Board, and the special exception creating the auto industry labor board all ceased functioning.

In the wake of the ruling on NIRA and NRA, Roosevelt pushed for the passage of the National Labor Relations Act (Wagner Act). It retained many of the provisions from the NIRA but extended government’s ability to enforce those provisions. Following passage of the Wagner Act, which broadly protected unionization movements, collective bargaining, and policed the process of union elections to ensure representatives were fairly chosen, there was a surge in the ranks of unions and in union attempts to organize major employers. In the five years following its passage, union membership in the United States nearly doubled, from 3.8 million to 7.2 million by 1940. It nearly doubled again by 1946, with 14 million workers members of a union and key mass production industries eighty to one hundred percent organized.\(^{234}\)

As the number of union workers grew, so too did the number of unions representing them. John L. Lewis, then president of the United Mine Workers of America (UMW), worked with the leaders of nine other industrial unions to form the Committee for Industrial Organization in 1935. This group, once its member unions were expelled from the AFL in 1938, became the Congress of Industrial Organizations (CIO). One of those member unions was the new United Auto Workers (UAW), led by President Frances Dillon. In 1936, Walter Reuther staged a UAW sit down strike at Kelsey-Hayes, a Detroit wheel maker and supplier to large automakers. When the strike ended successfully in union recognition at the shop, the UAW ranks swelled to over

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The UAW suddenly became a major force in the struggle to organize the auto industry.

Even as the UAW and other unions made gains, in part because of the legal protection of the Wagner Act, many industrialists continued to resist unionization. Roosevelt needed labor disputes to be resolved quickly and quietly – every strike and shutdown prolonged the Depression. If management had to adopt collective bargaining agents into the fold for strikes to be prevented, so be it. In September 1936, in a Fireside Chat, Roosevelt attempted to counter industrialists’ continued resistance against labor. Roosevelt said “In other countries the relationship of employer and employee has been more or less accepted as a class relationship not readily broken through. In this country we insist, as an essential of the American way of life, that the employer-employee relationship should be one between free men and equals.”

The comparison of the unionization movement in the United States to the unmentioned “other countries” is telling. Roosevelt, who has always had a complicated relationship with labor, was differentiating between good unions and bad unions. Bad unions, or those in other countries (Eastern Europe), are those that see the employer-employee relationship as a class-based one. The relationship is “not readily broken through,” meaning that to do so requires extreme means, such as literal class warfare. Roosevelt’s statement is an indictment of unions that embrace socialism, or worse yet, communism.

Over the prior twenty years, some of the more radical and militant edges of unionism in the United States built justification for organization on socialist or communist class-doctrine. Although the Espionage and Sedition Acts had largely silenced the most vocal of these groups, industrialists in Roosevelt’s time were still wary of the threat such groups could pose. Roosevelt,

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in this speech, attempted to differentiate between the bad, or old, class-based union argument (based on communism or socialism) and the good, or new, “American” argument for unionism (based on equality). In Roosevelt’s view, equality between employers and employees was an American value: “We refuse to regard those who work with hand or brain as different from or inferior to those who live from their property.” We (Americans) support unionism because it is in line with preserving equality as a founding principle of our country, whereas unionism based on communism or socialism offered an alternative to the American capitalistic view of society. Roosevelt was only in favor of a certain kind of union and certain kinds of union activities. Roosevelt was only in favor of a certain kind of union and certain kinds of union activities.

The turning point in organizing the auto industry came two months after Roosevelt’s Fireside Chat. The UAW was organizing a major strike of the GM plant in Flint, Michigan throughout late 1936. On December 30, workers staged a sit-down strike, wherein rather than picketing and protesting outside the factory, the workers barred themselves inside it. Strikers fought off a January police attempt to enter and retake the Flint factory using water hoses. The striking workers agreed to evacuate the plants and allow production to resume only if Alfred Sloan, CEO of GM, agreed to meet with them. Sloan refused. By February, the Flint shutdown spread to and shut down other GM plants. Roosevelt, to ensure the situation did not escalate to the level of violence seen in past strikes, made a personal phone call to GM President Bill Knudsen and asked him to meet with the union and end the strike. Knudsen agreed and arranged to meet with John Lewis, speaking as a representative for the UAW. GM agreed to recognize the UAW as the sole collective bargaining agent for its workers, should they choose to join. The strike ended and plant operations resumed. The UAW had achieved a landmark victory.

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237 Roosevelt, "Fireside Chat, 9-6-1936." ¶34.
238 Roosevelt and Truman seized key production facilities in the arsenal of democracy that had been stalled by worker strikes, on the basis that war was not the time to halt production, for any reason. Roosevelt supported workers’ right to strike when it did not interfere with his needs at the time.
In what the BBC called “the strike heard round the world,” the UAW gained legitimacy for being the first to organize a major U.S. automaker.\textsuperscript{240} A month later, in a much quicker victory, UAW workers successfully struck and earned recognition for the union with Chrysler. Thanks largely to these major successes the UAW’s ranks grew to nearly half a million members.\textsuperscript{241}

The movement to organize the domestic auto industry still faced a major hurdle: Ford Motor Company. Ford was no longer the de facto leader of the sales and size race; GM and Chrysler enjoyed successful years and beat Ford at times but Ford remained what Stephen Norwood called “the citadel of the open shop.”\textsuperscript{242} Thanks largely to Henry Ford’s reliance on the judgment of Harry Bennett, whom he entrusted to ensure that Ford Motor would not be unionized, the company could hardly have been more hostile to unions. Bennett and his social department spied on workers covertly and intimidated them overtly. Union organizers at Ford Motor were identified and quickly silenced, fired, or “disappeared,” to the point that workers feared discussing unions even outside of the plant for fear that Bennett spies would identify them for such treatment.\textsuperscript{243}

The UAW, aware of this opposition but encouraged by its victories at General Motors and Chrysler, planned an organizing campaign at Ford for May, 1937. Walter Reuther, then president of his UAW Local, bought all the billboards around the massive Ford River Rouge plant and used them to advertise the union. Since the UAW made no secret of the planned event, the Ford family was aware of it well in advance. Brinkley noted that Edsel Ford, Henry’s son, and Clara Ford, Henry’s wife, both counseled Henry to deal with the union, but Henry refused.

\textsuperscript{241} BBC, The 1936-37 Flint Michigan Sit-Down Strike.
\textsuperscript{242} Norwood, Strikebreaking and Intimidation: Mercenaries and Masculinity in Twentieth-Century America 172.
\textsuperscript{243} For a full discussion of Bennett and the tactics used against organizers at Ford, see “Ford’s War on Unionism” in Norwood, Strikebreaking and Intimidation: Mercenaries and Masculinity in Twentieth-Century America.
choosing instead to rely on Bennett to protect the Rouge.\textsuperscript{244} With Richard Frankensteen and Richard Merriweather, Reuther staged a mass pro-union leaflet distribution outside the plant. As the UAW group approached the Rouge, leaflets in hand, Bennett and his men met them at the same overpass where he and police had repulsed the Hunger Marchers in 1932. In the “Battle of the Overpass,” Bennett and his men savagely beat the union representatives. The police, whom Norwood argued were in Bennett’s pocket, let the assaults happen.\textsuperscript{245}

This might have ended or slowed unionization at Ford for a time, much as had the similarly violent response to the Hunger Marchers. Yet the situation and the nation had changed. Roosevelt was openly sympathetic to those unions that operated under the Wagner Act’s provisions.\textsuperscript{246} When Bennett confiscated cameras and film at the Battle, he must have missed some, because photos of Bennett and his men beating the union representatives leaked and received what Brinkley called “terrific publicity.”\textsuperscript{247} Public sympathy drifted in favor of the unions. According to some accounts, Henry Ford tried to win back favor by raising wages $1.50 an hour.\textsuperscript{248} It did not work. The NLRB condemned Ford Motor Company for its flagrant violation of the Wagner Act and ordered the company to “cease and desist” discouraging unionization.\textsuperscript{249} The company appealed the decision, but lost.\textsuperscript{250}

The Battle of the Overpass turned out to be a crucial moment for the young UAW. According to Norwood, union members treated the overpass like a union version of the

\textsuperscript{244} Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 429.
\textsuperscript{245} They were also strongly anti-union. Norwood, Strikebreaking and Intimidation: Mercenaries and Masculinity in Twentieth-Century America 183-85, 202.
\textsuperscript{246} Again, Roosevelt’s relationship with unions was complicated, but he was sympathetic if unions played by the established rules.
\textsuperscript{247} Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 429.
\textsuperscript{249} Norwood, Strikebreaking and Intimidation: Mercenaries and Masculinity in Twentieth-Century America 188.
\textsuperscript{250} In 1941, the Supreme Court refused to review the case, implying that they agreed with the earlier decisions.
Alamo.\textsuperscript{251} It was a sacred site of a lost battle that served as a rallying cry for the movement to organize Ford Motor Company. “Remember the Overpass,” a phrase that invoked the Alamo and the sinking of the \textit{USS Maine} (ACR-1), ignited anti-Ford sentiment around Detroit. Ford Motor Company was victorious at the Overpass, halting an attempt to build union support among the workforce, but the victory could only be described at pyrrhic. The company had violated the Wagner Act, lost crucial public support, the UAW gained a sacred site and battle cry, and media attention focused sharply on the continuing struggle, making ‘Ford versus the union’ a national issue. The UAW in Southeast Michigan continued to gain strength and stage smaller strikes and demonstrations at Ford Motor facilities around Detroit.\textsuperscript{252}

In April, 1941, the UAW staged a strike at the River Rouge. Bennett, on instructions from Henry Ford to put the strike down, attempted to break the strike but failed; workers successfully shut down production. This strike, more severe than others had been, put pressure on the Ford family to relent. In May, Clara Ford allegedly threatened to divorce her husband Henry unless he agreed to the union terms. Henry Ford capitulated.\textsuperscript{253} The UAW was elected to represent Ford workers by near absolute vote of support in the NLRB elections, and Ford’s newly unionized workers won one of the best settlements in auto industry history.

Around the same time, the United States was struggling with whether and how to assist in the fight against Axis powers. In 1940, the United States had yet to enter the war that was quickly enveloping the world. Earlier in 1940, as Roosevelt fought for reelection, he should have

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\textsuperscript{251} Norwood, \textit{Strikebreaking and Intimidation: Mercenaries and Masculinity in Twentieth-Century America} 187-88.

\textsuperscript{252} By some accounts, there were 325 strikes in 13 months in Detroit. See: Teaford, \textit{Cities of the Heartland: The Rise and Fall of the Industrial Midwest} 184.

\textsuperscript{253} This account can be considered apocryphal, in that it is often only traced to a few sources that do not entirely agree on the events. However, major histories of the events usually include it. See, for example: Norwood, \textit{Strikebreaking and Intimidation: Mercenaries and Masculinity in Twentieth-Century America} 190, Brinkley, \textit{Wheels for the World: Henry Ford, His Company, and a Century of Progress} 432, Richard A. Wright, \textit{UAW Born Amid Sitdowns and the Battle of the Overpass}, 1996, Wayne State University Department of Communications, Available: http://www.theautochannel.com/mania/industry.org/history/chap9.html, 8/1/2009.
\end{flushright}
been able to count on significant union support. After all, the peaceful demonstrations and sit-down strikes favored by the calmer industrial unions of the mid-1930s were made possible by protections under Roosevelt’s Wagner Act, and past presidents had helped silence those with more radical union ideologies or activities. Still, Roosevelt lost the support of John L. Lewis, a crucial union representative. Then head of the CIO, Lewis feared that Roosevelt would push the United States into the war.\footnote{Among other disagreements he had with FDR. For more on this see Richard J. Jensen, “The Thundering Voice of John L. Lewis,” American Rhetoric in the New Deal Era, 1932-1945, ed. Thomas W. Benson (East Lansing: Michigan State University Press, 2006).} Lewis backed Wendell Willkie instead, but the CIO overwhelmingly chose Roosevelt anyway. Lewis resigned control of the CIO but remained head of the UMWA.\footnote{Melvyn Dubofsky and Warren R. Van Tine, John L. Lewis: A Biography (New York: New York Times Book Co., 1977).} The CIO, without Lewis, formed the first political action committee and helped reelect Roosevelt in 1944.\footnote{Zelizer, Arsenal of Democracy: The Politics of National Security from World War II to the War on Terrorism 55.} Throughout World War II, Lewis violated a widely adopted “no-strike” pledge and used his UMWA to shut down American mines. Roosevelt, sympathetic to unions but with no patience for activity that disrupted the war effort, seized those mines.

Reuther exercised more caution than Lewis, emphasizing the responsibility that unions and their leadership have to use power wisely. In 1939, Reuther said “We must demonstrate that we are a disciplined, responsible organization; we not only have power, but that we have power under control.”\footnote{Nelson Lichtenstein, The Most Dangerous Man in Detroit: Walter Reuther and the Fate of American Labor (Urbana, IL: University of Illinois Press, 1995).} For Reuther, control was key. By controlling union workers, forbidding “wildcat” or non-union sanctioned strikes, and cooperating with the NLRB and Roosevelt who had empowered them, Reuther’s UAW would have greater success than the UMWA.
Auto industry leadership eventually offered a gentler response to the union. Henry II replaced his grandfather,\textsuperscript{258} dismantled Bennett and the Social Department,\textsuperscript{259} and offered cooperation with the union. In 1947, for example, Henry II offered a pension plan to workers, which was ultimately signed in 1949 and followed by similar agreements at GM and Chrysler. In addition to Henry II’s different approach, unions had public opinion on their side, they had the Wagner Act, and they had a series of victories in the 1930s to organize major companies. Rising prosperity and rising sales for automakers meant that it was possible to award ever greater contracts to unions.

Union tactics changed in response to the gentler industry treatment. In a brief strike at GM’s plant in Linden, New Jersey, World War II soldiers and sailors aligned the strike with the battle against fascism. Signs along the picket line read “We fought the Axis, now we fight GM for a living wage,” “Mussolini Tojo Hitler learned we were tough. Soon GM will say they had enough,” and “We fought Guadalcanal, Munda, New Guinea, Philippines, Africa. Now it’s GM.”\textsuperscript{260} The workers cleverly wore their military uniforms during the strike, visually enforcing the link between the battle here and the one overseas. Support for the union cause in Linden was equated with support for the victorious troops. The strike resolved quickly; the union largely accomplished its goal.

Still, unions faced continued challenges, especially in the domestic auto industry. The new administration under Harry S Truman, begun in 1945, attempted to continue support for the New Deal programs championed by Roosevelt. A Democrat-weary electorate elected Truman

\textsuperscript{258} According to the most common version of the story, Eleanor Ford, Edsel’s widow, threatened to sell her family’s stock holdings in the company if the ailing Henry Ford did not relinquish control of the company. Henry complied. See: Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 501. See also: Baime, The Arsenal of Democracy: FDR, Detroit, and an Epic Quest to Arm America at War 120, 280.

\textsuperscript{259} Norwood, Strikebreaking and Intimidation: Mercenaries and Masculinity in Twentieth-Century America 192.

\textsuperscript{260} Norwood, Strikebreaking and Intimidation: Mercenaries and Masculinity in Twentieth-Century America 227.
but also delivered Republican majorities in the House and Senate.\textsuperscript{261} One of Truman’s primary domestic goals, as part of what he called the Fair Deal, was the repeal of the Labor-Management Relations Act. Also known as the Taft-Hartley Act, it prohibited a new series of actions engaged in by union employees.\textsuperscript{262} Taft-Hartley, in short, placed a series of limitations on what the formerly empowered unions would be allowed to do. Truman, friendly to labor, reviewed the Act and declared it contrary to democratic principles. In his veto statement, Truman said the bill would weaken the union movement and national unity. Truman added: “We cannot be strong internationally if our national unity and our productive strength are hindered at home. Anything which weakens our economy or weakens the unity of our people – as I am thoroughly convinced this bill would do – I cannot approve.”\textsuperscript{263} Strength through peace was only attainable in Truman’s view by unifying our internal factions, whereas Taft-Hartley represented to him a new and deeper division between management and labor. Congress overrode the veto and passed Taft-Hartley into law in 1947.

Aside from his staunch but unsuccessful opposition to the Taft-Hartley Act, Truman chose to stay out of the major auto industry strikes during his tenure.\textsuperscript{264} When Reuther led a 116 day strike against General Motors to attain a thirty percent wage increase, Truman refused to intervene. “They had the same right to collective bargaining that the rest of these people have had,” Truman argued, referring to strikes at rubber and telephone companies, incidents where he

\textsuperscript{261} Republicans gained fifty-five seats in the House of Representatives in the 1944 election, a relatively rare swing.

\textsuperscript{262} The provision of the Taft-Hartley Act with the greatest potential for abuse was the requirement for union members to sign an affidavit that stated they were not Communists. John Lewis, enraged by this demand, refused to take the oath or let his UMWA members do so. Under Taft-Hartley, this meant the UMWA no longer received legal protection from the Wagner Act and the National Labor Relations Board. Other unions, including the UAW, shared somewhat in the outrage but agreed to the provision to maintain NLRB protection.


\textsuperscript{264} With the exception of the problems caused by intervening in the steel mills.
also chose not to intervene.\textsuperscript{265} “They” were the members of the UAW, who had a right, legally defended by the Wagner Act. Presidential “interference,” such as that used by former presidents, especially during wartime, meant that the president would use federal military force to break the strike. Truman chose not to intervene, in effect allowing the UAW to continue its strike until it reached the terms it sought. This kind of soft support, or lack of opposition, allowed the UAW to eventually push General Motors to a new deal whereby raises would be tied to increases in productivity and the cost-of-living.\textsuperscript{266}

When Truman ran for reelection in 1948, union leaders in the CIO, including the UAW, campaigned extensively for him. He promised to repeal Taft-Hartley in his second term.\textsuperscript{267} In an address delivered in Cadillac Square, Detroit, Truman equated a vote for him with repeal of the Act: “Labor must fight now harder than ever before to make sure that its rights are kept intact. In practical terms, this means a powerful political effort which must culminate in an all-out vote on Election Day… the rights of unions are at stake.”\textsuperscript{268} If a worker chose not to vote for Truman the Act would stand. The Taft-Hartley Act, which with its provisions weakened the stance of unions relative to management, upended the balance achieved by the Wagner Act, and the equality between employer and employee Roosevelt spoke of, or so Truman argued.\textsuperscript{269} “Labor has always had to fight for its gains,” Truman continued, “Now you are fighting for the whole future of the

\begin{footnotes}
\item[266] \textit{Fortune} called the eventual agreement the “Treaty of Detroit.” David Halberstam, \textit{The Fifties} (New York: Fawcett Columbine, 1993) 119.
\item[269] “It is time that all Americans realized that the place of labor is side by side with the businessman and with the farmer, and not one degree lower” (¶46).
\end{footnotes}
labor movement. We are in a hard, tough fight against shrewd and rich opponents.”270 The fight of labor, which “you” (workers) are engaged in, is the same fight Truman is involved in; “we” all fight “shrewd and rich opponents.” A vote for Truman was a vote against Taft-Hartley, against management superiority, and for union rights. Unfortunately for those in the unions hoping for repeal, Truman won reelection but failed to defeat Taft-Hartley in his second term. Still, Truman and Taft-Hartley are an example of the increasing importance of the UAW to the electoral and governing coalitions of some presidential candidates, meaning that those candidates following Truman would more frequently address and seek support from the auto industry constituency.

In the 1950s, Ford Motor Company was on the path to recovery under Henry II and GM dominated auto sales. GM was, according to David Halberstam, “a company so powerful that to call it merely a corporation seemed woefully inadequate.”271 GM was the largest and richest corporation in the world, and it could be characterized as “heartland, conservative Republican – insular, suspicious of anything different.”272 Auto industry leadership found a natural ally in Dwight Eisenhower, elected in 1952, who even floated a patriotic slogan when auto sales began to slump; “you auto buy now.”273 The slogan was intended to boost the morale of management and workers, but it could not compete with reality; the state of the worker, even the unionized one, was getting worse. The culture of post-war America, with millions of veterans getting an education on the GI Bill, belittled the blue-collar worker in favor of the white-collar “organization man.”274 The power of the mega-corporation and its white collar professionals grew while the blue-collar workers lost influence and unions grew more complacent.

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270 Truman, "Labor Day Address in Cadillac Square, Detroit, 9-6-1948." ¶51.
271 Halberstam, The Fifties 118.
272 Halberstam, The Fifties 488.
274 Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 591.
To GM’s unionized workers, Eisenhower represented a challenge to the gains they had made over the past three decades. The culture turned on them and now the presidency was held by a man not overtly favorable to their cause. Eisenhower did not vocalize opposition to unions, but neither did he announce his support for them. Much like Truman, Eisenhower consistently stated his intention to keep the federal government out of things; he would not intervene in strikes or collective bargaining.²⁷⁵

Near the end of his second term, Eisenhower revealed his general view about the often contentious process of union negotiation. In 1960, Eisenhower offered a reflective view of his presidency in an address in Detroit, focusing at times on the divide between management and unions. The system of collective bargaining, which we “properly cherish,” demands “self-reliance and responsibility” from both management and workers.²⁷⁶ More importantly, the system fails when “labor and management behave as adolescents instead of adults… if they ignore the national welfare by deadlocking for protracted periods with painful effects upon the economy before composing their differences. No longer can this nation permit either group to drag its feet.”²⁷⁷ This public chastisement, politically possible because Eisenhower’s term as president was essentially over, did not necessarily pick management over worker. In fact, because Eisenhower no longer needed the vote of management at industrial super-corporations like General Motors, he could chastise the manager as he chastised the worker.

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²⁷⁷ Eisenhower, "Address in Detroit at the National Automobile Show Industry Dinner, 10-17-1960." ¶52-54.
His comments here emphasized that each, both, were at fault, in using the existing guidelines of the Wagner and Taft-Hartley Acts to stage protracted battles that damaged the national economy. Eisenhower rejected what he called “an adolescent” use of the collective bargaining system itself. “Differences of opinion are natural and good,” Eisenhower continued, “but there is no room for mutual distrust, or bitterness. Labor and business leaders must sit down in a calm atmosphere and regularly discuss – far removed from the bargaining table – their philosophy, their needs, and, above all, their common responsibility to this free nation… Labor management statesmanship is today as imperative as labor-management bargaining.”

It is up to management and workers to resolve disputes using the system quickly. To do so, each must work to understand the other. Note that this should not be seen as blame towards the auto industry or its distinct groups: management and labor. The equity in treatment for the two groups meant that he wanted them to behave better in the future, together. Eisenhower’s words have the tone of a disappointed parent, rather than that of an accusatory police officer. Roosevelt asserted the equality of employer and employee, and Truman demanded their unity, Eisenhower here asked merely for more civility. The UAW had the Wagner Act, while GM and other companies had Taft-Hartley; each was empowered but resolution was only possible insofar as each did not test the limits of that power in lengthy battles.

The 1960s were the beginning of the decline for unions like the UAW. John F. Kennedy, who assumed office in 1961, may have been aware of the declining membership (and thus voting power) that unions represented, but he still worked hard to maintain their loyalty. While campaigning for the presidency, Kennedy argued, “Our labor unions are not narrow, self-seeking groups.” They fought for better wages, shorter hours, benefits, justice, and democracy, according

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279 The New Deal coalition, labor included, is still a voting base for Democrats.
to Senator Kennedy, and as such “they have spoken, not for narrow self interest, but for the public interest and for the people... Their goals are goals for all America.” Kennedy, in need of votes, was more supportive of labor than Eisenhower had been. Eisenhower said labor and management should set aside self-interest in favor of the broader interest. Kennedy argued that labor’s goals were the same as those of the broader interest; that in pursuing the goals the union set for itself everyone else would necessarily benefit. By using collective bargaining and protracted strikes if and when needed, labor was not ignoring the collective interest but in fact fighting for it. During his short presidency, Kennedy adopted a non-interventionist stance in labor disputes, both in and outside of the industry, and defended that stance by arguing that it was up to the parties involved to resolve the dispute.

Roosevelt and Truman’s resolve to not intervene was tested with strike-based shutdowns at important facilities; Kennedy was resolved not to intervene and never presented with a situation to test his resolve. Kennedy’s overall support for labor, based on his campaign remarks, and his policy of non-interventionism, continued into the administration of Lyndon B. Johnson. Johnson’s “Great Society,” with the “War on Poverty” as its crown jewel, was friendly to workers but not specifically designed to advance the cause of unions. In 1964, Johnson said “United we stand, divided we fall. So today I say to these thousands assembled here, whose only concern is what is best for their country, let us bring the capitalist, the manager, the worker, and

the Government to one table to share in the fruits of all of our dreams and all of our work.”

This statement brought together Roosevelt’s equality (“one table” for groups of varying power) with Truman’s unity (“united we stand,” bring groups to “one table”) and Eisenhower’s civility (“share in the fruits”). A month later, Johnson added the policy of non-interventionism held by Kennedy, thanking automakers and union leaders for a peaceable and quick negotiation without government interference. With Johnson, we see a view of labor-management relations that drew on four prior administration approaches. It is a view of labor-management relations that blurs the line between the two groups, recognizing difference but rejecting adversarial tactics. It is a view of labor-management that begins the work of collapsing the groups into one, which later presidents refer to as “the auto industry.”

By the mid-1960s, the labor movement in the United States had accomplished much. Twelve hour days and six days weeks had become, for many, eight hour days and five day weeks. Workers were paid substantially more, even accounting for inflation. In addition, workers received a variety of fringe benefits, often including medical insurance, pensions, and post-layoff assistance. Most importantly, a workers’ right to representation and collective bargaining in the workplace was firmly entrenched in U.S. law and precedent, even if it was more restricted than in the days prior to the Taft-Hartley Act. Presidential support for unions was tenuous prior to the Roosevelt administration and for Roosevelt and Truman, certain kinds of unions were to be supported while others needed to be fought. Still, peaceful demonstrations led to union gains in the 1930s and 1940s and reinforced the utility of unions. The UAW benefited from the non-interventionist policies of Eisenhower, Kennedy, and Johnson, and by the Johnson administration

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a cohesive view of the labor-management relationship that emphasized equality, unity, and civility was advanced. As I show in later chapters, presidents following the Johnson administration emphasized these aspects of the unionization effort in auto industry history.

In order to fashion such a narrative, presidents erased certain elements of history. Presidents forgot that the labor movement in the U.S. was born in socialism and communism and its most militant fringes advocated an overthrow of the capitalist system.\textsuperscript{284} Presidents had to forget that management responded to unions with extreme violence. Presidents had to forget that their predecessors who might have supported union efforts to attain equality and representation embraced the Espionage, Sedition, and Taft-Hartley Acts, which variously silenced unions and restricted rights. Presidents had to forget that Henry Ford, at the head of the then largest automaker in the world, only agreed to deal with unions to save his marriage, and that General Motors, the industry leader during the middle of its history, was pressured into negotiations with the unions by none other than the President.

The title of this section, \textit{(Don't) Remember the Overpass}, refers to the importance of forgetting certain aspects of auto industry labor history. Walter Reuther, savagely beaten at the overpass by Harry Bennett, at Henry Ford’s instruction, became a folk hero in Detroit and for the labor movement. To this day, commuters in and around Detroit remember Reuther; they drive on a freeway that stretches across the region named after him. The battle cry “Remember the Overpass” helped rally workers to eventually win organization at Ford. Yet for the union and management to achieve a civil relationship with one another, the physical violence of the Battle of the Overpass had to be forgotten. A view of collective bargaining advanced by presidents by the 1960s highlighted equality, unity, and civility. One cannot be expected to “Remember the Overpass” and keep in line with these values. So the Overpass itself was forced from collective

\textsuperscript{284} The conflation of unions and socialism has become a feature of some contemporary political rhetoric, though.
memory and presidential speech, while Reuther himself retained his status as a labor hero. Commuters in Detroit drive on the Reuther highway and know he was a hero of labor, but the Overpass battle is lost to obscurity. Likewise, remember Wagner and forget Taft-Hartley; remember Henry Ford’s five dollar day and forget Harry Bennett. For an internally-consistent auto industry identity to function, these troubling aspects of its labor history must be forgotten. For presidents to appeal to the auto industry rather than only to labor or management, the divide between those two groups must be obscured. The troubling history must be removed from the praiseworthy narrative, by Detroiters, the media, and in presidential speech. This pattern of excising the ugly from the past continues in the fourth important era of industry history I consider in this chapter, where I examine the claim that the auto industry helped to build a new middle class in the United States.

2.4 Mass Employment, Material Advances, and Extreme Violence

In this section, I begin by explaining how integration of the moving assembly line, Taylorism, Fordism, and vertical integration enabled the domestic auto industry to expand exponentially. This expansion was a boon for unskilled workers: it provided them with wages high enough to purchase an auto and later a home. The auto industry contributed to the surge in the American middle class, a fact that contemporary presidents never fail to highlight. Next, I examine how the auto industry specifically harmed this new middle class through mass production work and cultural homogenization via the Social Department and Americanization programs. This leads to a consideration of how the population/employment boom in Detroit drew in hundreds of thousands of black workers only to hire them last and leave them without affordable housing – contributing to heightened racial tensions and two violent race riots. I conclude by arguing that, as in the case of the other areas considered in this chapter, presidents
focused on the positive and erased the negative pieces of this area of industry history. In order for presidents to gain support from the industry constituency by praising the past, those presidents ignored the costs of mass employment, obscured or erased within the claim that the industry helped to build the middle class in America.

Let us begin with the claim: the domestic auto industry contributed significantly to the advancement of blue-collar workers in the United States. More specifically, the auto industry employed a more diverse segment of the population, including new immigrants and the descendants of emancipated slaves, paid them very well, and made technological advances that were adopted in many other industries. These considerable achievements are largely a result of the pioneering work of early automakers who figured out how to interconnect the moving assembly line, Taylorism, Fordism, and vertical integration.\textsuperscript{285} Using these systems, Ford Motor Company, which drove the automobile revolution in the first quarter of the 1900s, was able to “nearly double [production] every year for a decade after 1913, while the price of a Model T dropped by two thirds.”\textsuperscript{286} During this era, Ford Motor paid increasingly higher wages to an exploding workforce. Later, General Motors and the entire industry followed suit, with benefits for other industrial sectors, workers, and the economy.

Prior to the moving assembly line, auto production (and most other delicate craft work like it) was completed by highly trained specialists. Early autos were built by workers who attained the skill to do so through years of apprenticeship and experience.\textsuperscript{287} They were almost universally male, white, and native to the Midwest; the few immigrants were largely German or

\textsuperscript{285} Of course, credit is due to later advances, including some in advertising, dynamic obsolescence, and the Toyota lean production model. Still, the four advances listed here are responsible for the market dominance of the Model T, which made automobiles commonplace in the United States. The Model T’s success also paid for Ford’s historic wage increases which were followed eventually by other automakers, meaning that the four listed developments were the most important to consider in the gradually escalating wages paid by the auto industry.
\textsuperscript{286} Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 155.
British mechanics and carriage makers. As the early moving assembly lines broke complex processes into individual, simplified tasks, the value of these skilled craftsmen declined. The moving assembly line permitted “unskilled labor to perform work of high quality and in large quantities.” Automakers needed many more workers (with fewer skills) to keep increased production runs going and soon depleted the labor supply in Southeastern Michigan. By 1910, the Employer’s Association of Detroit was advertising its need for workers around Michigan and states across the Midwest. People flocked to Detroit from around the region.

Even as automakers employed more people they worked towards getting more productivity out of each worker. Taylorism, begun at Ford Motor in the first decade of the 1900s and widely popularized by “the thinking man’s Henry Ford,” refers to the scientific management of workers and work processes. By conducting time and motion studies of individual processes, such as how far a worker had to bend to install a screw and how long such motion took, a manufacturer could fine-tune an optimal procedure and eliminate wasted seconds, pennies, and worker toil – improving overall efficiency.

Still, efficiency could only accomplish so much. The explosion in popularity for the Model T and automobiling in general during the late 1910s demanded that close studies to improve efficiency be paired with mass hiring and production expansion. This meant many more

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289 Ford and Crowther, My Life and Work, Ford and Crowther, Moving Forward.
291 The early responders did not suddenly commit to industrial and city life. As Peterson noted, many left rural areas for auto jobs only when they needed to raise money or during off seasons for farming. Once the short-term task was accomplished, they left the auto job and went back to the farms. This kind of transient labor was a common problem for early automakers, as it meant that they had to continually retrain a new labor force. Peterson, American Automobile Workers: 1900-1933 12.
292 Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 139.
open jobs; tens of thousands of workers “swarmed to the city” to fill them, including the first major wave of immigrants.\footnote{Meyer III, The Five Dollar Day: Labor Management and Social Control in the Ford Motor Company 26.}

The moving assembly line allowed automakers to employ more unskilled workers while it also saved those automakers considerable amounts of money. By producing bigger runs of a single commodity, a manufacturer could distribute the costs of design, engineering, space, tools and dies, and advertising across many individual unit sales. To expand on these savings, some automakers took other steps to benefit from economies of scale, such as vertical integration. Vertical integration enabled Ford Motor to reduce production costs and thus lower the price of automobiles by controlling the costs of raw materials.\footnote{Ford Motor owned or managed timberland, sawmills, iron mines, glassworks, parts manufacturing, and even an in-house smelting operation at the River Rouge plant. Each was purchased to give more control over the process and price of providing raw materials of a certain quality. Ford Motor even purchased rail lines to control the price of shipping materials and finished automobiles.} As Brinkley put it, “the basic idea was that the product itself may or may not be improved… but the system behind it must be made better, continuously.”\footnote{Brinkley, Wheels for the World: Henry Ford, His Company, and a Century of Progress 141.} The system could always be tweaked for slightly better efficiency. By improving the process behind the production of automobiles, including the process of attaining and transporting the raw materials, Ford Motor drove down costs and ramped up production much faster than seemed possible at the time. By 1915, Ford’s unskilled laborers produced fifty times what skilled laborers produced twenty years earlier, while still improving quality.\footnote{Nevins and Hill, Ford: The Times, the Man, the Company 20.}

Due to these significant savings measures, Ford Motor Company (and other automakers to a lesser extent) had the profitability to drastically increase wages. These higher wages in turn powered more growth for the manufacturer, in an economic model known as Fordism. Fordism refers to an economic approach that powers mass production by enabling mass consumption; the
company created a market for its products by paying workers enough to afford them.\textsuperscript{298} Increased production from the moving assembly line meant more workers with fewer skills. By saving money through the application of Taylorism and vertical integration, one could afford to pay that workforce more. Once you paid them well, they could afford your product, creating demand for the whole system. The feedback loop functioned so long as no major external events damaged one of the links.\textsuperscript{299} When everything worked as it should, as during most of the 1920s and the years after WWII, the auto industry powered overall economic growth; there were enough of the wages left over after a worker bought a car to also buy other commodities.

The interaction of these four advances explains the otherwise peculiar fact that the auto industry did so much to contribute to the growth of a middle class in the United States. In and around Detroit in 1929, more than half of all industrial wage earners worked in the manufacture of autos or parts for them; by a decade later more than sixty percent did.\textsuperscript{300} Ford Motor Company paid this considerable share of all workers extremely well, building an auto industry based middle class. General Motors later adopted many of the advances, wages rose, and more workers accumulated enough wealth to purchase homes. Following World War II, soldiers coming home from war pushed the whole model into overdrive; they bought cars by the millions. Even as the GI Bill helped veterans purchase homes across the country,\textsuperscript{301} Detroit workers did better than others. By the 1950s Detroit had the highest median income and the highest rate of home-

\textsuperscript{298} This includes both an income that could afford an auto, which Ford Motor helped increase with the $5 day and later $6 day, but also the leisure time to use the product, which Ford Motor provided by shortening the workday to eight hours and later the work week to five days.\textsuperscript{298} For example, World War I, and to a greater extent World War II, disrupted the unskilled labor supply and costs of materials for production. The Great Depression and other, more minor, recessions disrupted consumer buying power, and thus mass consumption, lowering demand and thereby lowering the need for mass employment.\textsuperscript{300} Teaford, Cities of the Heartland: The Rise and Fall of the Industrial Midwest 177.\textsuperscript{301} Barbara M. Kelly, Expanding the American Dream: Building and Rebuilding Levittown (Albany: SUNY Press, 1993) 11.
ownership of any American city. Even those who never worked in auto manufacturing benefited – auto workers with full wallets bought more groceries, clothing, appliances, and bigger homes. High wages forced other manufacturers to pay more as well, competing for workers during labor shortages, benefiting workers in multiple industries. During the 1950s, when General Motors was among the largest corporations on the planet, the ranks of the “middle class” in the U.S. grew by more than 1.1 million families a year.

The domestic auto industry directly contributed to the growth of a new middle class by increasing employment and wages, but also in other more indirect ways. For example, the advancements employed on a mass scale in auto factories were adopted in a number of other industries: the auto industry helped put the entire country on a moving assembly line, producing products for a demanding (and spending) consumer base. These advances produced a “seismic impact on U.S., and then worldwide, business practices.” The advances were adopted in home construction, as in the case of Levittown and mass construction of planned suburbs, designed for returning veterans and new middle class earners. The advances also influenced the preparation and sale of food, as the case of Ray Kroc and the kitchen assembly lines of McDonalds. In short, not only did utilization of the moving assembly line, Taylorism, Fordism, and vertical integration employ and pay whole generations of workers, it also improved the quality of their lives by pushing advances that made homes and food more available.

These gains for unskilled workers are only part of the story. In the case of advancing technology and building a middle class, as has been the pattern throughout this chapter, a series

302 Lexington, “Blue-Collar America,” The Economist 2009: 34.
303 Halberstam, The Fifties 587.
304 Halberstam, The Fifties 135.
305 Kelly, Expanding the American Dream: Building and Rebuilding Levittown 21-33.
307 A great deal of cheap (unhealthy) food arguably worsened the lot of the middle class – once it became something a person ate more often than not and in larger portions. Neither of these things was true of early fast food usage.
of important developments in this history are overlooked in presidential speech. First, mass production work was physically and mentally problematic for the worker. Second, the high wages it paid came with conditions. Third, even for those willing to accept these conditions, the auto industry’s vulnerability to national and international pressures meant that its new vast workforce would forever be one recession away from unemployment. Those inevitable recessions and the mass layoffs that came with them contributed to the seething racial tension in the city and occasional eruptions of violence. This contributed to a broader white flight away from the urban core. These aspects of the claim that the industry helped build a middle class are worth considering in turn.

First, mass production work was physically and mentally problematic for the worker. Work on a production line was dangerous and monotonous. The early auto industry workers that filled the first moving assembly lines came to Detroit from rural areas. They were unprepared for the monotony of work in the new system: each worker had a single task to complete thousands of times a day, such as capping a bolt on a given part, many times per minute. The endless repetition necessary in the mass production runs led many workers at Ford Motor’s early factories to a “nervous condition.” What the workers called “Forditis” included symptoms like cramps, spasms, nervous tics, cold sweats, high blood pressure, paranoia, depression and the muscle problems associated with what are now known as repetitive stress injuries.

The job was dehumanizing, circumscribed freedom of thought and action, and through endless repetition, reinforced the subjugation of the worker. This theme has been highlighted

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in literary and visual representations. In these works, the assembly line worker is often depicted as sacrificing individuality, freedom, agency, creativity, and vitality for the “prize” of wages. Henry Ford made light of such sacrifices and complaints about assembly line work, noting that “I have not been able to discover that repetitive labor injures a man in any way.” Workers wanted and needed wages more than anything else, according to Ford. Moreover, the drudgery of assembly line work was only “terrifying” to a “certain kind of mind,” but for the “majority of minds” it “hold[s] no terrors.” So, rather than suggesting that the work itself was inherently problematic, or that it asked more of workers than it returned, Ford suggested that certain kinds of people were actually suited to it. Whereas the worker complained about, Ford’s paternalistic position was that it was good for them and they were made for such work.

The second aspect of this history obscured in presidential speech is that the high wages that built the middle class came with considerable conditions. Once an unskilled workers’ ability to do assembly line work without being “terrified,” which suggested their suitability to it, had been established, the worker still had to adhere to a series of standards. The most notorious of these programs was the Ford Motor Sociological Department and Americanization program. The Social Department, whose strikebreaking activities were already discussed in this chapter, was originally responsible for ensuring that workers maintained a certain quality of home life in order to qualify for increased wages at the factories. This included having a clean home, a savings account, avoiding drinking, caring for children, and wearing freshly laundered clothing.

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For the majority of white Midwesterners, these basic requirements would grant them the higher wage. For others, including non-English speaking immigrants and African Americans, the Social Department demanded more. Immigrants who had been peasants in Southern and Eastern Europe did not have “industrial work skills and work habits,” leading automakers to push for what Stephen Meyer called a “new degree of cultural conformity.” The Social Department taught immigrant workers English, American songs, American cooking, and how to appropriately celebrate American holidays. They were also taught what it meant to be a worker in an American factory; specifically expectations of timeliness, quality, speed, and the role of the worker at the bottom of the hierarchy.

African Americans, still treated as “third-class citizens” in the South, “disenfranchised and poor beyond words,” traveled to the Detroit factories in a “mass exodus,” only to find that they would be subject to even stricter requirements than immigrants. This was part of the broader Great Migration of six million African Americans from the South to the North from 1910-1930. Automakers chose to employ immigrants before African Americans, so the jobs available to the latter were few. Even when a black worker nabbed one of the few spots and met the requirements, they were given the most dangerous or menial positions in the factories. They were worse off than immigrants undergoing Americanization, and they had, for the most part, been born in the United States.

For the unskilled worker, Forditis, Americanization, and intrusion by the Social Department were the price of high wages. Surely many left Detroit rather than subject

themselves to this kind of treatment. Those who stayed, especially immigrants and African Americans, “forgot… dignity and pride and permitted these intrusions. [The worker] traded pride and privacy for… economic security.” If repetitive labor dehumanized, much worse for the worker sacrificing all claim to pride or dignity. The onerous requirements and Social Department eventually fell by the wayside during the union battles with the auto industry.

Still, the mass of unskilled workers, the middle class the auto industry so famously helped to build, was always at risk of upheaval and violence. This is the third aspect of history the presidential narrative: workers remained at the mercy of broader forces, including growing racial tensions and the economic volatility that made such tensions worse. As more African Americans came into the city, much of the burgeoning middle class left; they migrated to newer, “safer” homes in Detroit suburbs. White flight, as the phenomenon is generally known, was prompted by socioeconomic divides in Detroit. In Detroit, a first and second generation middle class, built in part on the high wages of the auto industry, fled to nicer neighborhoods outside the city limits not yet populated by fresh tides of unemployed newcomers. Rather than flee, some white people “defended” communities from intrusion with coercion and violence.

During this era of high racial tensions, any instability might lead to mass violence. This was exactly what happened in 1943. Production work for World War II brought hundreds of thousands of workers into the city, many of them African Americans from Kentucky, Tennessee, and the Carolinas. Although jobs were available, housing was scarce, and some neighborhoods were packed with an influx of black workers. The situation was tense, a powder-keg, waiting for a spark. On June 20, the fuse was lit; a fistfight between a black man and a white man escalated

into a city-wide race riot. Over 600 people were injured (75% of them black) and 34 killed (25 black). A nearly all-white police force arrested 1,800 people (85% of them black). The riots ended after three bloody days, when federal troops restored order to the city.

Except for his pro forma address asking the rioters to “retire peacefully to their respective abodes immediately,” President Roosevelt did not discuss the incident. The situation resulted directly from the success of the auto industry, which brought a majority of the government contracts to Detroit, and its hiring practices discriminating against the influx of African American workers. Roosevelt’s personal feelings about race aside, the success of the arsenal of democracy depended on peace between black and white people at home. He needed millions of African Americans to work alongside white Americans in defense production around the country and on the ships that carried war materials across the oceans. Executive Order 8802 required any employer accepting a defense contract to follow a non-discrimination provision in its hiring practices. The provision was implemented in the Fair Employment Practices Commission (FEPC) in 1941. It was strengthened with Executive Order 9346, which extended

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321 Daniel Kryder argued that racial violence threatened to doom war production and thus Allied success, making race relations an integral part of Roosevelt’s management of World War II. See: Daniel Kryder, Divided Arsenal: Race and the American State During World War II (Cambridge University Press, 2000).
323 Note that the order also paved the way for Harry Truman’s desegregation of the armed forces in 1948.

These executive orders, which may have opened some new jobs in Detroit to African Americans, were designed to protect the cause of war production while also furthering the cause of racial equality.\footnote{Although there is an apparent tension with his Four Freedoms. Thomas Sugrue, The Origins of the Urban Crisis: Race and Inequality in Postwar Detroit (Princeton University Press, 2005) 104-05.} Yet Roosevelt failed to condemn the nearly all-white Detroit police force that brutalized black rioters or the white rioters that looted and burned the all-Black Detroit neighborhood of Paradise Falls. Roosevelt failed to mention how the hiring practices of the auto industry may have contributed to racial animosity in the region. Instead, he praised the industry for its contributions to war production and refused to discuss the riots or racial tension in Detroit.

Discrimination against African Americans in Detroit continued well into the 1950s and 1960s.\footnote{Kelly, Expanding the American Dream: Building and Rebuilding Levittown 12.} At the same time, white flight, or “middle-class flight,” from the cities to the suburbs, continued all around the country.\footnote{Halberstam, The Fifties 142.} Suburban populations exploded from 1950 to 1980 as 18 of the nation’s 25 largest cities lost population.\footnote{Note that these figures reflect those classified as “negroes” in the 1940 and 1960 census. See: Unknown, Historical Census Browser, 2004, University of Virginia: Geospatial and Statistical Data Center, Available: \url{http://mapserver.lib.virginia.edu/collections/}, 4/1/12.} As a largely white middle class left the urban core, new arrivals and a black lower class filled the newly available urban housing. The proportion of African Americans in the Detroit area grew quickly through the 1950s and 1960s. In 1940, 8\% of the 2 million people in Wayne County were African Americans. By 1960, the group comprised 19.8\% of the 2.6 million residents in the county.\footnote{Note that these figures reflect those classified as “negroes” in the 1940 and 1960 census. See: Unknown, Historical Census Browser, 2004, University of Virginia: Geospatial and Statistical Data Center, Available: \url{http://mapserver.lib.virginia.edu/collections/}, 4/1/12.} Within the city of Detroit, 16.2\% of the 1.8 million residents (Detroit’s population high) were African American in 1960.
By 1980, the population had fallen to 1.2 million and African Americans made up 63% of those who remained in the city; by 2000 they were 81% of the 950,000 residents left.\textsuperscript{330}

With discrimination still an issue in auto factories and a growing number of African Americans in the city, any economic problems could only further contribute to tension and unrest. Unfortunately, stability is next to impossible to attain in the auto industry. Automakers, praised for improving the lot of the middle class, operate in a precarious industry. Modern autos are expensive – they are a considerable purchase for the average family. Those who make them are “especially sensitive to the fluctuations of the economic cycle.”\textsuperscript{331} When the country goes into a recession, the average family would still need food and clothing, but could put off the purchase of a new car, sometimes for years. “Consequently,” as John Teaford argued, “economic depressions struck especially severe blows in the heartland. Detroit… [was] on an economic roller coaster of unequaled danger. Nowhere were the plunges so sharp or the ascents more abrupt.”\textsuperscript{332} This meant that auto workers could expect periods with job security, overtime pay, and growing wealth. It also meant that any given month could be the first in a year of cutbacks, layoffs, and home foreclosures. Capitalism creates cycles of growth and recession; these cycles have a more profound impact on those industries that make expensive durable goods.

This inherent instability and sensitivity was clear in 1953 when the post-war market starving for new cars was finally sated; automakers began to produce more than could be sold.\textsuperscript{333} Competition grew more desperate in 1953 as the nation dipped into recession. The industry was over-producing while at the same time the economy was shrinking and people bought less.

\textsuperscript{331} Teaford, \textit{Cities of the Heartland: The Rise and Fall of the Industrial Midwest} 180.
\textsuperscript{332} Note that Teaford is making a broader claim about the Midwest industrial centers, not just Detroit. He lists Detroit (alongside Cleveland and Milwaukee) as prototypical examples of a broader trend. See: Teaford, \textit{Cities of the Heartland: The Rise and Fall of the Industrial Midwest} 180.
\textsuperscript{333} Edwards, \textit{Dynamics of the United States Automobile Industry} 29-30.
Foreign compact car models became best sellers in 1957, shrinking the market share of domestic producers that refused to make them.\textsuperscript{334} Automakers pulled back production (laying off or short-shifting workers) when recessions hit again in 1958-59 and 1960-61.

By 1961, Detroit had transitioned from the “city of homeowners” to a symbol of economic decay. The major war production contracts were long gone and the population gone with them. Once housing was scarce enough to threaten the viability of auto factories; by the sixties the population nosedive left much of the city abandoned. In October 1961 an article in *Time* described the city as “not pretty… a combination of the grey and the garish” where “blight is creeping like a fungus.”\textsuperscript{335} Amidst the architectural decay of the city’s infrastructure after the population decline, discrimination was still a problem, further challenging officials struggling to counteract the decline. Historian Sidney Fine argued that Detroit was actually making significant improvements in the latter area, with a number of African Americans in high union positions and in local and state government. Still, the actual discrimination and the perception of continued discrimination, after policy changes, persisted in views the police force, employment practices, the poor quality of the desegregated public education system, neighborhood segregation, housing availability and lending practices.\textsuperscript{336}

In 1967, the tension prompted by discrimination and broader economic troubles that hollowed out the urban core erupted in violence once again. This time, a police raid on an unlicensed bar on July 23 led to a confrontation between black patrons and white police officers in the street. The dispute led to one of the most violent race riots in American history. Two thousand buildings in the city were destroyed during the five-day-long “12th Street Riot.” The

\textsuperscript{334} Edwards, *Dynamics of the United States Automobile Industry* 127.
Michigan National Guard and 5,000 federal troops helped police end the riot; 7,200 people were arrested and 467 injured. During the fighting, 43 people were killed. 33 of them were black.

President Johnson, after authorizing the troops to quell the riots, addressed the nation to explain his actions. Unlike Roosevelt, it simply would not do for Johnson to leave the issue unmentioned. Johnson was in a similar situation; he needed peace at home to be able to properly conduct a war overseas. Yet while Roosevelt’s arsenal of democracy powered a war viewed as necessary, if not popular (after Pearl Harbor), Johnson struggled against a strong anti-war voice even as he escalated American intervention in Vietnam.

At a time when civil rights and peace marches took place all around the country, it would not do to be seen as sending federal troops to silence African American “protestors.” In his address, Johnson did as Roosevelt did: he defended his usage of federal force as a response to the request of city and state government officials. Yet Johnson also drew a line between acceptable protest and rioting: “Pillage, looting, murder, and arson have nothing to do with civil rights. They are criminal conduct… We will not tolerate lawlessness. We will not endure violence.”

Using force against dissent, for Johnson, was only allowable to stop acts in clear violation of law. If what the rioters/protesters were doing is a crime, then “It matters not by whom it is done or under what slogan or banner. It will not be tolerated.” While a direct address on the situation in Detroit, this language allowed Johnson to make a similar case against any anti-war demonstrations that cross the stated line. No matter “under what slogan or banner,” civil rights or peace, Johnson would not tolerate criminal acts, and would use federal troops to stop them.

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338 Johnson, "Remarks to the Nation after Authorizing the Use of Federal Troops in Detroit, 7-24-67." ¶15.
More importantly for our present purposes, Johnson did not take the opportunity to bring light to or encourage investigation of the local causes of the rioting or the role of the auto industry in them. Johnson argued that “the people… of all of our American cities, however troubled they may be, deplore and condemn these criminal acts. I know that the vast majority of Negroes and whites are shocked and outraged by them.” Johnson “joins” the rest of the country in, appropriately, condemning the act while not condemning the individuals. Yet he failed to at the same time condemn the living situations, discrimination, hiring practices, and prejudices that precipitated the riot. Johnson’s speech is another case of presidential failure to comment on the negative impact of the domestic auto industry, one more in a line of erasures.

In this section, I discussed the auto industry’s praiseworthy improvement of the lot of the middle class. When decidedly less positive topics arose, presidents overlooked them in favor of touting the industry’s track record on economic influence. Roosevelt and Johnson did not adequately address auto industry culpability in the racial powder-keg that Detroit had become. Other presidents ignored the dehumanizing force of mass production work or the intrusion and coercion of the Social Department. Instead, presidents praised the commodity, war production, and labor advances. They praised the auto industry for building and strengthening a middle class even as they overlooked the way that the industry was harming the middle class.

As the middle class grew, the economy strengthened. FDR emphasized the economic importance of the industrial sector around Detroit in his messages of support for the Great Lakes-St Lawrence Seaway Project. Harry Truman argued that Detroit was a "synonym throughout

339 Johnson, "Remarks to the Nation after Authorizing the Use of Federal Troops in Detroit, 7-24-67." ¶17.
the world for the industrial greatness of America,” and that the “know-how” of “workingmen of Detroit” was “one of our greatest national assets.” 341 Dwight Eisenhower referred to the industry as a “very important part” of the economy. 342 In a separate address, even as the city was well into a spiral of decline, Eisenhower argued that “Detroiter have a great right to be proud of their city, not merely because of its material accomplishments but because it is a city where people with good jobs have lived in self-respect, in decency, and in perfect awareness of the fact that all America wants to live in exactly the same way.” 343 On the occasion of a mild recovery in Detroit, Johnson proclaimed that “this city and its people are the herald of hope in America. Prosperity in America must begin here in Detroit. You folks in Detroit put American citizens on wheels; you have [the] American economy on the move.” 344 The city of Detroit, according to Johnson, was “a striking example of our expansion of the past three years.” 345 Near the end of 1966, half a year from when it would be rocked by the 1967 race riots, Johnson commended the “great industrial metropolis… admired and envied the world over.” 346 Richard Nixon applauded the “motor capital of the world” because it “provides an enormous driving force for the economy” and one of six jobs in the country. 347

341 Truman, ”Address in Detroit at the Celebration of the City's 250th Anniversary, 7-28-51.” ¶3, 10.
342 Eisenhower, ”Remarks in Cadillac Square, Detroit, Michigan, 10-29-54.” ¶14.
343 Dwight D. Eisenhower,”Remarks at the City-County Building in Detroit, 10-17-60,” online by Gerhard Peters and John T. Woolley, The American Presidency Project.
344 Lyndon B. Johnson.”Remarks Upon Arrival at Metropolitan Airport in Detroit, 5-22-64.” online by Gerhard Peters and John T. Woolley, The American Presidency Project.
The auto industry brought millions of newcomers into a city that did not have the infrastructure to house them. Although many were paid and paid well for auto work, the stress of the job, sacrifices of privacy and liberty to oversight programs, and lack of suitable housing created innumerable tensions in Detroit. Periodic recessions and the concomitant layoffs that came with them, in tandem with persistent discrimination, contributed to racial animosity in the region and ultimately to some of the most violent race riots in American history. Rather than address the great harms that the auto industry had done to its workers and the broader middle class, presidents have focused on achievements. In effect, the political benefits of praise erased the more problematic moments in auto industry history.

2.5 Historical Erasures Make an Exceptional Industry Identity

In this chapter, I presented four areas of auto industry history. This history is complicated and much of it dark. Automobiles were viewed as a menace and automobiling was thought to instigate class warfare. Theodore Roosevelt derided the invention and those that used it for being “effete dandies.” When conflict overseas demanded war production at home automakers resisted. The arsenal of democracy succeeded, arguably, because automakers had little choice; they were forced to comply. When workers in auto factories started demanding rights and representation, automakers were among the most violent industrialists in labor history in crushing unions. Because they paid well and employed all, automakers were complicit in overpopulating Detroit with newly “middle class” workers; they were likewise complicit in the mass violence that erupted when these workers lost their jobs and had nowhere else to go.

The complicated, and dark, version of auto industry history does not lend itself well to bedtime stories. Nor does it lend itself to presidential speech. In this analysis of auto industry history, the recurring point has been that a president who needs support from the auto industry as
constituency, must carefully consider what aspects of this history to use and how to use them. In this, the auto industry is not so very different from any other constituency. All constituencies, if the history goes back far enough, have the potential for similar such erasures; all constituencies needed by presidential candidates and incumbents have the potential for the darkest aspects of their history to be ignored, as a means of fashioning a praiseworthy history or identity that could be used to secure support. This chapter demonstrates first and foremost that history, the real history, is key to understanding what get erased in presidential attempts to secure support.

The severity of the conflicts erased in presidential speech about the domestic auto industry is significant. Presidential candidates and incumbents must engage in what Nicole Loraux called the “ellipsis of the political,” which refers to the erasure of conflict in a given narrative. It is not unlike another concept Loraux called the “denial of division.” Each concept means that the political importance of unity dictates that narratives of the past must erase moments of discord, especially when they paint any still existing group or figure negatively. Presidents erase historic conflicts between rich automobilists and everyone else, between unions and management, between industry and war production boards, and between different classes or races of the workers themselves. They sanitize this past as they talk to and about the industry if they hope to win votes or support from the UAW, workers, dealers, or management.

The real history of the auto industry is mapped out, with the most praiseworthy achievements taken to stand in for the whole sweep of events. When it comes to presidential speech history is synecdoche. Some of these achievements deserve praise, including the claim that the auto industry contributed to the growth of the middle class by giving high wages to unskilled workers. Some, such as the claim that Detroit was the arsenal of democracy, are

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hyperbolic versions of the truth; they are redefinitions of ideas markedly different from the original intended usages. Some aspects are decidedly not praiseworthy, including the ways the auto industry dealt with unions for over forty years and the industry’s complicit role in racial tension in Detroit. The history is more complicated, bloodier, and darker than contemporary presidents would have us believe.

All of this might amount to no more than a further case of pandering – a given president appeals to a given audience on a given day, with no deeper meaning or insight to be drawn from the case than that presidents praise groups however they can in an attempt to win support. Yet, as argued in chapter one, the auto industry is a special kind of constituency. Unlike many, but not all, other constituencies, the auto industry enjoys a lengthy history, some achievements deserving of presidential attention, and a powerful influence on the national economy. Most importantly, the auto industry includes management at some of the United States’ largest historical companies and workers represented by one of the country’s largest and most powerful labor unions. This constituency, unified as “the auto industry,” appeals to both Republicans and Democrats, conservatives and progressives, advocates of government intervention and neoliberals. Presidents appeal to constituencies to win support – but the auto industry is not your everyday constituency. The accepted behavior of praising a constituency, probably harmless and banal with many other groups, has the potential for important, unconsidered consequences in this case.

As Bruce Gronbeck argued, “the past is not so much constructed – though of course it really is – as it is appropriated, made into something useful for today… The past can be hammered into stories that promise glory or shame, ease or difficulty, glorification or eternal damnation.” When contemporary presidents talk to the contemporary auto industry, they find praiseworthy elements of industry history among the more complete set of events presented in

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this chapter. The president identifies a praiseworthy moment, scrubs away any hint of
impropriety or shame, and repurposes the event to fit within a useful political narrative. This
pleasant view of the history is then employed as justification for things like the bailout of
Chrysler in 1979, easing CAFÉ fuel efficiency standards in the 1980s and 1990s, and bailing out
Chrysler and General Motors in 2008-2009.

To return to the language of collective identity, the mythical past serves as a foundation
for the elite outside construction of a heroic auto industry identity. For this heroic identity to
function, presidents erase certain aspects of the past. In so doing, they effectively erase
counterarguments to intervention in the industry. When problems arise and the industry needs
government assistance, presidents contend with more than a century of presidential recitation of
this heroic identity. If the president chooses aid for the industry, he can justify it with the heroic
identity; the choice not to aid the industry seems to contradict that rhetorical legacy. Presidents
are thus presented with both inventional resources and constraints, but the weight of history
given the length of presidential recitation in the auto industry case leans this rhetorical legacy
towards constraint. After a certain period of time, after a dozen presidents in a row have praised
the industry and erased the worst parts of its past, an incumbent can hardly choose not to
intervene and save the industry as needed. If nothing is done, that non-act negates over a century
of the relationship between the industry and the presidency. The speech, the praise itself,
becomes institutionalized over time and, eventually, constrains material action. The next chapter
explains how this process of ritually reciting the received, praiseworthy version of auto industry
history began to entrench, as Johnson, Nixon, and Ford paired such with justifications and
defenses for how each administration chose to regulate the growing industry.
3 SHifting Blame Away From the Industry

By the 1950s and 1960s, the domestic auto industry was an unparalleled success story. Automakers were among the largest companies around. The oligopoly of General Motors, Ford Motor Company, and Chrysler made 95% of all new cars in America, and produced amazing profits. In 1965, for example, GM made $2 billion in net profits; its sales exceeded the GNP of all but nine nations in the world, or roughly $242,649 in net profit every hour of every day. The industry had put an auto in most driveways in America, defended the free world as the arsenal of democracy, improved the benefits of work by cooperation with unionized workers, and built an American middle class. In chapter two, I argued that this version of events was possible only through the forgetting of aspects of that history. Still, the praiseworthy version was suited to presidential appeals to the industry for support, and its recitation helped to sanction that praiseworthy past in presidential speech.

By the 1970s, Chrysler teetered on the edge of bankruptcy and both General Motors and Ford struggled with record-losses. In part due to the success of the industry, problems with the commodity attracted national attention; between the 1950s and 1970s environmentalist and consumer safety movements pushed government to regulate the industry. At the same time, foreign companies started selling competitive autos at much lower prices and a global energy crisis put pressure on fuel prices and thereby fuel efficiency. The chapter focuses on these troublesome decades. Each new movement spurred new legislation, and the period included many new regulations on the production of autos. The rise in regulations on the industry usually

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353 “The auto industry is such an important, pervasive part of modern life that every problem associated with its use becomes a major national issue demanding immediate attention.” Crandall, Gruenspecht, Keeler and Lave, Regulating the Automobile 155.
came with presidential justification. In each case, presidents chose to maintain the praiseworthy industry identity established by the 1950s. Rather than hold the industry accountable for failings on multiple issues, these presidents further reinforced the view that the industry was somehow exceptional, usually with reference to the praiseworthy past. I argue that Nixon is most to blame for this: he established patterns of action that future presidents generally followed, out of habit more than anything, in an attempt to continue to attain support from the groups represented by the auto industry constituency. When the auto industry was critiqued, Nixon redirected blame away from the industry, making it the solution to rather than the cause of a given problem. In addition, Nixon acceded to industry demands and publicly justified doing so using an economic argument: the industry is too important, we have to give it what it wants.

I begin this chapter by detailing the rise of the consumer safety movement and its focus on the safety of autos. I explain Johnson’s policy and rhetorical response to cries for government to force automakers to produce safer products. Next, I detail the rise of the environmentalist movement. I focus particularly on Nixon’s accidental environmental record as he publicly justified a series of new environmental policies. The third section of this chapter joins these two policy areas together in the troublesome year 1971, when Nixon met privately with auto industry leaders. I explain the role this meeting played in shifting Nixon’s public approach to both issues. I conclude by arguing that Johnson, Nixon, and to a lesser extent Ford, are responsible for missing an opportunity to break the exceptional identity the auto industry enjoyed. Tectonic shifts in the business environment made the auto industry vulnerable. Cracks in its facade were clearly visible: auto causalities, smog, the price of imports, and the low miles per gallon drivers fretted over. Nixon especially could have used these points to change the industry for the better through regulation. Instead, these presidents relaxed the regulations they instituted and praised
the auto industry for the problems it created. In terms of the broader relationship between the presidency and the auto industry, the Johnson, Nixon, and Ford administrations represent the point at which laudatory patterns of speech about the industry become institutionalized. By using the praiseworthy past as a way of defending the industry from critics in the present, these administrations set the standard against which Carter and Reagan spoke and acted, and which ultimately formed the institutionalized speech that Bush and Obama cannot help but reiterate.

3.1 Auto Safety: The Costs of Protection

Prior to 1965, according to Mike Mueller, the tail wagged the dog on auto safety.\textsuperscript{354} The auto industry essentially told the government how to regulate it. In this section, I begin by detailing the historical context of the rising consumer safety movement, prompted in part by the expansion of the national highway system begun by the Eisenhower administration. Next, I explain Johnson’s role in creating new safety standards. I focus particularly on Johnson’s rhetoric about the auto industry in response to public outcry over the lack of meaningful safety regulations. Rather than side with advocacy groups, Johnson defended the industry. The auto industry should not be considered responsible for the lack of safety features in its vehicles, according to the argument Johnson advanced and which was repeated in later presidential speech. Rather, the industry was our best hope for a solution.

3.1.1 More Highways, More Problems

In order to discuss concerns over auto safety we must first consider the commodity itself. A standard automobile is a few thousand pounds of metal, glass, plastic, and fabric. Forward motion is generated by hundreds of moving parts powered by controlled explosions two or three

\textsuperscript{354} Mike Mueller, Motor City Muscle: High-Powered History of the American Muscle Car (Minneapolis: Motorbooks, 2011) 169-71.
feet in front of the driver fueled by gallons of highly combustible fluid stored behind the driver. Drivers regularly move at high speeds, around tight curves, in often hazardous weather conditions, amidst thousands of others doing the same. Drivers routinely eat, drink, talk, sing, apply makeup, smoke, and do other things that take full attention off the road. Some of the thousands of other drivers around are impaired by alcohol or other substances as well. The typical commute can be, and often is, a very dangerous activity. In 2012, police reported 5.61 million crashes in the United States, resulting in roughly 2.36 million injuries and 33,561 deaths, and in 2009, car accidents were the leading cause of death for every age from 11 to 27. An observer, unconditioned to this behavior, could be excused for being astonished that an everyday driver so calmly defies death multiple times a day.

Although driving remains one of the most dangerous activities in daily American life, modern cars are incredibly safe compared to what they once were. A typical car in the 1940s would have still been composed of thousands of pounds of metal, glass, and fabric. It would not have had power steering, lap seat belts, shoulder seat belts, padded dashboards, functional shock-absorbing bumpers, safety glass windshields (except Fords), anti-lock brakes, independent front or rear suspensions, collapsible steering columns, protected fuel tanks, side lights, hazard lights, airbags, crumple zones to absorb impact, or third brake lights higher on the rear end. These cars were heavy and did not reach the top speeds common for cars today, but the majority of roads most drove on were also rougher, frequently poorly paved or not paved at all, and with less standardized signage or lane markings. That observer astonished at present-day drivers would be convinced every driver in the 1940s had a death wish.

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The difference between the safety of cars of the 1940s and 1950s and those of today lies in the dramatic increase in the number of and quality of passive and active safety features, many originally offered as optional extra purchases a driver could add on to the base price. These features only became standard as American driving habits changed in response to the opening of tens of thousands of miles of high-speed highways. Americans drove more frequently than ever before, for longer distances, at higher speeds, and with that came increased concern over safety.

Based loosely on the 1922 Pershing map of proposed roads necessary for national defense and modeled after the Reichsautobahn system in Germany, the 1955 General Location of National System of Interstate Highways (the “Yellow Book”) mapped 43,000 miles of new highways that could be built between urban areas around the country. President Eisenhower, who championed the creation of an interstate highway system, addressed the issue of highways multiple times in major addresses, including references to the importance of an interstate highway system in his second, third, and sixth State of the Union addresses. Eisenhower connected the highway system to economic stability and national security, arguing that the movement of money and troops were crucial to the health of the nation and that a highway system would accomplish both. In Eisenhower’s Special Message to the Congress Regarding a National Highway Program he claimed that free flow along highways would

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sustain national unity. The resulting 1956 Interstate and Defense Highway Act, legally defensible under the Interstate Commerce Clause of the Constitution and justified by Eisenhower as crucial to national defense, was signed into law June 29.

Construction of the tens of thousands of miles of roads in the original plan took more than 30 years but early segments in flatter, drier parts of the country were completed relatively quickly. The wide open freedom of the highway system, along with the availability and low price of autos, influenced American daily life beyond the everyday commute. Road-trips were more affordable to everyday Americans, drive-through fast-food restaurants proliferated, suburban spread drained urban cores, and family groups spread across the country. In his autobiography Mandate for Change, Eisenhower wrote that the system would “change the face of America… more than any single action by the government since the end of the war.” The Interstate Highway system also indirectly changed how cars were designed. More drivers on more roads more often meant more collisions. From 1958 to 1973, motor vehicle-related fatalities in the United States steadily rose from 35 to 54 thousand deaths per year. Increased attention focused on the products causing these injuries and deaths rather than the driving behaviors involved.

At this time, a generally unknown Harvard educated lawyer published Unsafe at Any Speed: The Designed in Dangers of the American Automobile. Ralph Nader, then a political aide to Assistant Secretary of Labor Daniel Moynihan, had previously published articles critical

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361 Bromley, William Howard Taft and the First Motoring Presidency, 1909-1913 234.

362 Halberstam, The Fifties 130-70.


365 Nader, Unsafe at Any Speed: The Designed-in Dangers of the American Automobile.
of the domestic auto industry and vehicle safety standards in the *Harvard Law Record*. Nader’s 1965 book was in an entirely different league than those articles. In *Unsafe at Any Speed*, Nader argued that the domestic auto industry intentionally made cars without some possible safety features because the industry wanted to avoid the added costs. That same year, Abraham Ribicoff, chair of the Senate Government Operations Subcommittee on Executive Reorganization and former Secretary of Health, Education, and Welfare (HEW) in the Kennedy administration, held subcommittee hearings on auto safety, featuring testimony from auto industry leaders. Representative exchanges involved congressional members demanding auto industry representatives explain industry safety practices. For example, the following exchange includes Senator Robert Kennedy questioning GM’s President John Roche and Chairman Frederic Donner:

Kennedy: What was the profit of General Motors last year?
Roche: I don’t think that has anything to do --
Kennedy: I would like to have that answer if I may. I think I am entitled to know that figure. I think it has been published. You spend a million and a quarter dollars, as I understand it, on this aspect of safety. I would like to know what the profit is.
Donner: The one aspect we are talking about is safety.
Kennedy: What was the profit of General Motors last year?
Donner: I will have to ask one of my associates.
Kennedy: Could you, please?
Roche: $1,700,000,000.
Kennedy: What?
Donner: About a billion and a half, I think.
Kennedy: About a billion and a half?
Donner: Yes.
Kennedy: Or $1.7 billion. You made $1.7 billion last year?
Donner: That is correct?
Kennedy: And you spent $1 million on this?
Donner: In this particular facet we are talking about...
Kennedy: If you just gave 1 per cent of your profits that is $17 million.\(^{366}\)

The exchange demonstrated the rage many outside of the industry felt when presented with the industry’s profits and apparent apathy towards safety concerns. The hearings continued into 1966, and media attention to them set an agenda for a national conversation about product safety. Rather than launch a public relations campaign, the immediate industry response was limited to hiring private detectives to try to discredit Nader from continuing his crusade.367

Also in 1966, the National Academy of Sciences issued the *Accidental Death and Disability: the Neglected Disease of Modern Society* report, colloquially known as the “EMS White Paper.”368 Among other things, the report took issue with the frequency of preventable deaths in traffic accidents. Although the report suggested improving point-of-injury medical care capability (in-ambulance facilities), it also provided a clear picture of just how dangerous driving had become. The authors charged the government and the general public with insensitivity to the enormity of preventable accidental deaths.

Nader’s book, followed by the highly visible Ribicoff hearings and the EMS white paper, prompted passage of new legislation. In September 1966, President Johnson signed the National Traffic and Motor Vehicle Safety Act (NTMVSA), which had passed Congress in a unanimous vote, and the Highway Safety Act (HSA). Each measure was designed to investigate and prevent motor vehicle accidents and the injury or death that often resulted from those accidents. Based on the tone of Nader’s *Unsafe at Any Speed*, the animosity present during the Ribicoff hearings, and

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367 Leaders at General Motors, convinced that Nader was out to destroy the company, hired private detectives to investigate Nader’s crusade against them. Nader claimed that he was being followed, his friends and colleagues questioned. Word got out and GM’s Roche was called to Washington D.C. to testify following claims that its investigation of Nader violated federal laws against harassing witnesses to congressional committees. Roche apologized to Nader publicly and settled Nader’s invasion of privacy lawsuit out of court for $425,000. See: Stanley H. Fuld, *Nader V. General Motors Corp.*, Court of Appeals of New York, 1970, LexisNexis Courtroom Cast, Available: http://lawschool.cvn.com/acf_cases/9243-nader-v-general-motors-corp-, 4-10-13, Diana T. Kurylko, "Nader Damned Chevy's Corvair and Sparked a Safety Revolution," *Automotive News* 1996.

the disbelief in the EMS white paper at the inaction on addressing preventable deaths, it could be expected that Johnson’s rhetoric about these new safety laws would take an adversarial stance towards the domestic auto industry. The industry was, in fact and in the opinions of Nader, Ribicoff, and the EMS white paper, responsible for a willful lack of attention to safety issues. Yet, as the next section shows, Johnson chose to side with the auto industry, positioning the industry as the solution rather than the problem.

### 3.1.2 Johnson Defines Automakers as the Solution

On the passage of the National Traffic and Motor Vehicle Safety Act, Johnson told Americans we would now be able to “replace suicide with sanity on the roads of this country.” These words might help Americans see how grossly inadequate safety measures for cars and roads were at the time. Suicide is not a soft word. Denotatively, the word refers to the intentional taking of one’s own life. When a rhetor equates any action with putting a gun to one’s head, that rhetor is demarcating that action as serious business; the issue is one of life and death. Johnson also juxtaposed suicide with sanity, implying that the behavior Americans regularly engaged in was not only akin to taking one’s life but was also insane. Americans were deranged, hurtling around at life-threatening speeds in vehicles that made no attempt to protect them, on roads that encouraged recklessness.

At the time of Johnson’s announcement of the new laws, driver injury and fatality statistics were still new. Politicians and public groups had addressed auto safety in the past, but it was in the mid-1960s that the nation as a whole became aware of just how frequently driving

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could maim or kill. So when Johnson signed the NTMVSA and HSA on September 9, he opened his signing remarks by talking about suicide and sanity, and further about death and injury:

Over Labor Day weekend, 29 American servicemen died in Vietnam. During the same Labor Day weekend, 614 Americans died on our highways in automobile accidents. Twenty-nine on the battlefield. Six hundred and fourteen on the highways. In this century, more than 1,500,000 of our fellow citizens have died on our streets and highways: nearly three times as many Americans as we have lost in all our wars. Every 11 minutes a citizen is killed on the road. Every day 9,000 are killed or injured – 9,000!

Last year 50,000 were killed. And the tragic totals have mounted every year. It makes auto accidents the biggest cause of death and injury among Americans under 35.370

The device in this opening section is important. Johnson raised the perceived level of danger of driving as a justification for the expenditures and regulations he authorized. When something seems unworthy of attention, a speaker can use amplification to call attention to or emphasize what might initially be passed over.371 In his signing remarks, Johnson called national attention to the need for road and vehicle safety regulations by amplifying auto accidents against war casualties. The repetition of the numbers in the third and fourth sentence suggests the domestic issue deserves much more of our attention than does the foreign issue.372 Johnson amplified by comparison later in the same address: “For years now, we have spent millions of dollars to understand and to fight polio and other childhood diseases. Yet up until now we have tolerated a raging epidemic of highway death – which has killed more of our youth than all other diseases

372 Taken to its logical conclusion, Johnson’s argument is ludicrous. In terms of absolute numbers of fatalities, the comparison is apt and the amplification useful. It may have also helped Johnson to minimize the perceived tragedy of Vietnam against the similar tragedy of roadway casualties.
combined.\textsuperscript{373} The implication here is similar to that of the opening lines: Polio is serious, people were angry about it, so we spent money to fight it. We must do the same with auto casualties.

Having established the auto safety issue as one serious enough to demand a significant federal response, Johnson explained some of the particulars of the two new laws\textsuperscript{374} and linked success of the program to the automakers. Johnson said “the automobile industry has been one of our Nation’s most dynamic and inventive industries. I hope, and I believe, that its skill and imagination will somehow be able to build more safety – without building on more costs.”\textsuperscript{375} Johnson argues that rather than blame automakers for not having made safer cars in the first place, as Nader had done, automakers would actually be part of the solution to the problem of auto safety. Note that in Johnson’s words, the auto industry is dynamic, inventive, filled with skill and imagination. Nader called the Corvair a “one car accident,” but Johnson praised the industry for what it had done and might do differently. Johnson argued the auto industry could develop better safety features for cars.

On behalf of the nation, Johnson established the auto industry as the solution to the problem of auto safety, arguing that “somehow” the industry would be able to build in more safety, and they would do so without increasing the costs of the vehicle. Johnson told Americans and the industry that we had faith, we believed, that somehow, the industry would fix the safety problem and keep costs down. Nader’s fury, the rage expressed in the Ribicoff hearings and the EMS white paper might have predicted a firm stance from an angry administration, standing up for the public good against an industry willfully putting that public in danger. Instead, Johnson’s

\textsuperscript{374} NTMVA included regulations for safer cars: automakers would be required to install rupture-resistant gas tanks, seat belts, softer or padded interior surfaces, safety glass windshields, and other features. HSA provided for brighter street lighting, guardrails, and other road-design safety features.
faith in the “somehow” set an entirely different tone for the relationship between the presidency and the auto industry: as calls for regulation continued through the Johnson, Nixon, and Ford administrations, presidents consistently expressed their hope that the industry could solve a problem not of their own making.

In the 1950s, cars were dangerous, only lightly regulated, and the auto industry made mammoth profits. General Motors was the largest corporation in the world. By the end of the 1960s, Nader had attacked automakers’ motives and business plans, and we learned our death rate for accidents was much higher than it could be. Congress and the Johnson administration responded to the rising profile of vehicle safety with a series of regulations, codifying safety standards for new auto production. Publicly, Johnson championed the importance of safety regulations for protecting the lives of citizens while never identifying the industry as a part of the problem. In fact, Johnson went out of his way to label automakers part of the solution to the problem of traffic safety. This industry-as-solution was only the first in a series of ways that presidents redirected blame away from the industry. As the next section shows, Johnson and Nixon redirected blame away from the industry on environmental concerns as well.

Even though most of the new regulations asked automakers to make add-on safety features standard on all models, thus reducing the difficulty of compliance, there was a protracted fight between the industry and government over airbags. NHTSA, empowered and financed to protect citizens by regulating how roads and autos were built, started a brutal fight with automakers over a controversial safety regulation: airbags. That fight dragged on for years, with successive presidents caught between NHTSA, public pressure for or against airbags, and the auto industry. The fact that it took so long to ultimately settle is a further testament to the soft touch presidents took on the auto industry during the 1960s and 1970s. Unfortunately for
President Nixon, the airbag fight happened at roughly the same time as another dispute with automakers over new environmental standards. Before we consider the delicate interactions between Nixon and automakers in 1971 over these two issues, the second deserves a more in-depth treatment. The next section explains the environmentalist movement in the United States up to 1971, with specific attention to the role of automakers in the situation and to Nixon’s redirection of blame away from the industry.

3.2 Auto Pollution: Frontier Skies and Emission Standards

The environmental movement that sprung up in the 1960s and 1970s led to a host of new government regulations and ultimately to the establishment of the Environmental Protection Agency. In this section, I begin with a brief explanation of the origins of the environmental movement in the allure of the frontier - the evolution of different environmentalisms, so to speak. Next I examine Nixon’s role in new environmental policies, explaining in particular how a president that never cared much about environmental policy came to have such an important role in advancing it. Nixon continued the pattern Johnson established on safety regulations by finding multiple ways to redirect blame away from the auto industry. By the end of this section I set the stage for the dual issue fight brewing with the auto industry, when Nixon resolved environmental and safety concerns with representatives from the auto industry.

3.2.1 American Environmentalisms

The wilderness has been inextricably linked to the American experience, and our mythical remembrance of it, since before the United States was a country. Colonists braved the unknown landscape after having braved the untamed ocean. In the centuries since, settlers pushed across the frontier, clashing with native peoples and novel circumstances, conquering and
taming. This spirit of exploration is an integral part of the American identity.\textsuperscript{376} The absence of such places to explore, then, could create problems for how we understand ourselves and our role in the world around us. For example, as explorers and colonists filled in the blank edges of the map, as the wild was made less so, some authors and scholars lamented its disappearance.\textsuperscript{377}

The frontier and the wild related; the preservation of the wild insures the continuance of at least the illusion of the frontier. To protect wild places, and perhaps allow for a perpetual frontier, organizations like the Sierra Club formed as early as 1892. Politician outdoorsmen like Theodore Roosevelt helped to draft and pass measures that secured wildernesses for future generations.\textsuperscript{378} As Leroy Dorsey argued in \textit{Green Talk in the White House}, Roosevelt “contextualized the idea of conservation within a civil religious construct, giving that idea a primacy heretofore unseen in the public sphere.”\textsuperscript{379} The God-given bounty of the American wilderness was sacred and Roosevelt argued that Americans should protect it.

By the middle of the last century the United States had tens of millions of acres of wild spaces contained in protected National Parks.\textsuperscript{380} Yet at the same time peak industrialization fueled by WWII, urban population growth, and the skyrocketing use of personal automobiles for transportation combined to cast a pall of air pollution over many American cities. Some green and wild spaces, under limited protection, stayed green and wild, while the populated urban

\textsuperscript{376} Scholars like Frederick Jackson Turner and Leroy Dorsey have, in different ways, written about the ways that our understanding of the frontier and wild places connect to broader American myths, memory, and identity. See: Dorsey, \textit{We Are All Americans, Pure and Simple: Theodore Roosevelt and the Myth of Americanism}\textsuperscript{39-40}, Turner, \textit{The Significance of the Frontier in American History}.

\textsuperscript{377} See, for example: Ralph Waldo Emerson, \textit{The Essential Writings of Ralph Waldo Emerson}, Modern Library Paperbacks (New York: Random House, 2000).

\textsuperscript{378} This included the Antiquities Act and National Parks.


cores grew darker and dirtier. By the late 1950s, concern over the cleanliness of air and water in populated areas joined long held concerns for protecting the wild.

This “environmental problem” was not at the top of many political agendas. Richard Nixon, the president who proposed an Environmental Protection Agency, was certainly not overly concerned about environmental issues. For Nixon, the problem with the environment was just that the general public started to care about it. Although contemporary environmentalists look to the Nixon administration as a watershed moment for the government becoming empowered to and choosing to adopt environmental issues, Nixon was not an environmental candidate, nor did he intend to be an environmental president. In fact, Edmund Muskie, arguably the first major environmental politician, had only been elected to the Senate a decade earlier. So, setting aside the eventual environmental initiatives of the Nixon administration, the political world had just begun to consider environmental concerns aside from National Parks.

In the decade between Muskie’s election to the Senate and Nixon’s election as President, the national conversation about the environment changed. Disasters caught public attention: nuclear tests in the 1950s were a clear example of humans damaging the environment. Rachel Carson’s 1963 *Silent Spring* warned of irreversible damage done by pesticides. Whereas protection of the wild for adventure, hunting, or “frontiersmanship” through the 1950s was largely driven by concern from wealthy outdoorsmen, the anti-pollution and ecological stewardship movement that took root in the 1960s and 1970s was decidedly more populist. Everyday citizens grew more concerned about protecting the environment. A survey in 1965 found that 17% of Americans mentioned pollution as one of the top three problems requiring government action. Five years later that figure had shot up to 53% of Americans.381

Still, with the exception of Muskie, politicians were slow to respond to shifting public concern. Congress paid some attention with the Air Pollution Control Act of 1955, which established research parameters and some funding for environmental concern studies. The Clean Air Act of 1963 provided for research into pollution control and its expansion in the Air Quality Act of 1967 added widespread monitoring of pollution levels. While representing some progress, these measures were designed only to study environmental issues rather than act to resolve them.

By the late 1960s, public concern about environmental issues had grown much faster than political response to it. Citizens gathered in mass protests (including but not limited to on Earth Day), but the environment remained a fringe issue in national politics. In the 1968 presidential election, Muskie ran as a Vice Presidential nominee alongside Hubert Humphrey, against Nixon and Spiro Agnew. During that campaign, although Muskie made mention of things like pollution, neither Nixon nor Humphrey gave much attention to environmental issues. In his inaugural address, Nixon briefly mentioned the environment: “In pursuing our goals of full employment, better housing, excellence in education; in rebuilding our cities and improving our rural areas; in protecting our environment and enhancing the quality of life – in all these and more, we will and must press urgently forward.” Nixon does suggest that “protecting our environment” is an area where “we will and must press urgently forward.” Environmentalists might have seen this statement from a new president on the day of inauguration as something of a victory, coming as a response to growing public concern and signaling presidential attention to environmental issues.

In reality, the environment was minimally important. First, the mention of the “environment” was but one issue among many. The environment was included, but the reference, halfway through a lengthy address, is sandwiched between other areas, on which we “must press urgently forward.” The phrase “in all these and more,” which functions as an ellipsis, allows the audience to fill in whatever other pet cause or issue they thought Nixon would have mentioned given the time. Second, the mention of the environment is only that: a mention. There are no contextual clues or policy details to reinforce it, no hint that action is being taken. That being said, we could remove “environment” and replace it with any of a thousand other words without changing the overall tone of the paragraph.

Nixon’s peroration of his first inaugural is perhaps most important to the future of the new ecological stewardship environmentalism:

Only a few short weeks ago we shared the glory of man’s first sight of the world as God sees it, as a single sphere reflecting light in the darkness. As the Apollo astronauts flew over the moon’s gray surface on Christmas Eve, they spoke to us of the beauty of earth….

In that moment, their view from the moon moved poet Archibald MacLeish to write: “To see the earth as it truly is, small and blue and beautiful in that eternal silence where it floats, is to see ourselves as riders on the earth together, brothers on that bright loveliness in the eternal cold – brothers who know now they are truly brothers.” In that moment of surpassing technological triumph, men turned their thoughts toward home and humanity – seeing in that far perspective that man’s destiny on earth is not divisible;

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384 Inaugural addresses often do not include specific policy appeals. See: Campbell and Jamieson, Presidents Creating the Presidency: Deeds Done in Words 29-56.
telling us that however far we reach into the cosmos, our destiny lies not in the stars but on earth itself, in our own hands, in our own hearts.\textsuperscript{385}

The image Nixon referenced in this section was taken December 24, 1968 by the crew of Apollo 8 on the first manned mission to orbit Earth’s moon. The reference to the Earth Rise image from Apollo 8, and to MacLeish’s response to it, is the most poignant section of the inaugural address. Today, speaking of humanity as inhabiting one planet, so we should be encouraged to work together, borders on the banal. In 1969, Nixon was among the first politicians to share this sentiment in conjunction with the captivating visual force of the Earth Rise image. The image proves to us, in Nixon’s words, “that man’s destiny on earth is not divisible…. [it] lies not in the stars but on earth itself, in our own hands.” To Nixon’s credit, even as the United States squared off with the USSR in the Cold War and combat raged in Vietnam, the destiny of importance was man’s, rather than America’s.\textsuperscript{386} The message here comes not by desire, for financial gain, or for quality of life, as it had come before. Here, Nixon makes cooperation as a species a necessity.

Unfortunately for the environmental movement, Nixon failed to explicitly link this appeal of shared goals based on shared circumstances to any specific environmental aim. At first glance then, the section could be a reference to the necessity for peace and a drawdown from the Cold War, and perhaps it was. Yet Nixon’s first term included continued public demand for political attention to environmental issues and the Nixon administration responded with vigor, leaving this peroration as the start of the “real” environmental movement in government.

\textsuperscript{385} Nixon, "Inaugural Address, 1-20-1969." ¶66-69.
\textsuperscript{386} Admittedly, gendered words are not truly inclusive.
3.2.2 Nixon’s Accidental Environmentalism

The Nixon administration was the first that had to figure out a way to address the modern, ecological stewardship, pollution-minded version of environmentalism. In this section, I begin by explaining why Nixon was an unintentional environmental president. Next, I analyze Nixon’s eventual action on environmental issues and the ways that his rhetoric cast government’s and industry’s role in those issues. I argue that Nixon’s environmental rhetoric established environmental problems as serious, redirected blame away from business leaders, externalized the actions of those involved, blamed autos and thereby all Americans as drivers, and finally defined heavy industry as the solution rather than the source of environmental problems. These five themes form the basis for the Nixon administration’s stance on environmental issues, and set the stage for the second half of the pollution-safety fight he had with the auto industry. Much of Nixon’s environmental rhetoric does not address the auto industry specifically, but his broader environmental stance certainly influenced the ways that he implemented environmental policy with the auto industry in particular.

Nixon had bigger problems on his plate than environmental issues. Within the first year much of Nixon’s attention was devoted to major actions on the Vietnam War, the economy, and segregation. During the spring and summer of 1969, Nixon approved the bombings of North Vietnamese and Khmer Rouge positions in Cambodia, pursued ultimately unsuccessful peace talks in Paris, visited South Vietnam, and began his policy of “Vietnamization” replacing American troops in the area.\textsuperscript{387} Nixon dealt with record inflation, high interest rates, and the budget deficits caused by the Vietnam War and Johnson’s Great Society programs. Nixon began

work with Vice President Agnew and Labor Secretary George Shultz to desegregate schools in the American South. Pollution was not high on his list of priorities.  

While in office, when environmental issues required executive attention, Nixon delegated authority on them to John Ehrlichman, his domestic affairs advisor, and John Whitaker, Nixon’s deputy assistant. Nixon ordered Ehrlichman and Whitaker to “just keep me out of trouble on environmental issues.” Ehrlichman recalled, “The fact was that [Nixon] didn’t much care about the subject of environmental conservation or what I did about it, so long as I didn’t create any political problems for him.” If environmental issues remained on the fringe of political concern, as they had been for decades, Ehrlichman and Whitaker may well have been able to do just that, freeing Nixon to focus on what he considered much more important issues. That would not be the case, though; environmental issues were no longer on the fringe.

Nixon’s passing reference to the environment and his poetic appeal to common human destiny from the inaugural did not quiet activists or do anything to improve the environmental calamities those activists spoke about. Even as he created an Environmental Quality Council, evidence continued to mount throughout 1969 that air and water quality were worsening and scientists gradually linked health risks to pollution. Increasing levels of smog, for example, once “regarded as only a nasty-looking irritant,” were connected to the one thousand percent increase in deaths by emphysema in the United States between 1960 and 1968. In addition, the 1969 Santa Barbara channel oil spill, which remains the third largest such spill to date, provided

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391 Established by Executive Orders 11472 and 11514.
a grim case study of how difficult pollution can be to clean up. With oil spill headlines contributing to concern over the environment, Nixon would have to do more than rely on his staff to “keep me out of trouble.” As Samuel P. Hays argued, pollution levels and public concern had reached a critical mass and Nixon’s full throated response was required.

Nixon began to respond to that requirement to act on January 1, 1970 when he signed the National Environmental Policy Act of 1969 (NEPA). Introduced almost a year earlier, NEPA required federal government agencies in the executive branch to prepare statements about the environmental impact of federal actions. NEPA was designed to force government officials to consider (and announce) the environmental impact of decisions going forward, and in so doing, make the government as a whole more environmentally conscious. In the wake of the ongoing catastrophe with the Santa Barbara oil spill, popularly attributed to failure in government oversight, NEPA got unanimous support in the Senate and passed the House 372-15 during the summer and fall of 1969.

Upon signing NEPA into law, Nixon made two sets of statements, which have the same audience but appear somewhat different in tone. In the first, Nixon said that the take-away from NEPA is that “we had to work on the environment because it is now or never.” His remarks contain this sense of urgency throughout – Nixon mentions some version of this “now or never” appeal more than a dozen other times in his brief remarks. The U.S., Nixon argued, must be the

393 The Santa Barbara spill was the worst spill in American history until passed by the 1989 Exxon Valdez spill and later by the 2010 Deepwater Horizon spill. Stopping the oil and natural gas was complicated when one target became four that had to be sealed. The cleanup operation lasted well into 1970. See: James L. Squire, Jr., "Effects of the Santa Barbara, California Oil Spill on the Apparent Abundance of Pelagic Fishery Resources," *Marine Fisheries Review* 1 (1995).
395 These are known as EAs (environmental assessments) and EISs (environmental impact statements).
first to act because our wealth puts us in the “greatest danger,” since we can afford “the automobiles... all the things that pollute the air, pollute the water, and make this really poisonous world in which to live.” Our affluence puts us at risk, in Nixon’s view, not the producers of commodities. This clever claim asks Americans to choose between a clean environment and the conveniences enabled by a high standard of living. This choice is no choice at all, of course, for Americans accustomed to the niceties of middle class living.

In the second set of remarks that day, Nixon continued to emphasize that on environmental issues, action was “now or never.” Whereas the tone for the first speech was threatening and ominous, the tone of the second shorter message was hopeful – almost cheerful. Nixon’s optimism in the second address, paired with the seriousness of the first address, is odd. Nixon said “I have become further convinced that the 1970’s absolutely must be the years when America pays its debt to the past by reclaiming the purity of its air, its waters, and our living environment.” The seventies “will be known as the time when this country regained a productive harmony between man and nature.” Instead of talking about how dirty everything had become, as in the first statement, Nixon insisted we reclaim the purity of air and water. The reason for the difference between the two sets of remarks is not immediately clear. Archives at the Nixon Presidential Library reveal little about these short, hastily prepared remarks. One possible explanation is that the remarks were unscripted – making it mere coincidence that one is negative and the other positive. A second possible explanation is that the messages were meant to address NEPA from two positions; the first a threat and a warning, the second a promise and a

dream. With no documentation on the preparation (if there was any preparation) for the remarks all we can say for certain is that the remarks were a sign of Nixon’s increasing attention and public advocacy for environmental issues in 1970.

Three weeks after signing NEPA into law, Nixon delivered his first State of the Union address to Congress on January 22, 1970. Environmental concerns appear in a lengthy section of the speech, although the positioning of the section beginning in the 74th paragraph after two dozen other issues suggests it was still not a top priority for him. This section is a combination of and evolution of Nixon’s earlier pair of speeches on the signing of NEPA. On February 10th, just over two weeks after the SOTU, Nixon transmitted the *Special Message to the Congress on Environmental Quality* and spoke to the nation about the message from the Oval Office the same day. In the public announcement, Nixon described his new approach to the environment as “a sweeping set of proposals... the most far-reaching and comprehensive message on conservation and restoration of our national resources ever submitted to the Congress by a President of the United States.”

Nixon’s description was apt; the plan detailed 37-points for environmental issues, including 23 requests of Congress and 14 direct actions by the administration.

Taken together, these two speeches provide ample indication of how Nixon would handle environmental issues throughout his presidency. Five themes are evident: first, Nixon made the situation seem dire. Second, he directed blame away from industry. Third, Nixon externalized actions to defend the actors (drivers), making the actions blameworthy and the actors blameless. Fourth, Nixon blamed commodities, the autos themselves. Fifth, Nixon situated heavy industries

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as the solution to the problems of pollution rather than as the cause. These themes indicate the overall strategy that Nixon hoped would appeal to two generally different types of Americans: his support base and the growing environmentalist movement. Nixon could maintain a cooperative relationship with business leaders and industry leaders that helped elect him by making them the route to a resolution for the serious environmental problems. Each of these five themes applied to all industries, but set a pattern for engaging with the auto industry particularly.

It is worth considering the five themes from the *Special Message* and SOTU in turn.

First, Nixon made the case that environmental issues were serious, more so than he had in his inaugural or the NEPA speeches. In the State of the Union address, Nixon cast the situation as “dire.” We have “street litter, rundown parking strips and yards, dilapidated fences, broken windows, smoking automobiles, dingy working places…” along with “grim consequences” from a potential “disaster” from pollution.\(^{403}\) It should serve at a “warning to us,” Nixon noted, as he wrapped that section of the speech.\(^{404}\) The lengthy description helped Nixon set the stage for the rest of his position on environmental issues - a vivid picture of a serious issue.

In the speech Nixon again characterized the 1970s as the decade of environmentalism. The great question of the decade, for Nixon, was “shall we surrender to our surroundings, or shall we make our peace with nature and begin to make reparations for the damage we have done to our air, to our land, and to our water?”\(^{405}\) In the *Special Message*, Nixon reminded us that “the time has come when we can wait no longer to repair the damage already done” to the environment.\(^{406}\) It would not be easy to make these reparations or repairs: “the task of cleaning


up our environment calls for a total mobilization by all of us... [not] sitting back and blaming someone else.” The language of total mobilization calls to mind presidential speech about war, exceptional measures under extraordinary circumstances, and the expansion of executive power to deal with it. The situation was serious; it could not wait for the next generation, and that meant action at extraordinary levels.

Nixon had originally wanted to be “kept out of trouble” on environmental issues, but trouble came to him. His grave tone in these comments suggests that he assumed the mantle of responsibility for talking about the environmental issues that could no longer be ignored. And yet, telling everyone in America that they had collectively created this massive problem might create new problems while attempting to appease environmental interests. Notably, it would be easy to read between the lines of Nixon’s addresses and point an accusatory figure at the obvious groups mostly responsible: heavy industry. Large factories and power plants pollute the water, the air, and the soil. Environmental figures like Muskie or Nader did not shy away from making the connection clear, often singling out specific companies that were to blame more than others. Were Nixon to follow suit though, he might alienate needed constituencies.

The second theme evident in Nixon’s approach was a way for him to avoid claims that he blamed heavy industry; he directed blame away from industry leadership. Nixon had no interest in alienating major constituencies: wealthy industrialists and corporate leaders, whose products or practices just so happened to be causing pollution. Nixon wanted to be “kept out of trouble,” not to go on a crusade against many of those who helped get him elected in the first place. His Special Message began with a clarification: “The fight against pollution… is not a search for villains. For the most part, the damage done to our environment has not been the work of evil

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It was crucial that Nixon not appear to be blaming the business leaders that had helped put him in office, whose support he would surely need again in the near future. Nixon needed them to work with him on the solutions he proposed and also if he had any hope of reelection. Business leaders, those running heavy industry and in charge of all the pollution-as-byproduct, were absolutely a major part of “the damage done to our environment.” Here, they are good people, at least by implication.

These good people should not be the target of national blame for a problem each contributed to. Rather, government conspired to create a situation that practically welcomed environmentally unfriendly behavior. In the Special Message, Nixon spread responsibility away from business leaders and onto the government and the situation. “Quite inadvertently,” Nixon argued, “by ignoring environmental costs we have given an economic advantage to the careless polluter over his more conscientious rival. While adopting laws prohibiting injury to person or property, we have freely allowed injury to our shared surroundings. Conditioned by an expanding frontier, we came only late to a recognition of how precious and how vulnerable our resources of land, water, and air really are.” Government inadvertently provided an advantage to the careless polluter. Government spent too much time on protecting person or property, not enough on the environment. Government continually expanded national territory and opened it for exploration/exploitation, conditioning its people to never know limits. And yet, we were not meant to blame government. Each of these points is a broad description of policy over many decades and administrations. Each was done unknowingly… inadvertently. Current elected officials cannot be held responsible for the accidental and gradual policy choices of whole
generations. One point is clear though: we should not blame the business leaders. They were
good people, operating as they should have in a situation that often benefited cutting
environmental attention to increase competitiveness. In place of heavy industry (and those
running it) as the obvious adversary, since any wrong committed came as a rational good-
business response to a situation created by a blamelessly long history of government action,
Nixon provided two scapegoats of sorts.

As a third theme of the combined speeches, Nixon provided the first scapegoat. Do not
blame heavy industry or individuals in government for the problem of pollution. Do not blame
people. Instead, blame actions. In the State of the Union address, Nixon noted that all Americans
were guilty of “years of past carelessness” and being “too tolerant of our surroundings and too
willing to leave it to others to clean up our environment.”411 In the Special Message, Nixon
argued that “we in this century have too casually and too long abused our natural
environment.”412 Pollution resulted from “choices neglected… from failure to take into account
the full consequences of our actions.”413 One imagines a stern Nixon delivering these lines with a
wagging finger, scolding irresponsible children for bad behavior. We were, like business leaders,
not “evil men,” but “careless,” “too tolerant,” “too casual,” and “too willing.” Our attitudes and
actions were the wrong ones. The attitudes and actions created the problem, not us.

There are a few ways we can understand what Nixon and Whitaker were attempting to do
by shifting attention from the person to the action. We might, for instance, look to Kenneth
Burke to explain the theme. For Burke, political speeches contain narratives that can be

examined to reveal something about the motives of the speaker. Combinations of featured elements in the narrative, which Burke called ratios, can reveal the way the speaker wanted audiences to see the issue. Nixon’s attempt to distinguish between the speaker and the action could be seen as a scene-act ratio. Government actions over decades and the competitive business environment determined how people would act, with the actions being a necessary response to the controlling scene. This ratio notably negates agency: there was little we could do other than what we did. The agent is also missing: the acts stand by themselves.

Still, it is relevant to consider an additional interpretation of Nixon’s distinction between people and actions. Michael White and David Epston, therapists and authors of the important Narrative Means to Therapeutic Ends, argued that people often feel trapped by actions. When working toward a therapeutic resolution, White and Epston suggested forming a distinction between the actor and the act. If successful, “those problems that are considered to be inherent, as well as those relatively fixed qualities that are attributed to persons and relationships, are rendered less fixed and less restricting.” The approach, at its core, suggests that you are not the problem. The problem is the problem.

These two lenses provide similar, but not equal, implications for our understanding of Nixon. With Burke, we see Nixon’s distinction between person and act as an attempt to erase the actor, agency, and purpose. Instead, Nixon replaced them with a featured scene and dependent action: what we did was all we could have done given the situation with which we were presented. This line of logic has the benefit of making the implicated feel less guilty, but it does not negate the action. Instead, it sets the action as worthy of blame, which implicates

415 Michael White and David Epston, Narrative Means to Therapeutic Ends (W. W. Norton & Company 1990) 38.
416 One cannot help but think of the Nuremburg defense here: we did what we had to; we did what we were told.
government and competitive business climates that led to those actions. Based on the text, this could explain the way Nixon told the story of how environmental problems were created.

Yet I do not think it quite captures what was at work. If our actions were the only response to a situation created by government over time and by competitive business climates, then our ability to rectify the situation is severely limited. We can act differently, but the situation will change only if and when government and the business climate also change. Since Nixon’s second theme involved the suggestion that the situation was not the fault of individual government actors of business leaders but of what they did in response to situations over decades and administrations, it would not be useful to make them a scapegoat – we cannot fix the problem that way. It would be best if Americans felt empowered to act. If Nixon distinguished between person and action and then blamed the action, the guilt would revert to the contributing scene, something we could not meaningfully correct in the short term. This seems self-defeating and an unlikely explanation of what Nixon was trying to do.

A better explanation, it seems, comes from White and Epston. As a therapeutic tool, White and Epston advocated distinguishing between the person and the act. By externalizing the problem, the person feels less controlled by it – more able to act to correct it. For example, a student client might identify as a procrastinator. A counselor using narrative therapy would try to help the student distinguish between procrastinating behavior and identity: ‘I am a student. Procrastination is the problem.’ Once the problem is externalized, the student is more able to attack it in meaningful ways without feeling trapped by the guilt of actions and the constraints of identity. Similarly, if Nixon wanted Americans to feel empowered to act to correct damage done to the environment, it does not help to label them all “polluters” or any softer derivative. Rather, by helping Americans draw a distinction between ourselves and our actions, by externalizing
polluting behaviors as the problem rather than making ourselves the problem, Nixon erased the
guilt we might have felt and freed us from the confines of identity as polluters. We are
empowered to fight the problem that Nixon externalized from within.

Externalization seems the best explanation for what Nixon was doing in the State of the
Union and the Special Message. Nixon directed blame away from the obvious culprit in
damaging the environment: heavy industry. Yet we needed someone to blame and the next likely
target would be ourselves. Nixon helped us distinguish between ourselves as the problem and
actions as the problem. He externalized our behavior, allowing us to work with him to attack it
without feeling guilty or trapped by the label for having been a part of it.

It may have also seemed useful to Nixon to have a secondary scapegoat for
environmental problems. The fourth theme in Nixon’s major environmental appeals early in
1970 provided one: in addition to externalized actions, focus blame on the worst products we
use. Blame autos.417 In the State of the Union, Nixon said “the automobile is our worst polluter
of the air.”418 Nixon was not misleading the American people or directing undeserved criticism
at autos. According to a report issued by the Environmental Protection Agency in 1994 that
described air pollution trends over the prior century, autos were a primary contributor of most
major types of air pollution, and responsible for up to 95% of carbon monoxide pollution in
populated areas.419 Autos were, and remain, among our worst air polluters.420

417 There are other products that get a mention in the two speeches but Nixon put special emphasis on autos.
419 EPA, Air Quality Trends - 1994, 1995, Environmental Protection Agency Available:
420 Some contemporary research, including work done by the Food and Agriculture Organization of the United
Nations, suggests that industrial scale meat production contributes comparable or more air pollution than autos. This
may not have been true in the 1960s and 1970s, when regulation of auto emissions was still developing and autos
emitted more pollution per car than they do today. Nathan Fiala, "How Meat Contributes to Global Warming,"
Food and Agriculture Organization of the United Nations, Statistics Division, Available:
If we were to tackle our pollution problems, we had to address automobiles. Nixon described that response: “Adequate control requires further advances in engine design and fuel composition. We shall intensify our research, set increasingly strict standards, and strengthen enforcement procedures – and we shall do it now.”\textsuperscript{421} In the \textit{Special Message}, Nixon explained that “few of America’s eyesores are so unsightly as its millions of junk automobiles,”\textsuperscript{422} and that new autos would be subject to “new and more rigorous standards,” and he was ordering research into “new types of pollution-free automobiles.”\textsuperscript{423} Note the emphasis on the technology of the product itself. Nixon did not ask citizens to drive less. Nor did he ask citizens to carpool, use mass transit, or buy smaller vehicles. Yet the public may not have been ready for that.\textsuperscript{424} The solution was not in changing what we do but in fixing the product. Here we have Nixon reinforcing the idea that Americans were not at fault, nor was heavy industry.

By blaming autos, Nixon found a palatable way to address pollution – a still new and delicate topic for many of his constituents. Citizens should not feel guilty and should not have to change things like driving habits. Rather, externalize the actions, but when it comes to driving, put the responsibility for pollution on the mode of transport instead. The synecdoche presented a pleasant version of the truth, blaming an inanimate object. Autos pollute, not drivers.\textsuperscript{425} If autos were the problem, and people were not challenged to use them less, the solution would be to make autos pollute less. So the industry, rather than drivers, needed to do something. Nixon’s auto-specific appeals described regulations and technologies that industry would have to meet.

\textsuperscript{422} Nixon, "Special Message to the Congress on Environmental Quality, 2-10-1970." ¶64-66.
\textsuperscript{423} Nixon, "Remarks on Transmitting a Special Message to the Congress on Environmental Quality, 2-10-1970." ¶7-9.
\textsuperscript{424} Carter would face a similar problem later when he tried to change American behavior for environmental purposes. To some people’s amusement, Carter wore a sweater and turned down the thermostat at the White House.
\textsuperscript{425} The same trick is used, inversely, in “guns don’t kill people, people kill people.”
This tied nicely to the fifth and final environmental theme evident in Nixon’s two speeches early in 1970: we can solve our environmental problems with the help of heavy industry. If we act now, Nixon claimed in the State of the Union, “clean air, water, [and] open spaces” can “once again be the birthright of every American.” Every cause for concern comes with a reminder that that problem can be overcome, so that “together, we can reclaim our land for ours and generations to come.” A pretty picture, to be sure. How do we achieve it? For Nixon, we respond by embracing capitalism, our advancing technology, and our productive industries. In the State of the Union, Nixon expressed a commonplace in American political speech: that “the argument is often made that there is a fundamental contradiction between economic growth and the quality of life.” Not so, he said. Businesses should continue and grow. The situation is not an “inevitable by-product of advancing technology or of growing population,” so we could continue to advance and increase our population size. Rather, the “answer is not to abandon growth, but to redirect it… we should turn toward ending congestion and eliminating smog the same reservoir of inventive genius that created them.” Nixon’s solution: we need to partner with industry and business.

By partnering with the wealthy companies we could correct our mistakes and make a cleaner future. “The tasks that need doing require money, resolve, and ingenuity – and they are too big to be done by government alone.” We need the auto industry, Nixon argued. Furthermore, the industry has started working on these problems already. The auto industry has a “present determined effort” to clean up engines. The “extent to which industry itself is taking

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the initiative” is “encouraging.” The automakers are taking “great forward step[s]… before any Federal regulation.” “Industry itself has recognized the problem, and many industrial firms are making vigorous efforts” of their own accord. Some are not, Nixon continued, so we need regulation, but only so that “good neighbors [are] not placed at a competitive disadvantage because of their good neighborliness.” For Nixon, “private industry has an especially crucial role. Its resources, its technology, its demonstrated ingenuity in solving problems others only talk about – all these are needed, not only in helping curb the pollution industry itself creates but also in helping devise new and better ways of enhancing all aspects of our environment.” We need industry. We need everything it has to solve our environmental problems. Industry has responded of its own accord, according to Nixon, and has even been happy to do so: “With a remarkable degree of unanimity, its leaders have indicated their readiness to help.” This last set of appeals reached out to the business communities Nixon did not want to alienate with a pro-environment set of policies. Nixon needed them to get reelected and needed their cooperation to make any progress on environmental issues. As the fifth theme of his early 1970 speeches, Nixon made them integral to any American response to pollution.

To review, five themes emerged in the 1970 State of the Union and Special Message. For anything to be done on environmental issues, Nixon first made a case that the problem was serious – worth the attention of the public and the time of Congress. Second, Nixon divided leaders in heavy industry and business from the issue, ensuring that the likely target would not be the catch-all for blame. Third, Nixon provided a scapegoat: our actions. By including all Americans as complicit but externalizing behavior away from individuals, Nixon minimized

individual guilt while also empowering the individual to feel able to contribute to the solution. Fourth, Nixon provided a secondary scapegoat he knew could not defend itself. By blaming autos, which Americans were not going to stop using, he positioned the solution as necessarily about improving the product rather than getting rid of the product. To do so, we would need the cooperation of industry. As the fifth theme, Nixon made industry ingenuity our best and only hope. These themes comprise a strategy for finally broaching the environment issue in public, in a big way, while not alienating any key Republican constituencies.

By mid-1970, public concern over the environment reached a critical mass that practically demanded a big government response. The strategy Nixon adopted for dealing with an issue he personally cared little about was to ensure his favored constituencies not be labeled the problem and be considered integral to the solution. Nixon did enact sweeping environmental policy reforms, including many administrative actions and requests for more from Congress. His suggestion that NEPA and other smaller institutions be reorganized under a new agency passed late in 1970, creating the Environmental Protection Agency (EPA), which was charged with overseeing the monitoring of pollution levels and formation of regulations to prevent new contamination. Implementation of these new policies would be a different matter entirely. The next section covers the struggle with the auto industry as Nixon tried to implement these environmental policies while at the same time continued the fight over airbags still ongoing since the Johnson administration.

3.3 A Gentleman’s Agreement on Regulation

Johnson and Nixon established a general rhetorical pattern for responding to growing public movements calling for more safety and environmental regulations: redirect blame away from heavy industry, including the auto industry, and situate the industry as the solution to the
problem. NHTSA and the EPA were charged with implementing policies in service of protecting consumers and the environment. The auto industry, for its part, struggled to keep up with all the new demands coming out of the new government bureaus and agencies, and called for regulatory relief. The title of this section refers to a meeting between Nixon and auto industry leaders in 1971. The agreement made that day effectively overturned Johnson’s and Nixon’s advocacy for safety and environmental regulations up to that point. Following that meeting, Nixon ordered the reversal of regulations automakers disliked and made sure the auto industry knew it happened by his order. I begin this section, which draws heavily on material from the archives at the Richard M. Nixon Presidential Library, by establishing the context for Nixon’s meeting with industry leaders. Next I analyze that meeting from available transcripts of the conversation. I argue that Nixon’s strategy for dealing with auto industry leaders was to situate the industry as the solution to, rather than as the cause of, the problems, while also subsuming any government response under the necessities of maintaining profitability. While this followed from his earlier public remarks about environmental issues, after the meeting Nixon directed that regulations be eased along those same lines, which could only help in his effort to maintain support from the auto industry constituency. In the short term, this is nothing more than political horse-trading, typical if not always laudable. Yet Nixon’s actions during and after the meeting, in the full history of the relationship between the presidency and the industry, are the point at which a praised constituency became a praised and defended constituency. When Nixon defended the industry against the rest of government and the American public, praising them throughout, he furthered the institutionalization of speech that made the industry different than many other industries.

To start creating the context for the meeting, we have to consider the seatbelt. The initial group of new regulations introduced in 1966 included the requirement that all new passenger
vehicles have lap seat belts. By mid-1970, use of seat belts remained low; NHTSA considered supplementing the active (required driver action) safety feature with a passive (no action necessary) safety feature: airbags. Having determined that the technology was affordable and available, NHTSA proposed mandatory airbags in passenger vehicles in November 1970.

NHTSA offered interested parties a chance to voice concerns or challenge the rule in court: 30 and 60 days, respectively. After hearing some comments, NHTSA softened the requirement and offered a second 30 day petition period. During this period, General Motors, Ford Motor Company, Chrysler, American Motor Company, Alfa Romeo, Saab, Mercedes, Volkswagen, Jeep, Recreational Vehicle Institute, and the American Safety Equipment Corporation all agreed that new seatbelt standards were acceptable but expressed reservations about the airbag rule. The automakers proposed alternatives like dashboard padding, suggested longer deadlines or soft deadlines, and remarked that airbags were an unnecessary safety redundancy.\(^\text{438}\)

Nixon aide Peter Flanigan was sympathetic to the automakers’ positions. In 1971, Flanigan echoed automakers’ suggestion that the airbag requirement seemed redundant: “if people can be induced to buckle their seat belts we do not need a passive restraint system.”\(^\text{439}\) For Flanigan, all that was apparently needed was personal responsibility on the part of the driver. The airbags, which cost automakers more money without appreciably raising the sale price of the vehicle, were something “we do not need.” Flanigan even went so far as to refer to the exchanges between NHTSA and automakers as “the passive restraints problem.” This suggests that


Flanigan was sensitive to the potential negative implications of the as yet unsettled issue; forcing the auto industry to accept the rule on what Flanigan believed to be an unnecessary redundancy would burn up precious political capital with that constituency, and there were other, potentially more important, issues on the table. At the same time, for example, automakers requested that the EPA reverse, modify, or delay tailpipe emissions standards set in 1968. From the automakers’ perspective, the EPA wanted too much too quickly, and the technology needed to clean up vehicles was not able to keep up with the drive for lower emissions. Nixon took strong stances on pollution and safety the prior year, positions inherently demanding of automakers. Now automakers were asking the government to relax some of those new regulations. Automakers wanted the EPA to change emissions regulations and NHTSA to lose the airbag regulation. Flanigan knew that emissions and airbags were a problem, and that Nixon would have to choose a side on both issues: NHTSA/EPA or the auto industry. Nixon agreed to meet with automakers to discuss concerns about the new regulations in an apparent attempt to save his relationship with a major constituency.

Nixon also set a meeting with John Volpe, then Secretary of Transportation, to discuss the issue. Volpe was the senior-most official imposing the airbag requirement on the automakers. Following the meeting, during which Nixon presumably asked Volpe to personally look into the issue and get back to him, Volpe sent a memo assuring Nixon that the Department of Transportation was confident automakers could meet the new airbag rule and that automakers would not install airbags on their own, so would have to be pushed by some kind of

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440 The new standards reduced allowable amounts of trace pollutants to be ejected from running vehicles, including partially burned hydrocarbons, carbon monoxide, and nitrogen oxides.
441 William Greider described Volpe’s airbag requirement and Nixon’s subsequent meetings with Volpe and auto industry leaders to discuss it the beginning of “a successful twenty-year stalling campaign by the auto industry... The industry’s evasive tactics blocked airbags through four presidencies.” William Greider, Who Will Tell the People: The Betrayal of American Democracy (Simon and Schuster, 1993) 111.
regulation to do so. Still, Volpe expressed some concern that “political and public attitudes are mixed” over the perceived safety of airbag systems. If Nixon needed an ally and airbag champion to give him something that might convince automakers to follow the new regulations, Volpe disappointed him. The memo, like the attitudes referenced in it, was mixed; there were no clear answers on the airbag issue in the memo.

A problem of perception compounded the lack of a clear way to deal with automakers; Nixon’s staff worried that regulatory relief following the meeting might damage his credibility on safety and environmental issues. On April 20th, Flanigan sent another memo to Haldeman that summarized the issues automakers would likely bring to the table with Nixon. That memo specifically highlighted the 1970 Clean Air Act amendments that set emission standards for tailpipe exhaust and NHTSA’s airbag rule. Flanigan suggested that Nixon consider having the EPA postpone requirements for one year and reminded Haldeman that airbags were seen as impracticable and redundant. Flanigan noted that if conversation turned to emissions and safety and Nixon were to “accede to some automobile company requests,” it might not create the best image for Nixon. Flanigan proposed changing the format in order to protect Nixon from perceptions of impropriety. Rather than welcoming leaders from a number of automakers (at one point eight) to a private audience with Nixon, Flanigan suggested that “adverse inferences [could] be minimized by meeting with two or three of these men individually.”

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443 Early airbags, for example, were sometimes implicated as the actual cause of death in accidents - they deployed too quickly or too slowly, too high or low against the head, or at too high a speed.


445 Flanigan. Memorandum to H. R. Haldeman, Re: Meeting with Automobile Industry Leaders.

446 Flanigan. Memorandum to H. R. Haldeman, Re: Meeting with Automobile Industry Leaders.
President “sold out” to the Big Four if after such a meeting we make decisions favorable to the industry?” Flanigan, mindful of the possible fallout presenting such an image could have, warned again against a group meeting and suggested instead Nixon starting by meeting just Henry Ford II and Lee Iacocca. From the first memo to the second, the language Flanigan used strengthened: “Adverse inferences” became a “serious risk” by the second memo. “accede to... requests” became “sold out.” The rise in intensity suggests that Flanigan felt unheard; he used stronger and stronger language to express the seriousness of the potential image problem.

It is also worth noting that Flanigan never suggested that Nixon actually refuse automakers’ demands. His concerns were primarily with the image problem created by a certain kind of meeting. Nixon sitting down with a representative from a single large company for a short chat was nothing out of the ordinary. Nixon meeting with the heads of every major automaker at once, in the midst of heated debate between the auto industry, the EPA, and NHTSA about new regulations that Nixon had championed the year prior - that was an entirely different image problem. By controlling the way the situation appeared, Flanigan seemed to suggest that Nixon could control what it meant and what might result.

On April 27th Nixon met with Iacocca and Ford at the White House. The scheduled 10 minute meeting went on for more than 45 minutes. The meeting featured Iacocca and Ford expressing concerns about new regulations to Nixon, with Nixon responding to those concerns.

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448 Henry Ford II was then the chairman and CEO of Ford Motor Company. Lee Iacocca was then the President of Ford Motor Company.
449 Nixon and Haldeman apparently listened to Flanigan’s concerns: the meeting included only the two Flanigan suggested. Nixon planned to meet with the others at some unnamed point in the future. See also: Dwight L. Chapin. Memorandum, 4-26-71. Subject Files - BE Business/Economics; BE 4-37 Transportation. Nixon Presidential Library, Yorba Linda, CA, 1971.
We can begin analysis of this meeting with a consideration of the points Ford and Iacocca raised: that the regulations were a moving target, foreign competitors were at an advantage, making the automaker problems with regulations a national economic problem. Next I explain Nixon’s responses, drawing parallels between them and his overall strategy established a year prior on auto regulations. In his private conversation with Ford and Iacocca, Nixon minimized the problem, demonized the activists, and situated any future action in economic terms. Following the meeting, Nixon worked to maintain his relationship with the auto industry, acting in ways previewed by his remarks. This meeting is a turning point in the history of the relationship between the presidency and the auto industry, when Nixon acted in ways that reduced the burden on an important constituency, then followed that with public defense of the industry.

The first point Ford and Iacocca raised with Nixon, through various comments, was that the new regulations were a moving target.\(^451\) Ford noted that the 1975 emission standards were acceptable but the tightened restrictions for the 1976 model year were “impossible.” Iacocca clarified by adding that there was no clear national priority on safety; the regulations were constantly being modified or replaced; and the auto industry was struggling to respond to mixed messages from different agencies. For Ford and Iacocca, the regulatory agencies were mishandling everything. Ford wanted to “put some sense into... DOT and how they go about doing their business.” Iacocca noted that the Department of Transportation was really “getting to us.” Later, he expressed frustration that no one at DOT was ever willing to talk with the industry about the costs of regulations. He related a recent conversation with the Secretary of

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Transportation: “so I say to Volpe: ‘Would you guys cool it a little bit? You’re going to break us.’ And they say, ‘Hold it. People want safety.’” The regulations mandated safety features regardless of the cost on automakers.

The apparent purpose of these comments was to suggest to Nixon that automakers were, in good faith, trying to follow the new regulations. Unfortunately, from their perspective, the government agencies were complicating that good faith effort by moving the target around. Ford and Iacocca were appealing to Nixon’s business sense. Iacocca used words and phrases that evoked a leader crushed by responsibility and powerless to act: he was “frustrated” and had “reached the despair point;” the regulations were “breaking our back” and “we don’t know what to do anymore.” If Ford and Iacocca could get Nixon to empathize with them, they might be able to build an argument for overturning the regulations.

Once Ford and Iacocca established the failing good faith efforts to hit shifting regulations, they built a second point on that foundation: foreign competitors were at an advantage. Iacocca made the argument that foreign automakers, held to the same safety and emissions regulations, were in a substantially better position to meet them. Foreign automakers still predominantly sold small cars in the United States, making for a less polluting starting point. In addition, any new safety requirements required domestic automakers to pay Americans $7 per hour in labor to install safety devices. Iacocca explained to Nixon that when Toyota can meet the same regulations paying $1.50 per hour for labor, the regulations themselves give foreign automakers an advantage; “and the Japs are in the wings ready to eat us up alive.” To press the point, Iacocca reminded Nixon that other Japanese goods were already invading the American market: 91% of car radios were coming from Japan, 15% of autos sold in America were foreign,
27% of autos sold in California were foreign, and Toyota outsold Ford in Vancouver. Much of this, according to the logic Iacocca presented, was due to Japanese products being underpriced against American counterparts, which for him was a direct result of cheaper labor costs. New regulations forced extra work per unit, compounding the price differential because extra labor at higher prices meant American products were much more expensive than foreign ones. So, in addition to blaming government indecisiveness, Ford and Iacocca blamed what appeared to be government providing preferential treatment to foreign companies.

It was important to get Nixon to empathize with automakers from a business perspective in order to establish the competitive advantage that foreign automakers had from the regulations. These two points led to the third point Ford and Iacocca raised, one that Nixon would have to act on: the auto industry regulation problem was really a national economic problem. Ford began this point by emphasizing the economic importance of the industry to the national economy, noting that the auto industry and all dependent suppliers represented one sixth of GNP. Having established that the auto industry was a power player in the economy, Ford made the case that safety features would lead to economic problems. The argument went as follows: safety features cost money; adding safety features to cars adds to the cost of the car; at some point consumers will opt for buying a cheaper foreign car; this leads to a weakening American economy and balance-of-payment problems for import/exports. When foreign automakers are better positioned to adapt to new regulations that domestic automakers, the domestic industry suffered and then so did the national economy. The safety regulations, Iacocca bluntly stated, “really killed all of our business,” and in the big picture, that was dangerous for the American economy. The industry

452 Jerome’s numbers basically match those Ford and Iacocca relayed to Nixon. Jerome has import sales in 1971 peaking at just below 20% market share. This is a stark increase - more than double the 7% market share imports had in 1960. See: Jerome, The Death of the Automobile: The Fatal Effect of the Golden Era, 1955-1970 95, Crandall, Gruenspecht, Keeler and Lave, Regulating the Automobile 11.
had helped to strengthen the economy and build a middle class, but the new regulations were throwing that whole system into risky territory.

This third point, that the problem was really a national economic problem, built from Ford and Iacocca’s first two: that the regulations were a moving target and meeting them put foreign competitors at an advantage. If Nixon accepted these points, if he empathized with the auto industry leaders, he might be more likely to act to protect the national economy. Nixon’s comments during the meeting suggest his universal agreement with auto industry positions. When Iacocca engaged in a *reductio ad absurdum* description of airbags, Nixon followed suit by claiming he would never own a car with an airbag in it, which he compared to “baby buggies.” Beyond obviously sharing some derision for airbag technology, Nixon adopted different tactics than those used in his 1970 State of the Union and his *Special Message to the Congress on Environmental Quality*. The earlier approach, geared towards the environment but applicable to any regulating of the auto industry, was to establish to the American public that the problem was serious, industry leaders were not to blame, we should externalize and blame actions, or blame autos, which meant that improving the product was the best course of action. This positioned the industry itself as the best source of a solution to the problem. In his private conversation with Ford and Iacocca, Nixon chose to minimize the problem, demonize the activists, and situate any future action in economic terms. In private, then, Nixon was clearly on the side of the auto industry leaders, representatives of a constituency he could not afford to alienate.

The first piece of Nixon’s private strategy with the automakers was to minimize, rather than amplify, the problem. Nixon began by admitting that “there is pollution, we all know that. You can fly over various places and you can see the stuff in the air. Maybe, there are safety

453 Iacocca said: “The citizens of the U.S. must be protected from their own idiocy, so we will put in a sophisticated device that will blow up on impact and package him in an air bag and save their lives.” See: Frontline, *The Meeting: Ford and Iacocca Make Their Pitch.*
problems, I assume. I think they’re greatly exaggerated, but there are some.” This statement ran contrary to the evidence Nixon himself cited in the 1970 public messages. Nixon knew that pollution was a serious problem and he had publicly argued to that effect in defense of NEPA and the establishment of the EPA. Nixon knew that auto safety was a serious issue; he saw the same data that led Johnson to compare auto casualty rates to Vietnam and polio. Nixon knew what he said was disingenuous - but he needed automakers to cooperate with NHTSA and EPA and he needed the auto industry constituency’s support going forward.

Nixon minimized the threat of the problem and also minimized the perception of government response to it. “Where there is pollution and where there is safety issues, the general principle I believe in is that, well, then we’ll do the best we can...” Appealing to the general public in 1970, Nixon claimed that pollution was the defining issue of the 1970s and that all efforts must be directed towards reducing it for future generations. Nixon’s comment in private was softer, restrained, and almost allowing for failure. His 1970 appeal that ‘we can and we must’ became, in private, ‘we will try.’

Nixon could be forgiven for having gone from ‘we can and we must’ to ‘we will try’ when sitting face-to-face with industry leaders potentially threatened by his previous remarks. He could be forgiven for ‘assuming’ there are problems, instead of repeating what he ‘knew’ a year prior. Smart politicians modify the wording of appeals based on the audience addressed.\(^{454}\) Nixon did not just soften his claim about the importance of the pollution and safety issues for a particular audience, though. Instead, he told automakers that regulating safety and emissions was a losing battle, so we will try, but we will not try too much. “We can’t have a completely safe society or safe highways or safe cars and pollution-free and so forth,” he said. This comment

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suggests that some safety features and emissions standards might be either unnecessary or unobtainable. So, to maintain a working relationship with the auto industry, Nixon minimized the threat of the problem, making the response to it by necessity less forceful, and admitted that taking the response to the issues past a certain point would be inadvisable. In public, Nixon was a champion of big actions on the defining issue of a generation. In private, with the industry representatives present, Nixon advocated baby steps, and only up to a certain point.

The second important piece of Nixon’s private strategy with Ford and Iacocca was, rather than blaming externalized actions or autos themselves, to demonize the activists bringing the complaints. The “environmentalists and... the consumerism people” were, for Nixon, “a group of people that aren’t really one damn bit interested in safety or clean air. What they’re interested in is destroying the system. They’re enemies of the system.” In this comment, Nixon described a world wherein environment and safety activists are a dishonest “them,” situated against and in conflict with “us.” He dissociated the activists, making it possible to blame them. They want to destroy the system; we must not let them win.

Furthermore, according to Nixon, the only reason the issues caught national attention was because of those activists: “Nader’s running around, squealing around about this and that and the other thing.” Nader, for Nixon, is an irritant. Nader does not complain, give interviews, advocate, or appeal. He squeals. Nader is a child, an infant, a rat; Nader is a stuck pig. He cannot be taken seriously, nor must we let governance be dictated by him.

For Nixon, these squeals were nonsense. If taken to a logical conclusion, Nixon suggested Nader would have us give up a modern way of life: “We could... go back and live like a bunch of damned animals,” Nixon remarked, which “won’t be too good.” If we listen to Nader, according to this argument, we have to give up all modern amenities afforded by
industrialization, so that we never ride in unsafe vehicles and emit zero pollutants into the air. We would then return to “the great life... like when the Indians were here. You know how the Indians lived? Dirty, filthy, horrible.” Notwithstanding the racism, Nixon presented Ford and Iacocca with a dichotomy. We either accept industrialization and whatever safety or pollution issues come with it, or we accept dirty, filthy, horrible lives. Nixon’s sarcasm is evident: that ‘won’t be too good.’ Speaking privately to Ford and Iacocca then, Nixon made environment and safety advocates enemies of the system, then reduced them to minor irritants who squeal for attention and advocate a ridiculous abandonment of industry. By reducing the choices to a dichotomy, Nixon made the side with little to no action, the side with little to no response to the squeals of advocates, the only choice.

The third piece of Nixon’s strategy for the private meeting was to situate action in economic terms. Nixon told Ford and Iacocca that “we all want to do the right thing. The question is doing the right thing at the right time and in a [unintelligible] way... rather than doing it in a revolutionary way, too drastic a way, that will just throw the baby out with the bath water... that’s the problem.” We could not go too far, to deindustrialization, to living like animals. Rather, we should act, but in a controlled, measured way. The economic context, for Nixon, determined whether an action was the right thing at the right time. The DOT might want airbags, EPA might want tailpipe emissions standards, but the economy is more important that either of those things: “I think this is an element that... goes beyond DOT because it involves America’s competitive position, it involves the health of the economy.” For Nixon, keeping the automakers financially profitable, continuing to grow the middle class that they had helped to build, because that meant a healthy economy were the important priorities. Wrapping up the meeting, Nixon noted that he would look into the regulations, focusing especially on “how
decisions we make may make our industry non-competitive with the Japs.” This final comment and its embedded slur hinted that the airbag and emissions regulations might not stay the right thing at the right time, if implementing them hurt American market share in competition with foreign automakers. So the meeting closed with Nixon signaling that he had heard Ford and Iacocca’s concerns, wanted to maintain their support, and that he would reconsider the regulations.

This private meeting with Ford and Iacocca included markedly different approaches to environmental and safety issues than Johnson or Nixon had used in public. Nixon first minimized pollution and safety concerns. Next he demonized the activists, arguing that they were just attention-hungry people squealing for the destruction of the system. Finally, Nixon noted that some continued action (and regulation) might be necessary, but only to the point that it did not harm automakers’ economic position. Combined, these tactics helped Nixon maintain a working relationship with the auto industry, redirect blame away from the automakers for the present problems, and make industry interests central to proposed responses. One year prior, in public, Nixon’s Special Message protected the industry from blame, instead focusing on externalized actions (no one is responsible) and autos (inanimate object is responsible) while situating the auto industry as the solution.

While Nixon’s 1970 public remarks were designed to publicly justify major legislation that added dozens of new regulations to auto production, they also helped maintain a relationship with the auto industry. When Ford and Iacocca met with Nixon and complained about the regulations, Nixon realized that his relationship with the industry might sour if the regulations stood. As such, following the private meeting, Nixon instructed Erlichman to call Volpe and rescind the airbag order. Three days after Ford and Iacocca expressed their concerns Erlichman
 relayed Nixon’s order to Volpe. During the call, Volpe expressed concern that if the order was overturned, Nixon would suffer in the public view. “There will be an avalanche, and I mean an avalanche, of protest in every newspaper in this country.” Volpe said, we “will receive some of the worst editorial comments that we have seen.” He argued that the administration and DOT gave the auto industry every chance to delay and comply; if the airbag rule was overturned then the administration would be guilty of collusion. Still, Erhlichman had his instructions. He told Volpe: “the President’s willing to take that heat... the President desires that the order be suspended.” Although he personally disagreed, Volpe told Erhlichman he would comply.

Over the next few weeks, people at DOT and the White House continued to debate what Volpe should do with airbags. Assistant Secretary of Transportation Charles D. Baker sent a memo to Flanigan as a response to the request to rescind the airbag regulation. The memo highlighted continued industry concerns over airbags but laid out a schedule for moving ahead on the proposal, referring to it as “that which is inevitable.” Volpe handwrote a letter to Nixon, arguing that the administration should stick to the airbag policy against industry concerns.

Nixon apparently did not agree with Volpe’s continued defense of the regulation. Within a week Ehrlichman instructed staffers to not move forward on setting meetings with leaders from the other automakers and also instructed Charles Colson, an aide, to tell leaders in the auto industry that they had convinced the President. “For your private information Secretary Volpe

458 Since the original plan had been to meet with all of them, and the ‘forward file’ note indicated future meetings with each were to be scheduled, this reversal after the Ford and Iacocca meeting likely indicates Nixon felt the issue settled (he wanted the airbag regulation overturned). See: David Parker.Memorandum for Tod Hullin; Subject: Car Manufacturers. Subject Files - BE Business/Economics; BE 4-37 Transportation. Nixon Presidential Library, Yorba Linda, CA, 1971.
will, on or before the 14th of June, cause a reconsideration of the safety regulations to be completed... in favor of the auto companies... it should be made clear to the manufacturers that the President in fact ordered the reconsideration and the result.”

Nixon wanted the rule overturned after a reconsideration period and he wanted automakers to know it happened by his order. NHTSA, directed to do so by Volpe at DOT, himself following Nixon’s direct order, announced the reconsideration period.

During the reconsideration period, Ehrlichman and Flanigan continued to meet with Volpe to remind him of Nixon’s position on the issue. Flanigan also instructed NTSB members to not discuss the airbag issue publicly. By early September, Volpe agreed to issue a revised ruling on the airbag regulation, giving the automakers substantial extra lead time before the requirement would become active. Flanigan relayed the news to Nixon. Flanigan had recently spoken to leaders in the auto industry and wrote to Nixon that each of them found the delayed implementation for airbags agreeable. “For political purposes they will, when the rule is announced, indicate that they would have preferred a later date. However, they have

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464 Full implementation was then delayed until 1976 - although it would be pushed back a number of other times.
assured me that they find this program entirely acceptable. The “political purposes” referenced were the industry’s need to appear consistent - industry leaders called the technology dangerous, expensive, and in need of much further development. Even though they may have felt confident about (and grateful for) the new deadlines they still apparently wanted to appear to resent government forcing technology development on any timeline.

With the airbag issue settled and automakers privately happy about the result, Nixon brought his new, private-meeting-based, approach to regulations to the general public. In a domestic policy speech on July 6th, while NHTSA was “reconsidering” the airbag rule, Nixon raised the issue of pollution in much the same way he had discussed it with Ford and Iacocca in private. We are tempted, he argued, to look at smog and pollution and blame automobiles or factories. We are tempted to say: “Wouldn’t it be great if we could go back to the way it was in the beginning? The answer is: not at all. I have been... to countries that do not have the problems of the environment created by an industrial society. Those countries and those peoples, of course, would very much like to have those problems if that was the cost of raising their standard of living. This public version of Nixon’s aversion to living like Indians or animals has the same message: it minimizes the concerns of advocates while presenting a dichotomy with only one rational side. It also has the benefit of reinforcing American exceptionalism by casting the American way of life as, admittedly dirty, but still the envy of the world.

Following the five year delay of the airbag rule, Nixon appeared at the Economic Club of Detroit. Nixon dutifully used the moniker “motor capital of the world” when he addressed the

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crowd, and his other remarks repeated the same tactics from his private meeting with Ford and Iacocca. He reiterated auto industry importance to the national economy, calling it an “enormous driving force,” and used the economic as a way to talk about the environmental. “We are not going to allow the environmental issue to be used sometimes falsely and sometimes in a demagogic way basically to destroy the system... the industrial system that made this the great country that it is,” he said. Again, although in slightly more polite terms than he used in private with Ford and Iacocca, Nixon minimized the advocates and their concerns, here casting them as demagogues who would destroy the system. In a room filled with auto industry managers and executives, Nixon cast the advocates as an enemy and sided with the auto industry against them.

By the end of 1971, Nixon had established a new approach to handling safety and environment issues with regards to the auto industry. In 1970 approach he made the issue seem serious, directing blame away from automakers and towards externalized actions or autos themselves, and situating the automakers as central to solving the problem. Throughout 1971, his private remarks and public speeches minimized the importance of the issue but continued to direct blame away from automakers and instead towards activists taking the issue too far. Nixon situated automakers central to any plan to resolve the problem. In the face of increased pressure from foreign manufacturers, he also made any future regulations and many existing ones subservient to the needs of the economy - both the profitability of individual companies and the health of the economy as a whole.

President Gerald Ford, largely followed in Nixon’s footsteps, repeating the rhetorical strategies Nixon developed as he worked to maintain a good relationship with the auto industry.

467 Although not directed at the auto industry specifically, Nixon’s fiscal policy was also useful to automakers. His 10% import tariff on all dutiable foreign goods included foreign-made autos, leading David Healey, a Wall Street auto industry analyst, to refer to the tariff as the “auto industry relief act.” Jerome, The Death of the Automobile: The Fatal Effect of the Golden Era, 1955-1970 240. See also: Douglas A. Irwin, "The Nixon Shock after Forty Years: The Import Surcharge Revisited," World Trade Review 12.1 (2013).
Ford, like Nixon, maintained a personable relationship with auto leaders. For example, according to his memoir, *A Time to Heal*, Ford personally requested GM restrain price increases to help with inflation, and when the recession began in 1975, it was GM Chairman Dick Gerstenberg who told him it was coming. Ford also continued, like Nixon, to cast the auto industry as the solution to, rather than the source of, problems. For example, following the OPEC oil embargo, Ford described the city of Detroit as “the city which some blame for the energy crisis.” Unlike those “some,” Ford instead saw the city as home to industry that the nation looked to “for significant solutions that I know are possible.” In 1975, Ford reiterated Nixon’s appeal about the economic importance of the industry: “Everybody in this room knows of the tremendous impact that the automobile industry has on our economy. When automobile sales are down, so in most cases in our economy.” Again, like Nixon, Ford connected the health of the auto industry to the health of the broader economy. These comments reinforced the idea that, even as cars clearly caused pollution, the auto industry should not be seen as an enemy, or even responsible, but rather as a praiseworthy economic contributor that was ultimately our best source of solutions.

Ford generally followed in Nixon’s footsteps on the auto industry for several reasons. Ford shared many of Nixon’s political views. The auto industry remained a powerful constituency. Since nothing of major importance changed, Ford was able to borrow Nixon’s strategies on the auto industry without modification. The ongoing pollution and safety regulatory

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469 Gerstenberg visited Ford in the Oval Office and when the discussion turned to economic reports, Ford tried to be optimistic. Gerstenberg claimed that “the worst is still to come.” A week later, the administration publicly acknowledged the start of the “worst recession in forty years.” Ford, *A Time to Heal: The Autobiography of Gerald R. Ford* 203-04.
battles had resolved (or indefinitely delayed) most major provisions and minor ones did not
demand presidential attention. The major exceptions were: the energy crisis kicked off by the
OPEC oil embargo, increased foreign competition, and the start of a major recession (due in no
small part to the first two exceptions). The recession began near the end of Ford’s term and he
did little about it geared towards the auto industry specifically.

Ford responded to the energy crisis by signing a major law effecting the auto industry in
1975: the Energy Policy and Conservation Act, establishing Corporate Average Fuel Economy
(CAFE) standards for automakers. CAFE required automakers to produce an average fuel
efficiency across all units in a given year, meaning that a producer of hot-selling light trucks
would have to also produce and sell higher-mileage coupes (even at a loss) to meet the fuel
efficiency averages CAFE instituted. In his signing statement Ford made no mention of the auto
industry or CAFE standards.472 Although the industry resisted the law, the first fuel efficiency
standards under it would not go into effect until 1978, giving Ford the opportunity, which he
took, to avoid addressing the issue. So, with the exception of his silence on CAFE, Ford followed
in Nixon’s footsteps on the auto industry, footsteps that traced a path away from regulation.

3.4 The Praiseworthy Avoids Blame

Johnson, Nixon, and Ford served during a period of tectonic shifts in the domestic auto
industry. By the 1950s, the auto industry had become praiseworthy, having made autos a part of
American life, saved America and the world by becoming the arsenal of democracy, advanced
the cause of workers by being a proving ground for unions, and helping to build a middle class.
The negative aspects of that history were sanitized out of presidential narratives about the

industry - contributing to an identity for the industry that made it worth protecting. General Motors had become the largest corporation on the planet, with profits routinely exceeding that of many countries. Between the 1950s and 1970s problems threatened to destroy that identity. Increased driving on vastly expanded highways led to more auto casualties, prompting the rise of the consumer safety movement. Millions of autos on the road contributed to runaway pollution, prompting the rise of a new populist environmentalist movement. Foreign competitors offered viable alternatives. Finally, the energy crisis prompted concern over low fuel efficiency.

The auto industry, once lauded, was derided by the late 1960s. Life magazine and Look magazine published lengthy pieces attacking the industry for what Timothy Maga called “an arrogant disregard... for their own consumers... too big, too imperial, and out of control.”[^473] Johnson, Nixon, and Ford were each presented with opportunities to say similar things. Each had the chance to break from the rhetorical legacy of praise built over five decades and take the industry to task for safety, pollution, failure to compete, or fuel efficiency. Not one of them did.

Johnson championed safety regulations in autos while going out of his way to establish automakers as the solution to safety problems. Nixon continued this trend on safety and extended it to the pollution issue, while also instituting tariffs that helped automakers compete with foreign companies. Ford followed Nixon, and chose not to discuss fuel efficiency. By the time of the Carter administration, the industry had weathered major shifts in landscape, wild swings in popular opinion, and held a dramatically weakened market position - while the presidential narrative about the industry remained one of confidence, faith, strength, and promise.

Nixon was the president most responsible for the failure to address industry shortcomings publicly. James Farmer, Secretary for Nixon’s Department of Health, Education and Welfare (HEW), said, “Nixon was a completely political animal: he was neither moral nor immoral, but

was amoral; he made decisions based on how they affected him politically; not based on whether they were right or wrong.  

Farmer’s opinion of Nixon seems apt, at least on auto industry issues. Nixon was the president most obviously swayed, in both what he did and how he justified it, by a personal meeting with representatives from a powerful constituency.

Farmer provided two legacies that future presidents had to negotiate. First, he established a rhetorical pattern for dealing with industry failings. Just as prior presidents had learned to ignore aspects of the past, Nixon learned to repurpose the negative into a positive. By redirecting blame away from the producers and instead defining them as the solution, Nixon found a formula for addressing tectonic shifts in the industry terrain, including multiple movements seeking to regulate it, while maintaining a positive relationship with that important constituency. This rhetorical pattern, in addition to the praiseworthy identity established by the time of the Johnson administration, informed the way every president since has talked to or about the industry.

Second, Nixon acceded to industry demands using a tactic industry representatives handed to him: the economic argument. Nixon’s approach to environmental and safety regulations, represented in his private meeting with auto industry leaders, was evident in the policy in place by the end of his administration. Regulations must always be at the mercy of economic needs, according to the logic undergirding those policies. For example, the auto industry continued to lobby against airbag mandates, among other things, on the grounds that the technology was too expensive. It was not until 1984 that the FMVSS mandated all cars (starting in 1989) be produced with installed passive restraints - an airbag or a seat belt. It took until 1998 before the FMVSS included a dual airbag mandate for all passenger vehicles. Like airbags, any new regulation under Nixon, and even some existing ones, were dependent on

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475 Industry leaders also argued from other positions, but Nixon responded most clearly to the economic argument.
whether the industry could maintain profitability and an assessment of whether the broader economy would be negatively impacted.\footnote{“Over and over again, Nixon ensured that environmental regulations would remain subordinate to economic growth and that they would rely much more heavily on market mechanisms and less on established bureaucratic and judicial controls.” Schulman, \textit{The Seventies: The Great Shift in American Culture, Society, and Politics} 31.} According to Michael R. Vickery, putting EPA’s fiscal operations under the control of the Office of Management and Budget made it next to impossible for EPA to battle major companies.\footnote{Vickery, "Conservative Politics and the Politics of Conservation: Richard Nixon and the Environmental Protection Agency."} When presented with a new regulation or a reason for concern, Nixon went first to the economic argument, which is not surprising for a Republican president. More surprising is that future presidents of both major parties would repeat exactly the same argument: give the auto industry what they asked for; the economy cannot afford to see them fail. This pattern of action directly contributed to government response to industry instability under the Carter, Reagan, Bush, and Obama administrations.

The auto industry identity established during its golden era, repeated in presidential speech, should have, by all rights, collapsed under the weight of safety, pollution, competition, and fuel efficiency concerns. Instead, due to Johnson’s attempts to maintain ties with labor, and Nixon and Ford maintaining ties with industry leaders, the auto industry became even more praiseworthy in presidential speech. It became the solution to every problem associated with it and an integral part of the American economy worth protecting, no matter the cost.

None of Johnson’s, Nixon’s, or Ford’s public narrations about the industry changed the realities of automaking: autos still killed when not made safe enough, polluted when not made clean enough, and failed to compete with imports when not made well enough. The energy crisis and subsequent recession that plagued the Carter administration demonstrated that the auto industry was, underneath the presidential praise, at a precipice. The next chapter examines how Carter and Reagan dealt with Chrysler finally falling over the edge.

\footnotetext[476]{“Over and over again, Nixon ensured that environmental regulations would remain subordinate to economic growth and that they would rely much more heavily on market mechanisms and less on established bureaucratic and judicial controls.” Schulman, \textit{The Seventies: The Great Shift in American Culture, Society, and Politics} 31.}
\footnotetext[477]{Vickery, "Conservative Politics and the Politics of Conservation: Richard Nixon and the Environmental Protection Agency."}
INTERVENTION IN THE INDUSTRY

By the mid-1970s, the domestic auto industry was in a potentially precarious position. Automakers were losing market share to foreign competitors while at the same time struggling to meet new government regulations on safety, emissions, and fuel efficiency. Yet the Johnson, Nixon, and Ford administrations praised and defended that industry. Presidential speech consistently redirected blame away from the industry while situating it as the solution to safety, emissions, and efficiency problems. The Nixon administration in particular also eased or rescinded regulations to help the industry maintain its economically beneficial and praiseworthy profitability. During the Carter and Reagan administrations, such praise for and support of the industry was to be tested; oil crises in the 1970s pushed the industry to the brink with Chrysler nearly falling over into bankruptcy. The broader economy was in trouble in the late 1970s and early 1980s, but the auto industry received special attention. Carter and Reagan, in different ways, sought to maintain support from the auto industry and as such each borrowed from the rhetorical legacy established in the presidency by that point: help the auto industry however you can, redirect blame, praise the past, and define the industry as exceptional, and therefore worth saving. Even as the auto industry continued to resist government regulations, Carter and Reagan singled the industry out for special attention, special treatment, and special praise.

The auto industry in the 1970s and 1980s still represented a powerful national and regional constituency. The Big Three automakers were major corporations in their own right, with General Motors still among the largest in the world. Although the companies had been

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through rough patches and laid off many workers, the industry still employed a huge workforce: millions of people either directly or indirectly worked for the industry and hardship for automakers could ripple throughout the whole economy.\textsuperscript{479} The industry provided a commodity that had become ubiquitous, “American,” and necessary for suburban life by the 1970s. For years, presidents had told the American people and the industry that it was exceptional and praiseworthy for all it had done during its first half century. For both Republican and Democratic politicians, especially in the Midwest or on the national stage, the auto industry represented a key constituency in any electoral coalition.

In this chapter I begin with the Carter administration and argue that Carter’s personal views and governing ideology made for a president that could have held the line against the auto industry, but for a run of bad economic luck and for political reasons, Carter chose to act to save it. Carter’s intervention saved Chrysler from bankruptcy and his justification for that intervention reinforced the exceptional, praiseworthy industry identity. Unfortunately for Carter, his soft approach cost him industry support and, contributed to his loss in 1980.\textsuperscript{480}

Next, I consider the Reagan administration and argue that Reagan, whose free enterprise and free trade principles were widely known, ironically acted in even more effective ways to help the struggling auto industry than did Carter. Although much quieter than Carter’s rescue of Chrysler, Reagan’s auto industry program returned automakers to profitability during his term of office. Reagan pushed auto industry deregulation as part of his broader deregulation program but

\textsuperscript{479} Workers on auto assembly lines are only the most direct employees of the industry. Smaller companies employed hundreds of thousands of workers making the thousands of parts that were assembled by the official employees of the Big Three. Countless workers also helped produce the steel, plastic, glass, and rubber the industry purchased in bulk. The livelihoods of workers at parts-suppliers and at the basic material suppliers, not to mention all of the restaurants, shops, grocery stores, and gas stations that provided services to those workers, depend upon the strength and profitability of the industry of the whole and of the Big Three in particular.

\textsuperscript{480} Note that the industry role in Carter’s failed reelection campaign was a small one, but the prevalence of the industry constituency in Midwest states where Carter only lost to Reagan by a small margin should not be overlooked. Reagan Democrats were Midwestern Democrats. If Carter did lose industry support, it might have cost him just enough to lose key states necessary for his reelection.
also engaged in protectionist policies that favored the domestic automakers. I argue that to maintain the support of the auto industry Reagan violated his commitment to free trade and free enterprise. Throughout, Reagan praised the industry - further entrenching the exceptional identity and the idea that the industry was worth saving.

Finally, I examine the Bush and Clinton administrations. I explain how the historical situation meant that Bush and Clinton did not need to intervene in any major way to aid the industry. Times were relatively good. Still, by then the industry was decades removed from the golden era of the 1950s and its importance continued to decline. Economically, the industry and its workforce shrank over the years. Politically, the relative spending power of the corporations and the voting power of the UAW also shrank. Yet both presidents praised the industry in much the same way as presidents before them. Rather than reflect the present reality, Bush’s and Clinton’s praise of the auto industry reflected an inherited rhetorical legacy.

Prior to Carter and Reagan, Nixon pretended to become a consumer safety advocate and environmentalist, while behind the scenes directly undermining those movements. This chapter is about how Carter and Reagan compromised with themselves. The former compromised his sense of personal discipline and responsibility to save an industry that refused to return the favor. The latter compromised his public commitment to free enterprise and free trade to save an industry that continued to fight him on regulations after its resurrection. Throughout, each maintained that the industry was worth saving because of its exceptional status. Intervention to help the praiseworthy industry, for a disciplined Democrat and a free market Republican, came to be a foregone conclusion. Had the industry continued to struggle through the Bush and Clinton administrations, perhaps that exceptional status would have shown wear and, eventually, a president would have chosen to let a domestic automaker go bankrupt. As it happened, times
improved, and the industry enjoyed more than a decade of praise with no major need for public aid - just enough time for the blameworthy aspects of its history during the Carter and Reagan administrations to fade before everything came crashing down again.

4.1 The Carter Intervention: (Not Quite) Fiscal Restraint or Responsibility

During the Carter administration, the auto industry reached a historic weak point and Chrysler, the smallest of the Big Three automakers, nearly went bankrupt. In this section, I begin by briefly reviewing the events contributing to industry turmoil upon Carter’s inauguration. Next, I examine Carter’s approach to the industry early in his term, up to and including his intervention to save Chrysler. Then I move to a close analysis of a private meeting between Carter and leaders in the industry. I conclude by arguing that Carter’s material approach saved Chrysler and protected the industry as a whole, but his rhetorical approach failed to maintain support for his administration within the industry. In short, as the title of this section suggests, Carter compromised his personal and governing sense of discipline with his handling of the auto industry intervention, yet he was punished by that voting constituency for not going far enough and was not reelected.

4.1.1 Discipline: Carter Resists an Industry in Trouble

During the Carter administration, the auto industry reached a historic weak point and Chrysler, the smallest of the Big Three automakers, nearly went bankrupt. In this section, I begin by briefly reviewing the events contributing to industry turmoil upon Carter’s inauguration. Next, I examine Carter’s approach to the industry early in his term, up to and including his intervention to save Chrysler. Then I move to a close analysis of a private meeting between Carter and leaders in the industry. I conclude by arguing that Carter’s material approach saved Chrysler and protected the industry as a whole, but his rhetorical approach failed to maintain
support in the industry. In short, as the title of this section suggests, Carter compromised his sense of discipline with his handling of the auto industry intervention, yet he was punished by that voting constituency for not going far enough and was not reelected.

The auto industry that Carter saved acted as if it was the auto industry it once was, but it had failed to change as the world changed around it. Between the 1950s, when the auto industry was at the top of the industrial world, and the 1970s, when the industry was in trouble and Chrysler near collapse, a number of forces pushed and pulled on the edges of the industry. A populist environmentalist movement rose to prominence to fight against pollution. The consumer protection movement fought for safer products. Congress and the Johnson, Nixon, and Ford administrations responded to public pressure and instituted regulations on safety features and emissions. There were more than a few new rules for automakers; a National Academy of Sciences report found 237 regulatory changes to autos from 1960 to 1975, forming a “tightening web of constraints” on automakers. This web of constraints forced certain kinds of technological advances while adding significantly to the cost of making cars, narrowing profits. At the same time, the first oil shock drastically increased the price of oil, making large,
heavy American autos less desirable, while domestic control of the market shrunk, as smaller, lighter, foreign autos won over more American consumers.

The world changed but the auto industry remained largely the same. This may have been due to industry leaders viewing themselves and auto companies as exceptional or special, claims consistently recited in presidential speech. In part, this was also because leaders in the industry were able to work with regulators and the White House to make sure that most new regulations were delayed as long as possible and palatable to the industry when finally passed. The industry thus eventually changed with the times, but only in the smallest of ways and after it had exhausted all avenues of resistance.

By the mid-1970s, an auto industry still seeing itself as the top of the industrial world was actually vulnerable. The industry, with government assistance, was able to weather the gradual buildup of costly regulations while losing, a little at a time, market share to imports, but the oil shocks changed everything, exposing the industry’s underlying vulnerability. Drastic increases in the cost of oil meant more expensive fuel and consumer pressure for more efficient vehicles, ones that domestic manufacturers were not then producing very well. The oil shocks also contributed to stagflation (a simultaneous recession and runaway inflation) from 1973 to 1975. A second oil shock during the Carter administration proved more than the industry could handle. By 1979, Chrysler was close to bankruptcy while GM and Ford posted record losses.

Carter was initially resistant to the plight of the domestic automakers. Early in his administration Carter adopted a position of fiscal restraint in line with his personal views of responsibility and frugality. Americans were first coming to grips with “limits to growth,” an

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486 Carter talked about responsibility frequently. For example, according to searches of the American Presidency Project, Carter referenced responsibility in 823 speeches while in office. This was more than Ford (555 speeches) but Ford was in office for a shorter amount of time. Still, in Carter’s 1,461 days in office, he referenced
expression coined in a book with the same name\textsuperscript{487} that became an “ecocidal bestseller” during Carter’s presidential campaign\textsuperscript{488} and sparked heated debate during his administration.\textsuperscript{489} In 1977, Carter created the Department of Energy (DOE) and tasked it with fuel conservation issues among other things. He “decided to take a tough stand” on air pollution, knowing it would be opposed by the auto industry.\textsuperscript{490} The early Carter administration, then, battled resource limits and economic turmoil by advocating restraint.

Carter’s national approach was problematic for the domestic auto industry. Stagflation, along with an administration advocating restraint and unwilling to intervene, made it particularly difficult for automakers to comply with safety, emissions, and fuel efficiency regulations.\textsuperscript{491} In 1977 and 1978, Carter met with various representatives from the industry to allow them to voice concerns, even as he stood by his pledge to restraint.\textsuperscript{492} By 1979, independent studies suggested that the Council of Economic Advisors (CEA) loosen these restrictions on automakers, arguing that the regulations would strangle the industry.\textsuperscript{493}

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\textsuperscript{487} Meadows, Meadows, Randers and Behrens III, \textit{The Limits to Growth: A Report for the Club of Rome's Project on the Predicament of Mankind}.
\textsuperscript{489} Meadows, Randers and Meadows, \textit{Limits to Growth: The 30-Year Update} xvii.
\textsuperscript{490} “We [my top advisors and I] met to discuss air pollution and decided to take a strong and tough stand, which is going to be opposed by the automobile manufacturers and the UAW [United Auto Workers]. Trade-offs will be necessary, but my inclination when there’s a direct conflict is to stick with environmental quality.” Jimmy Carter, \textit{White House Diary} (New York: Farrar, Straus, and Giroux, 2010) 41.
\textsuperscript{491} An April 24\textsuperscript{th} memo to the CEA noted that new agency actions regarding fuel economy, passive restraints, diesel particulates, truck emissions (HC, CO, and NO\textsubscript{x}), waivers on CO standards, and ambient air standards from both the EPA and the NHTSA would all have “direct or indirect cost consequences for the industry… put direct or indirect pressure on the industry’s engineering resources… all have an indirect effect on each other.” Larry White, \textit{Memorandum (Inventory and Interaction of Impacts on the U.S. Motor Vehicle Industry)}. \textit{Staff Offices - Office of the Council of Economic Advisors Box 33 “Fuel Economy Standards”}. Carter Presidential Library Atlanta, GA, 1979.
\textsuperscript{492} In ‘77 and ‘78 Carter met with (at least) the following: Coleman Young (Mayor of Detroit), Senator Bob Griffin (MI), James Danman (Lt. Gov. of MI), Tom Murphy (Chairman of GM), and Doug Fraser (UAW). Carter, \textit{White House Diary} 171.
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Following Carter’s lead, representatives from the executive branch defended the regulations. For example, Joan Claybrook, administrator for the National Highway Traffic Safety Administration (NHTSA), who was known as the “Dragon Lady” for her zealous conduct of the agency, defended the regulations in the House of Representatives, calling them “necessary and critical.” Also, Charles Schultze, then chairman of the CEA, appeared before Congress and called the policies a “boon for domestic oil production” and an “incentive for alternative energy.” The administration stance was that the regulations were beneficial for the industry and nation in the long-term.

This approach did not sit well with industry representatives. Still, Carter held the line; arguing that easing regulations would not have combated inflation, which was “public enemy number one.” According to Carl W. Biven, “the double-digit inflation of the 1970s altered the essential macroeconomic problem,” because the traditional way of dealing with high unemployment and a sluggish economy was an activist government, increased federal spending, and regulatory relief. Carter was forced to abandon this approach and battle inflation, which “requires the fiscal discipline necessary to control public spending, to restrain the growth of

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497 Unhappy with Carter’s early actions to aid the domestic auto industry, UAW president Doug Fraser arranged a gathering in Detroit of 100 key Democratic blocs, with the aim of holding Carter to campaign promises for aid to American industries. The gathering in October 1978 was not supposed to be an anti-Carter rally, but it quickly became one as those assembled voiced their displeasure with the current administration. See: Burton I. Kaufman and Scott Kaufman, *The Presidency of James Earl Carter*, American Presidency Series, 2 ed. (University Press of Kansas, 2006) 133.
government, to accept limits on the expansion of the welfare state, and to postpone popular tax cuts. In line with the latter strategy, Carter reaffirmed his commitment to the regulations in an executive memo that stated that in regards to the automobile issues and in general: “everyone must submit to a greater degree of discipline.” Not only should industry representatives expect to tighten the proverbial belt but administration officials should plan to say “no” more often. Had no major event further weakened the economic system, restraint might have been an effective means of forcing the auto industry and other industries to streamline, improve, and find internal means of weathering stagflation. As it happened, political turmoil half a world away put Carter’s policy of restraint and the health of the auto industry in jeopardy.

4.1.2 Compromise: Carter’s Chrysler Bailout

In part as a result of the Carter administration’s unrelenting stance on regulatory reform, in addition to the broader macroeconomic forces at work, the industry continued to struggle. Reich and Donahue described this period for the industry as a “roller coaster,” of which Chrysler was on the “most harrowing” ride. Carter’s restraint, and the vulnerable auto industry, met trouble with the second oil crisis, which many thought was never going to happen until it did. Automakers were, according to Carter, more surprised than anyone when it happened. In

502 As late as the fall of 1978 Congressman David Stockman argued that OPEC would not be able to unilaterally raise prices within at least the next decade. It was not until 1982, according to Abernathy et al, that realization started to spread that Middle East turbulence would continue to effect global oil prices and that those prices would ratchet upward - occasional, abrupt, large increases in price. David A. Stockman, "The Wrong War? The Case against a National Energy Policy," *National Affairs* 53 (1978): 3-44, Abernathy, Altshuler, Bakken, Ephlin, Hurter, Jones, Kahn, Miller, Miller, Shackson and Zaglio, *The Competitive Status of the U.S. Auto Industry: A Study of the Influences of Technology in Determining International Industrial Competitive Advantage* (National Academy of Sciences: National Research Council) 136.
503 Carter met with representatives from the industry to discuss a fuel-efficiency research program in May. In his *White House Diary*, he wrote that “they were highly defensive of whether they had been innovative. It’s obvious to
January of 1979, Saudi Arabia announced a cut in oil production, following news of the “vacation” of the Shah of Iran and a march in Tehran in support of the exiled Ayatollah Khomeini. By spring, OPEC raised the price of oil roughly 15%, and raised it by another 15% in June. Within a year, the real price for Americans had effectively doubled. Consumers, remembering the long gas lines from six years earlier, mobbed gas stations in regions of the country with no domestic oil supply; causing panic purchasing that exacerbated the shortage. Demand for heavy American autos evaporated even as the cost of manufacturing rose with energy prices. It was too much for Chrysler; the roller coaster had run off the rails.

In 1979, with the whole industry losing ever more market share to foreign competitors, Chrysler sought an expansion of a 1978 request for $250 million in federally guaranteed loans to build a transaxle plant in Richmond, Indiana. The request had been pushed around the administration for the past year, but after the second oil shock and with the economic climate worsening, Chrysler pushed for final approval of the loans just to get an infusion of cash. By late July, desperate for some kind of aid and unable to borrow money in the tight market, Chrysler representatives met with Stuart Eizenstat and proposed two scenarios: either the government offer aid and push Chrysler’s bankers to lend to it, or the company would go bankrupt. Over the next few months, the Carter administration worked privately to get concessions from all involved in exchange for intervening. Carter was “cautious,” but willing to help, because of Chrysler’s importance as a defense contractor and the need to keep its workers employed. Also, it is me that they have not. They were remarkably chastened by the knowledge that the energy shortage was permanent and that large cars were going out of style.” Carter, White House Diary 320-21.

Nixon’s oil decontrol program meant that some states (e.g. Texas) would fare better than others (e.g. Michigan) when the price of imported oil rose, because the local supply was still roughly the same price. Carter instituted oil price controls in 1979, gradually bridging the price gap between oil-rich and oil-poor parts of the country.

There is an excellent description of this process in Reich and Donahue, New Deals: The Chrysler Revival and the American System.

Carter, White House Diary 349-50.
worth noting, the primary election was on his mind. Anything that might deliver votes from the auto industry, and thereby help him win the Midwest, was worth pursuing.

Ultimately, Chrysler, its creditors, and the UAW assembled $2.6 billion in order to secure an additional $1.5 billion in federally guaranteed loans. It was the largest government intervention of its kind and scale at the time. For Carter, Chrysler deserved government attention and taxpayer money because “It has the most diversified workforce of any corporation in America. Its suppliers and dealers and its manufacturing plants touch almost every major community in our country.” The auto industry was everywhere, apparently, and worth saving. When Carter announced the final program, he claimed that it “preserved [Chrysler] as a viable, competitive entity” and would save 200,000 American jobs. Fiscal restraint and personal responsibility went out the window with the Chrysler Loan; Carter intervened to save Chrysler, to save jobs, to save the economy, and to get reelected.

Following the rescue, Chrysler continued to struggle. The Chrysler Loan had been just enough to keep it operating but it continued to bleed cash. The company needed more aid to survive. Representatives from Ford and GM, faring somewhat better but not well, asked for regulatory relief as well. In January of 1980, Carter reviewed a report from Secretary of

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507 In December, Carter wrote that he pushed Congress to act on Chrysler; in the next sentence he wrote about a poll showing him trailing Kennedy by 6 points. Carter, White House Diary 380.
508 H.R. 5860, also known as “The Chrysler Loan,” provided for the federal guarantee of Chrysler’s loans. See also: Reich and Donahue, New Deals: The Chrysler Revival and the American System 185.
510 Carter recalled that he held to his principles: “I warned my staff not to be too liberal with Chrysler but to hold the line,” in Carter, White House Diary 367. Intervening at all, however, was contrary to what he had said for the first two years he was in office. All the work he and his staff did to fight the industry on meeting regulations was undone with the Chrysler Loan.
512 Following the bailout of Chrysler, Philip Caldwell, President of Ford Motor Co. sent a personal letter to Charlie Schultz, then Chairman of the CEA, asking for regulatory reform for the whole industry. T.A. Murphy of GM also sent a letter advising the president on potential executive actions that could help Detroit but would not require Congressional action. See: T. A. Murphy, Potential Regulatory Changes for Cost Savings [and Attached Salutation].
Transportation Neil Goldschmidt arguing that auto industry problems were due to excessive labor costs, poor management, and problems in the parts supply chain, rather than to the national economic condition or any regulatory overreach.\textsuperscript{513} Over the next few months, Carter agreed to review the regulations anyway and consider easing some of them to aid the industry. He met with industry representatives again in May, and by his own admission the discussion centered on import restraint, credit, government regulation, and tax incentives, rather than on what Goldschmidt claimed were the true problems for the industry.\textsuperscript{514} Carter’s advisors continued to brief him on the declining economic situation for Detroit and the country as his administration assembled a package of regulatory reforms.\textsuperscript{515} Note that although Transportation had advised him that industry problems were largely internal and of their own making, Carter directed them to assemble a package of regulatory reforms - in direct opposition to his position that all submit to a greater degree of discipline and personal responsibility. With every day, the auto industry looked weaker and the reelection campaign got closer.

By early July, when Carter was scheduled to meet with the industry leaders and report the regulatory reform package details, the need for government aid was obvious. The situation in the


\textsuperscript{513} Carter, \textit{White House Diary} 506.  
\textsuperscript{514} Carter, \textit{White House Diary} 428.  
industry was bleak. Unemployment in Detroit was above 20 percent,\footnote{Kaufman and Kaufman, \textit{The Presidency of James Earl Carter} 207.} imports gained a larger share of a smaller car market,\footnote{Crandall, Gruenspecht, Keeler and Lave, \textit{Regulating the Automobile} 11.} and domestic automakers continued to lose money.\footnote{Rattner, \textit{Overhaul: Insider's Account of the Obama Administration's Emergency Rescue of the Auto Industry} 14-15.} With the UAW (and thereby the auto industry) a key constituency in the 1980 election, Carter went to Detroit to privately lay out his administration’s new plans to help the auto industry. He planned to deliver his plans privately to industry leaders and then publicly in a press conference. That meeting deserves a close analysis, as it was Carter’s chance to address industry representatives in ways that might secure him support in the upcoming election.

On July 8, 1980, at 7:15 AM, President Jimmy Carter met with representatives from the automobile industry in a lounge at Detroit International Airport.\footnote{Jody Powell. \textit{Auto Industry Announcement Schedule of Activities. Staff Offices - Office of the Chief of Staff - Butler Box 139 "UAW 9/21/78-9/12/80"}. Carter Presidential Library, Atlanta, GA, 1980.} The private meeting included Carter’s top advisors, leaders from General Motors (GM), Ford Motor Company (Ford), American Motors (AMC), Chrysler, Volkswagen America (VWA), and the United Auto Workers (UAW).\footnote{Stu Eizenstat. \textit{Memorandum for the President (Fact Sheet on Automobile Policy and Detroit Comments). Staff Offices - Office of the Staff Secretary Presidential Handwriting File Box 195 "Trip to California, Florida, Georgia, Detroit, Alaska, and Japan 7/3/80-7/17/80"}. Carter Presidential Library, Atlanta, GA, 1980.} This private meeting could prove crucial to Carter’s reelection campaign, so it might not have been coincidence that he scheduled the date and time to coincide with the Republican convention in Detroit.\footnote{Kaufman and Kaufman, \textit{The Presidency of James Earl Carter} 222-23. Note that Carter was aware of this; he wrote of the day that “The Republicans raised hell because they said I was trying to steal headlines from them in Detroit.” Carter, \textit{White House Diary} 445.} Following the meeting, Carter spoke briefly for the press and then boarded Air Force One for Japan – Detroit’s top foreign competitor.\footnote{James E. Carter. "Detroit, MI: Remarks to Reporters Following a Meeting with Automobile Industry Representatives, 7-8-1980." online by Gerhard Peters and John T. Woolley, \textit{The American Presidency Project}. <http://www.presidency.ucsb.edu/ws/index.php?pid=44731>.}

Archival research can allow us to recreate the private meeting for analysis. Carter’s private meeting with auto industry leaders was meant to reassure them of his support for them in
an effort to earn their support in the upcoming election,\textsuperscript{523} while the public statement was meant as a justification for the aid. I argue that although Carter assured industry leaders in private that his purpose was to help them, he also advanced a too-soft position on Japan and demonstrated that he did not seem to understand the gravity of the situation for automakers in Detroit. Carter thus failed to convince leaders of the auto industry that he was the person they wanted in the White House, a failure that in spite of all the material aid and public praise Carter provided, cost him votes, states, and possibly reelection.

First, consider the purposes Carter advanced in the two statements. In public, this new relationship was a boon for the consumer. Specifically, Carter told reporters that the purpose of the meeting was to take steps toward “providing for the American consumer the extremely high quality, fuel-efficient automobile which will be required in the months and years ahead.”\textsuperscript{524} Note that, this time, Carter did not suggest automakers deserved or needed aid. The entire package of material aid for automakers announced during the speech, which amounted to $750 - $950 million and regulatory reform, was to benefit the broader American car-buying public. So, in public, Carter argued that the interests of consumers required him to help the industry.

According to this public statement, serving the public would be met by a partnership: “We have formed, in effect, a very close-knit, permanent partnership, within the bounds of propriety for our free enterprise system, between the Government itself and the automobile industry – representing labor, manufacturing, perhaps automobile parts, and perhaps even the

\textsuperscript{523} The attached cover letter specifically describes the point of the meeting. See: Stu Eizenstat and Ralph Schlosstein, \textit{Memorandum for the President (Meeting with the Auto Industry and Leadership of the United Auto Workers July 8, 1980). Staff Offices - Office of the Secretary of State, Presidential Handwriting File Box 194 “Trip to California, Florida, Georgia, Detroit, Alaska, and Japan 7/3/80-7/17/80”}. Carter Presidential Library, Atlanta, GA, 1980.

\textsuperscript{524} Carter, "Detroit, MI: Remarks to Reporters Following a Meeting with Automobile Industry Representatives, 7-8-1980." ¶9.
A partnership between the industry and government, a union of two institutions in the interests of the broader public that both served, but, importantly, it was proper. Carter emphasized that the relationship was a proper one that aligned with a free enterprise system. This claim also appeared elsewhere in the text. Carter announced a shift in depreciation policy for automakers, “which is completely proper under the law for this purpose,” and the organization of an auto industry committee, “which is completely proper [and] compatible with the free enterprise system that we cherish.”

The emphasis on propriety was typical for Carter in this situation. Just six months earlier, when Carter signed into law H.R. 5860, providing $1.5 billion in loan guarantees to Chrysler, he reminded taxpayers that “this legislation does not violate the principle of letting a competitive free enterprise system in our country function on its own, because Chrysler is unique in its present circumstances.” The bailout of Chrysler was proper because government needed to protect jobs.

The historic new partnership between government and business was proper because it was designed to serve the consumer. Just as anti-trust actions pit government against corporations to benefit the consumer, the Carter administration’s aid to automakers would mean cheaper, safer, cleaner, and more fuel-efficient autos for consumers.

It would seem to follow that the consumer motive for the partnership would have been present in the private meeting as well. It was not. The private speech for automakers made little reference to consumers and no reference to propriety. The entire purpose of the regulations according to the private speech, was “the reassertion of the preeminence of the American

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525 Carter, "Detroit, MI: Remarks to Reporters Following a Meeting with Automobile Industry Representatives, 7-8-1980." ¶9.
526 Carter, "Detroit, MI: Remarks to Reporters Following a Meeting with Automobile Industry Representatives, 7-8-1980." ¶4 and ¶9, respectively.
automobile industry” that would be attained “through the sale of smaller, fuel efficient and safe cars build [sic] in America.” The partnership was not specifically “proper,” rather it was “business, labor and government working should-to-shoulder to build a better future.” The committee would “advance both the interests of our nation, and the interests of business, labor and the consumer.” Finally the consumer arises, last in the list of interests to be served.

The order of priorities as arranged in the public and private speeches directs attention to the symbolic importance of the consumer, which can sometimes be interchanged with “voter” in presidential speech. Certainly leaders of the auto industry should not need to be forcibly reminded of consumer interest motive for government intervention in a private enterprise. Still, the auto industry is notorious for thinking of itself as exceptional – when the auto industry does well everyone benefits. Carter could have reasonably chosen to reassert the consumer motive in the private meeting. He was, after all, holding nearly a billion dollars in material aid and regulatory reforms that would free up working capital. Six months earlier he had approved double that amount to rescue Chrysler. This could have been the moment that the Chief Executive reminded private industry that government aid is warranted only by serving the interests of the American people. Instead of advocating this consumer interest motive as he planned to do half an hour later in public, Carter chose to reinforce the auto industry’s mentality in private, arguing that government served business with the consumer benefiting as byproduct.

Perhaps the different wording choices and emphasis on competing purposes is merely a response to two different audiences. Carter obviously would have been limited by the audience


532 For example, Charles E. Wilson is famous for having said “what’s good for GM [General Motors] is good for the country.” Actually, he said “I thought what was good for our country was good for General Motors and vice versa.” See: Wright, *Insolent Chariots Unsafe at Any Speed*. ¶8-11.
of the moment and taken steps to address that audience particularly. Yet, as Richard Vatz argued, when the situation drives the rhetorical response the rhetor cannot be held responsible. Instead, emphasizing the importance of rhetorical choice, Vatz argued that what is included or excluded from a speech “are decisions to make salient or not to make salient,” they are “purposeful acts for discernible reasons.” Carter’s purposeful act, in this case, was to emphasize the propriety of a relationship for the best interests of consumers in the public speech while in private reinforcing the notion that the American government would stand with (and protect) the American auto industry.

Given the culture in the auto industry, secure in its belief in its own exceptionalism, this kind of reinforcement of profit over consumer, financed by government aid, could have real consequences. For example, Carter’s assurance to the industry that government would partner with it for success told industry representatives, once again, that theirs was an industry somehow special, worth saving. Also, Carter’s support, in the face of industry resistance to government regulations, told industry representatives that even if they continued to fight the government on safety, emissions, and fuel efficiency, government would stand with them and defend them.

Rather than address industry resistance to regulations early in his term, or stand by his “greater degree of discipline,” Carter chose to reinforce auto industry exceptionalism and position himself as a means to the profit of auto companies. The assumption that government should act to help industry with benefits trickling down to consumers in saved jobs and better products is not unique to Detroit automakers. Yet in this case that assumption was actively highlighted in a

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private meeting between automakers and government. In public, Carter suggested the industry
was to be further regulated to benefit the consumer, but behind closed doors, Carter assured
industry representatives that the government would partner with them in order to maintain
American preeminence and industry profit.

Although the leaders in the auto industry present in the private meeting with Carter might
have been pleased at the apparent partnership and assurance of future cooperation, Carter’s
position on Japan was decidedly less welcome for the industry. The second feature worth
considering about the public and private meetings is Carter’s confusing approach to free trade,
which would have left representatives from the industry unsure and, perhaps, anxious. Following
the meeting in Detroit, Carter visited Japan to discuss trade policies, among other things. At the
time, Japan was surging into the American car market. Notably, Japanese vehicles were built
outside of the United States and imported, allowing Japanese manufacturers to avoid unionized
labor wages and benefits. When paired with a weakened yen, this gave the Japanese what many
called an unfair advantage over American car manufacturers. Domestic automakers had
consistently asked Carter for import restrictions against Japan and blamed declining domestic
market share on regulatory favor for imports. The representatives would have been listening
closely for explanation and assurance that Carter would, when and if reelected, favor fair trade
instead of free trade, and take a stronger stance against Japan.

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535 Imports were 14.6 percent of the market in 1970, with 24 percent of that coming from Japan. Between 1980 and
1984, imports were 24-29 percent of the market, with an average of 79 percent of that share from Japan. See:
Crandall, Gruenspecht, Keeler and Lave, Regulating the Automobile 1, 10-11. See also: Teaford, Cities of the
Heartland: The Rise and Fall of the Industrial Midwest 217-22, Richard McGowan and Thomas Vaughan,

536 Automakers were also, due to bargaining tactics used by the UAW, unable to recover lower wages and come into
parity with Japan. This problem continued until the 2008 bankruptcies of GM and Chrysler. See: Rattner, Overhaul:
Insider's Account of the Obama Administration's Emergency Rescue of the Auto Industry 37. See also: Biven,
Jimmy Carter's Economy: Policy in an Age of Limits.

Carter told the press that he was asking the International Trade Commission (ITC) for “an expedited ruling on whether or not imports of automobiles into this country have adversely affected or improperly affected the industry in our country.”538 As with his discussion on the new partnership between government and automakers, Carter emphasized that this request for a federal agency to speed up its normal process to directly benefit a private enterprise would “not prejudge what their finding might be, and it does not prejudge what action I will take when I get a recommendation from them.”539 It would be proper, and would benefit US consumers and voters, in so many words.

In private, Carter also discussed the ITC. In the private meeting he relinquished responsibility for the request, saying “The United Auto Workers has filed a petition with the United States International Trade Commission.”540 Carter did not, with an auto industry audience, qualify this point by saying that the findings or his actions would not be prejudged. In fact, he let the UAW request characterize the situation, effectively giving the union the presidential voice on that issue. In other words, there was no distance worth mentioning between the administration and the union, according to Carter. He stood with the auto industry.

The request, “contending that the auto industry has been injured by imports… and asking the ITC to recommend appropriate relief,” was not questioned. Rather than reinforce the notion that Carter was noncommittal about responding to any ITC recommendation, as he had done in public, the president told the leaders of the auto industry that he had “asked the ITC commissioners to accelerate their investigation and to report their findings to me as soon as

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538 Carter, "Detroit, MI: Remarks to Reporters Following a Meeting with Automobile Industry Representatives, 7-8-1980." ¶8.
539 Carter, "Detroit, MI: Remarks to Reporters Following a Meeting with Automobile Industry Representatives, 7-8-1980." ¶8.
possible.” Without the publicly stated claim that those findings might be equivocal or might not get a response from Carter, this private construction implied that Carter knew how the report was going to look and was merely waiting for it to be delivered to him so that he could act on it. When paired with his private statements about the American preeminence and profit motive, industry leaders could have seen this as presidential backing for the case with the ITC. If so, then the representatives from the auto industry might feel assured that Carter was on their side on the issue with Japanese imports.

In both the public and private messages the ITC was represented as an external check on presidential power. In public, the ITC was portrayed as a neutral agency that would provide Carter with a recommendation on which he might act. In private, the ITC was depicted as a temporary roadblock that would soon deliver the expected results that will allow for more material aid. For union members and corporate leaders of the auto industry, both the public and private versions of this were acceptable, although the private version favored the industry more clearly. Still, in both cases, the ITC provided information about how imports were affecting the domestic auto industry, but in neither case was Japan or any other competitor mentioned. Given that Japan was the next stop for the president, this omission is worth further investigation.

In the drafting process for the private speech, there had originally been a four paragraph section specifically discussing Japan. The section began with “Japan is a valued ally” and proceeded to emphasize the importance of open markets and dialogue with Japan as a key trading partner. In one of Carter’s first reviews of the draft he underlined points to add emphasis, indicating the importance of statements like “I also want to ensure that the American commitment to free trade is accompanied by a firm commitment to fair trade from our trading partners.”

542 Eizenstat and Schlosstein. Memorandum for the President (Meeting with the Auto Industry and Leadership of the United Auto Workers July 8, 1980).
partners.” These original sections emphasized America’s policy of free trade in exchange for fair trade from Japan, implying that if Japan wanted to keep selling cars extensively in the United States it would have to loosen import requirements and allow American cars into Japan at competitive prices. Notably, these sections reassure the auto industry leaders that government is working on behalf of American companies.

In subsequent drafts, Carter excised most of this discussion of intervention on American industry’s behalf. Henry Owen of the National Security Council advised the President that Japan was, of its own accord, restricting its expansion at home and retooling for the Japanese market only. At this stage, Carter removed most of the discussion of Japan, but allowed a paragraph to remain that suggested Japan was making steps towards more balanced trade on their own – in fact, Carter underlined the later paragraph to add emphasis. Here we see Carter thinking carefully about how the automakers would respond to a discussion of Japanese imports. “Japan is a valued ally” was too supportive of a competitor country deemed an enemy by the domestic industry, while “a firm commitment to fair trade” may have actually suggested increased competition with Japanese cars. The extremes could be read as a negative development for domestic automakers. This might explain why Carter removed them from the private speech.

When the draft was returned to Carter, handwritten comments indicate that his advisors disagreed on the Japan sections, which they had replaced in full. This time, Carter again marked the section for removal. The pen strokes were firm and thick in the word “delete” next to the

543 Carter’s handwritten emphasis is in the original text. See: Stu Eizenstat and Ralph Schlosstein. *Memorandum for the President (Meeting with the Auto Industry and Leadership of the United Auto Workers) [with Comments from President Carter].* Staff Offices - Office of the Staff Secretary Presidential Handwriting File Box 195 “Trip to California, Florida, Georgia, Detroit, Alaska, and Japan 7/3/80-7/17/80”. Carter Presidential Library, Atlanta, GA, 1980.


545 Eizenstat and Schlosstein. *Memorandum for the President (Meeting with the Auto Industry and Leadership of the United Auto Workers) [with Comments from President Carter].*
passage and, for good measure, Carter also drew a giant X over the paragraph.\footnote{Stu Eizenstat. \textit{Memorandum for the President (Meeting with the Auto Industry and Leadership of the United Auto Workers) [with Comments from President Carter]. Staff Offices - Office of the Staff Secretary Presidential Handwriting File Box 195 "Trip to California, Florida, Georgia, Detroit, Alaska, and Japan 7/3/80-7/17/80". Carter Presidential Library, Atlanta, GA, 1980.} This suggests that Carter was unwilling to negotiate with his advisers about specific mention of Japan.

After marking a giant X over the first section, Carter rethought his position on the second Japan section. Where he had previously added emphasis he now deleted that section as well. Carter was increasingly of the mind that nothing needed to be said about Japan to the domestic auto industry leaders. Again his staff disagreed, arguing that some mention of Japan must be made,\footnote{Susan S. Clough. \textit{Memorandum to the President (Detroit Comments). Staff Offices - Office of the Staff Secretary Presidential Handwriting File Box 195 "Trip to California, Florida, Georgia, Detroit, Alaska, and Japan 7/3/80-7/17/80". Carter Presidential Library, Atlanta, GA, 1980.} but by the time the drafting process produced speaking notes for the private meeting, the President had excised any mention of Japan at all. This process did not just shorten the overall speech – it systematically deleted mention of the private audience’s top competitor.

This systematic deletion suggests that Carter was cognizant of how delicate the issue of free trade still was for the American public and for industry leaders. While free trade and fair trade interests grew following World War II, free trade gained much more popularity beginning in the late 1980s.\footnote{Andrew Z. Katz, "Public Opinion and the Contradictions of Jimmy Carter’s Foreign Policy," \textit{Presidential Studies Quarterly} 30.4 (2000).} In 1980, and especially with an audience of auto industry leaders, fair trade was more important than free trade: fair trade meant that automakers could sell trucks in Japan while Japan sold small cars in the United States. Japan did not make trucks well and Detroit automakers had yet to develop a successful small car. Free trade, on the other hand, meant that the weakened Japanese currency made Japan’s cars easy to export to America but also made American trucks too expensive to import.
Free trade was a “lose-lose” proposition for domestic automakers. Given this, Carter chose not to bring Japan up at all, instead focusing on the ITC request for a review that would take the matter out of presidential hands for some time. In so doing, Carter was employing strategic silence. When we expect someone to speak, the choice to be silent can be strategic and can, in turn, create mystery or uncertainty. Strategic silence is meant to shroud an issue in mystery, opening multiple options to the rhetor while committing to none.

By being silent about Japan but still discussing the ITC, Carter achieved a more damaging effect: the omission of Japan translated into an unwillingness to take a stand on the issue. With Carter boarding a plane for Japan following the meeting, the domestic auto industry’s top competitor was certainly on the minds of those present. They likely expected Carter to say something about Japan. All that the automakers or the public heard about trade policies was about the ITC request. Although noncommittal in public but supportive in private, this mention could not have matched the strong stance expected by automakers against Japan. Carter could have reassured the industry leaders with a clearly stated policy in support of fair trade rather than free trade, support of the ITC, and a stance against unchecked growth of Japanese automakers’ share of the domestic market. Instead, his public and private messages conflicted, and his failure to address Japan directly suggested weakness or indecision.

In private, Carter reassured leaders in the industry that government was a partner in their success. Yet he failed to take a strong enough stance on Japan. The third feature of the public and private messages that day was another failure: Carter seemed to not understand the gravity of the issue.

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549 Strategic silence is typically the absence of speech altogether, but it provides insight when considered as the absence of a discussion of Japan here. See: Barry Brummett, "Towards a Theory of Silence as Political Strategy," Quarterly Journal of Speech 66 (1980). Note that it might also be useful to consider this a case of strategic ambiguity, but in this case strategic silence is a better fit. For an example of strategic ambiguity in the Carter administration, see: Mary E. Stuckey, Jimmy Carter, Human Rights, and the National Agenda (College Station: Texas A&M University Press, 2008).
current economic climate for automakers. Carter’s editing choices on drafts for the speeches (and
the choices of his staff) reflect an attempt to avoid recreating the famous “Malaise” speech.
Instead, Carter seemed to minimize the situation to a room full of powerful industry
representatives that saw their world falling apart.

Many scholars have examined the “Malaise” speech, also known as the Crisis of
Confidence speech.\(^{550}\) The speech is well known for delivering an honest take on the economy
with the American people. This is often considered a mistake.\(^{551}\) In the speech, Carter
highlighted forcefully negative depictions of the economy, such as when quoting advice he
received at Camp David: “Mr. President, we’re in trouble. Talk to us about blood and sweat and
tears.”\(^{552}\) Carter established a crisis of confidence as the root of the national problem. He had
been talking about a lack of confidence among the American public for years but the visibility of
this national address, rescheduled after its cancellation led to ten days of seclusion, entrenched
the “crisis” in the American mind.\(^{553}\) Following the speech, Carter’s approval ratings predictably

\(^{550}\) See, for helpful examples: Richard Hofstadter and Beatrice Hofstadter, Great Issues in American History: From
Reconstruction to the Present Day, vol. 3 (Vintage, 1982), Leo Ribuffo, ”Malaise’ Revisited: Jimmy Carter and the

\(^{551}\) If votes depend on a strong economy and a president “talks down” the economy, votes might be lost. B. Dan
Wood shows how recent presidents have given more frequent and more optimistic speeches on the economy. Other
scholars add that the economy is a salient issue and voter perception of the economic climate influences the approval
ratings of the president at the time. See: Wood, ”Presidential Rhetoric and Economic Leadership.”, Michael B.
MacKuen, Robert S. Erikson and James A. Stimson, ”Peasants or Bankers? The American Electorate and the U.S.
Economy,” American Political Science Review 86 (1992), John Mueller, ”Presidential Popularity from Truman to
Johnson,” American Political Science Review 65 (1970), Kristen R. Monroe, ”Economic Influences on Presidential
Popularity,” Public Opinion Quarterly 42 (1978), George C. III Edwards, William Mitchell and Reed Welch,
”Explaining Presidential Approval: The Significance of Issue Salience,” American Journal of Political Science 39


\(^{553}\) Carter mentioned the lack of confidence a number of times, as early as 1976. See, for example: Jimmy Carter and
John Richardson, Conversations with Carter (Lynne Rienner Publishers, 1998) 20, 168.
fell to new lows. Later, speechwriter Rick Hertzberg advised the president that he should be more optimistic about the state of the economy and the administration achievements and avoid discussing a lack of confidence. In what is a likely demonstration of following that advice Carter edited the private speech for industry representatives to be as positive as possible.

In the public speech for the press, Carter was “deeply concerned about the adverse impact on communities where the auto industry is a major factor in employment. I’m particularly grieved and concerned about the very high unemployment rate in the industry now.” Yet, due to the historic new partnership and the package of material aid for automakers, Carter had “great hopes and expectations.” In the private meeting, Carter was also “filled with a deep personal concern about the problems that have been created by this difficult period of transition.” Yet in private, as in public, Carter was “filled with hope and confidence about the future,” a phrase he used twice. From both the public and private speeches in Detroit it would seem that Carter learned a lesson from the “Malaise” speech.

By examining the drafting process, we can see the extent to which Carter was still struggling with this lesson. In the original drafts of the speech, the president had approved a lengthy section that described the reality of the grim economic situation in Detroit. The section in worth quoting at length:

I am deeply disturbed that the tragedy of 25 percent auto unemployment has brought hardship and despair to the lives of so many American families. I am concerned that the

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554 Two weeks after the speech Carter’s approval had fallen to 25 percent. See: Brummett, “Towards a Theory of Silence as Political Strategy,” 302.
556 Carter, "Detroit, MI: Remarks to Reporters Following a Meeting with Automobile Industry Representatives, 7-8-1980." ¶2.
557 Carter, "Detroit, MI: Remarks to Reporters Following a Meeting with Automobile Industry Representatives, 7-8-1980." ¶10.
558 Carter,Untitled - Delivery Copy for Speech on 7/8/80 [and Attached Handwritten Notes]. ¶2.
loss of jobs, income and tax revenues have driven the State of Michigan, the City of Detroit and other communities and states into financial hardship; that the decline in profitability of the industry may make it more difficult for you to retool for the future; and that the health of thousands of small businesses may be jeopardized by the severe recession in your industry. And I am concerned that insufficient capacity to produce small fuel-efficient cars domestically has contributed to increased purchases of foreign imports. 560

Obviously this section paints an unflattering picture of Detroit and domestic automakers. Words like “tragedy,” “disturbed,” “hardship,” “despair,” “decline,” “difficult,” “jeopardized,” “severe,” “recession,” and “insufficient” blur together into what sounds like a recitation of problems and failings of the assembled audience. There is also a somewhat subtle indication of blame directed at the industry, whose “insufficient capacity” cannot compete and whose “decline in profitability” makes it difficult to retool. In this section, the industry and its people are suffering to the point that they must improve to compete but cannot do so alone. This might have proved useful to Carter, establishing an altruistic helping motive rather than a proper consumer motive or morally hazardous American preeminence motive. For whatever reason, regardless of how bleakly this passage described the audience, Carter, Hertzberg, Eizenstat, and other advisors working on the draft approved the section a number of times.

But the section was ultimately removed. On the sixth document in the drafting process, Carter expressed doubt about the tone of the section and crossed it out. Carter’s advisors sided against the president: “Stu [Eizenstat] said the reason for the section on page 1 you deleted had nothing to do with listing problems of the auto industry. Instead, it is to show the American

560 Eizenstat. Memorandum for the President (Meeting with the Auto Industry and Leadership of the United Auto Workers) [with Comments from President Carter].
people/taxpayers that you care about the flesh and blood aspect of the problem. (I agree with him).” It remains unclear why exactly Carter chose to disagree with his advisers and delete the section from the speech. However, it is plausible that Carter decided the negative tone would counteract what was supposed to be a victory speech with industry leaders. If things were this bad for Detroit and the domestic auto industry, the administration might be held to blame for not stepping in sooner with aid, or the administration might be held responsible for providing even more aid than Carter was already promising. It is also possible that Carter did not believe things really were that bad for the industry. The National Academy of Sciences report on the industry concluded that the Carter administration saw industry troubles as a transient economic misfortune, a natural swing in the marketplace that the industry could adapt to over time. If that view was accurate, Carter would not have wanted to sound too negative in describing what he saw as a situation that would eventually improve on its own.

Still, the removal of these elements, in the words of Carter’s advisers, removed “the flesh and blood aspect of the problem.” The corporate and union representatives were already presented with a public and private message full of contradictory and confusing statements about Carter’s positions. Now, they were not clearly reassured that Carter knew just how bad things were and could not be convinced that Carter would take the problems seriously enough. While it may have been advisable not to recreate the “Malaise” speech, omitting all negative references left the speech cold and unfeeling, unresponsive to the true depths of the situation. In short, Carter’s edited version of the speech was dominated by *logos*, when his audience of might have

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561 The typed memo is signed “—s s c” with no other handwriting or indicating marks. Since s/he speaks in the first person and also references Eizenstat and Powell, it is safe to say that the memo was not written by either of them. Archivists at the CPL and Eizenstat himself were unable to help identify “SSC” as an author without any indicating handwriting, although former speechwriter Michael Jablonski suggested that “Susan S. Clough was the most likely candidate for the “—s s c” edits. Clough. *Memorandum to the President (Detroit Comments).*

needed to hear pathos. Carter’s lack of expressed empathy, in addition to his too-soft position on Japan, countered his message of partnership with the industry in the private meeting. So, while Carter was willing to violate a personal commitment to responsibility and restraint in order to secure political support from the auto industry constituency, he failed to address that constituency in ways that made Carter’s new commitment clear, costing him support.

4.1.3 Punishment: Carter’s Loss

One month after the meeting announcing his auto package, Carter campaigned for reelection throughout Michigan. When he discussed the auto industry, Carter co-opted the rhetorical legacy established for that subject by past presidents: he ignored (erased) all but the best parts of industry history. Carter praised the industry for responding to changing consumer demand on its own, helping America dig out of the Great Depression, and for being the arsenal of democracy. Left unmentioned: industry extortion of regulatory relief for jobs, failure to change to more fuel efficient models before OPEC made it all but obligatory, the Chrysler rescue and subsequent efforts to save the industry from the forces troubling it, or the more accurate explanations for industry problems contained in Goldschmidt’s report. Carter needed votes, he needed the industry, and so he needed to tell a certain kind of story about them. Regardless of his personal views about restraint or responsibility, or of his advisors position that the regulations were for the best, or that his advisors situated all blame within the industry, Carter praised them anyway. Carter was up for reelection and now was not a time for total truths. Now was a time for praise - praise that conveniently, for the industry, reinforced the idea that even during rough times, it was exceptional, special, worth saving, worth defending.

Four months after his meeting with auto industry representatives Carter lost his reelection campaign. His inability to resolve the Iran hostage crisis, reverse the course of stagflation, or
respond to the energy crisis all played a role in Reagan’s victory. Union votes, long a staple of Democratic presidential campaigns, were especially important to the electoral coalition Carter needed to build in 1980. Unfortunately for Carter, he was more able to build coalitions of support with unions and other constituencies during the 1976 campaign than in 1980.

The UAW, a union with a “heavy dose of pragmatism about real-world politics,” backed George McGovern in 1972. In 1976, Carter won 59 percent of votes from union households with strong support from the UAW and other unions. By 1979, Carter lost early support from the UAW, which instead endorsed Ted Kennedy and switched to Carter only when it was obvious Kennedy would not win. Still, their support was tepid at best, and Carter only won 47 percent of union household votes in 1980; more union votes went to Reagan. Carter said that this was because he paid too little attention to the political aspects of his job, costing him support he should have had.

Doug Fraser, then president of the UAW, admits that the UAW may have been “too harsh” toward Carter and that weak support from the industry “made it more difficult to reelect
By characterizing union judgments as “too harsh,” Fraser acknowledges that Carter may have deserved different treatment. With billions in dispersed and newly announced aid for the domestic auto industry, Carter should have won support from the UAW and corporate representatives - the auto industry constituency should have been Carter’s strongest supporter.

In Carter’s published diary, he appeared confused and, perhaps, hurt: “Although we’ve done everything possible to protect Chrysler this year, Lee Iacocca [then CEO and Chairman of Chrysler] was on TV saying he thought the nation would survive and prosper after January 20 (once Reagan took over)… he said he was going to write me a letter of apology, but I’m not going to forget what he said.” At least Chrysler and Iacocca, in the president’s opinion, did not respond as expected. Martin Halpern emphasized the lack of progress on universal health care as an explanation for the UAW endorsement of Kennedy, but Carter’s diary points to something else at work. Knowing full well that he had not delivered universal health care as promised, Carter still expected more support from the industry than he received. Perhaps he expected this support because of the $1.5 billion Chrysler Loan or the nearly $1 billion in regulatory relief to help the domestic auto industry. He expected, but did not receive, the kind of support that such government aid should deliver.

Early in his administration, Carter took a tough stand against spending, asked his staff to exercise restraint against requests, and said that everyone must submit to a greater degree of discipline. Carter’s term of office was one during which America came to grips with limits to growth and the vagaries of oil as an import commodity with a price set by far-flung unknowns. The auto industry finally bent under the weight of the market, regulations, competition, and oil price surges. Carter responded with unprecedented aid, moving from restraint and responsibility

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570 Carter, White House Diary 497.
to the government sponsor of a private enterprise. Later, during his reelection campaign, Carter tried to cement the support of an industry important to the coalition he needed for reelection, only to fail to convince industry leaders that he truly understood them and that he would stand with them against Japan. These tensions, and others like them, created confusion about his actual position and plans – confusion that may have been enough to shake the confidence of the “pragmatic” UAW and auto companies. In short, his cues to the assembled industry leaders were bad signs for the future. If Halpern is correct that stalled universal health care cost Carter UAW support in January, I add that the kind of public and private confusion demonstrated here made matters worse in the last few months before the election.

Even a crystal clear stance and the full support of the domestic auto industry might not have changed the overall outcome of the election. Still, stronger support could have slightly shifted the popular vote in contested states. Ronald Reagan won the popular vote in Michigan, Illinois, Wisconsin, and Pennsylvania, but in each state the margin was relatively close. Each state was invested in the domestic auto industry and contained a sizable population of industry workers, so these would have been the first states to “flip” from Reagan to Carter. Message inconsistencies plagued the Carter campaign, indicating how he could have lost so much support from key Democratic constituencies.

In this section I argued that Carter compromised his earlier personal views and approach to governance, one of restraint and responsibility, by intervening in a historic way to save Chrysler and the auto industry. The subject of that rescue represented a key constituency - if he could restore the industry he could maintain support from the UAW and unions in general, while also gaining some support from business-minded Republicans that might be in the boardrooms of

the companies involved. The auto industry was an important part of Carter’s reelection coalition and it should not be a shock that he acted to help them, especially during an election year. I also argue that Carter did not go far enough in his support, particularly during a confusing meeting with industry representatives and the UAW, and that confusion cost him further support from that key constituency. Carter intervened to save the industry in order to maintain necessary political support. In the process, he reinforced a praiseworthy industry identity, setting a major precedent that it was worth saving, even if doing so went against his governing strategy.\footnote{Carter ultimately supported the auto industry in a very public way, although it did not translate into enough political support to win him reelection. Reagan, for his part, supported the industry even more, although much more quietly.}

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\section{The Reagan Intervention: (Not Quite) Free Enterprise or Free Trade}

Politicians can use the power of the bully pulpit to frame, define, and justify policy. Ronald Reagan, “the Great Communicator” and “The Teflon President,” certainly did so.\footnote{He praised the industry in public, but wrote that, with the exception of the Chrysler Loan, “my experiences when dealing with American auto executives were generally frustrating. They used their influential lobbyists and nationwide panoply of dealers and parts suppliers to oppose every effort to improve... their vehicles.” Carter, \textit{White House Diary}, 507.} He has even been critiqued for speaking in ways that seem divided from any policy consideration whatsoever.\footnote{Hedrick Smith, Adam Clymer, Leonard Silk, Robert Lindsey and Richard Burt, \textit{Reagan the Man, the President} (New York: Macmillan Publishing Co., Inc., 1980).} According to Dick Darman, Reagan was not really a conservative or a Republican. Rather, he was a populist, and as such each speech or issue was a chance for Reagan

to find ways to speak on behalf of the people. This responsive form of politics, whereby Reagan, like Nixon, might choose a policy based on his perception of public opinion rather than his own policy platform, was evident in the way Reagan dealt with the auto industry.

For Reagan, a recovery in the auto industry was important. That recovery would bring him the auto industry constituency’s support and demonstrate the success of his overall economic program. The auto industry was actually a perfect case for Reagan’s plans of “regulatory relief,” because its downfall was, for him, proof that government regulation hurt businesses. Unfortunately for Reagan, making the case to help the industry by getting rid of regulations also got him mired in the import dispute with Japan. Helping the auto industry meant both a perfect case of the kind of regulatory relief he advanced and a dangerous case of protectionism that he should avoid. In order to satisfy the former, Reagan had to compromise his principles and help the industry on the latter.

In the following section, I begin by explaining Reagan’s well-known positions on free trade and free enterprise. Next, I argue that Reagan wanted the support of the auto industry constituency so badly that he violated his personal commitment to free trade and free enterprise in hopes of securing it. On free trade, Reagan maintained the public appearance that he was not aiding the industry against Japan, although that is exactly what happened. On free enterprise, Reagan both got out of industry’s way (deregulation) and got really involved in its financial success (purchasing, etc). He justified all of this action much the same way that Nixon and Carter had: redirect blame away from the industry and onto forces beyond its control then praise the industry on economic grounds and use that basis as a justification for aid. Reagan ultimately

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provided *more* aid to the industry than did Carter, although Reagan’s approach was generally quieter than a publicly justified government backed loan guarantee worth billions of dollars. In a material sense, Reagan’s aid was enough to keep the industry alive until the invention of minivans and the broader economic recovery, allowing the industry to profit heading into the 1990s. In a political sense, Reagan’s intervention further demonstrated that the political imperative, the quest for support from the combined groups of the auto industry constituency, trumped his personal governing principles. In a rhetorical sense, Reagan further entrenched the praiseworthy identity and history of the domestic auto industry, perpetuating the rhetorical legacy, while adding another case of a president willing to name the industry worth saving.

### 4.2.1 Freedom in the Marketplace: Reagan’s Ideals

Before we can examine Reagan’s material aid to the industry and the rhetoric he used to justify that aid it is important to establish his governing ideals in context. Reagan supported free trade and free enterprise. First, consider Reagan and free trade. Reagan was a major “free trader.” Generally, free trade refers to the refusal to intervene in trade between nations, using tariffs, quotas, or bans. He mentioned free trade in at least 280 speeches while in office, averaging a mention roughly every ten and a half days of his eight years in office. Perhaps the most thorough defense of his stance on free trade came on November 20, 1982. In a radio address entirely devoted to the issue, Reagan claimed that free trade “serves the cause of economic progress, and it serves the cause of world peace.” Free trade was actually the answer to war, according to his argument. “When governments get too involved in trade, economic costs increase and political disputes multiply. Peace is threatened... [leading to] protectionism and

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trade wars and, eventually, real wars... The last time the United States tried [protectionist policies], there was enormous economic distress in the world... and young Americans soon followed the American flag into World War II.\(^{578}\) Government involvement in trade, for example in the institution of tariffs, is thus characterized as a slippery slope that leads to war. At the start of his administration, tensions and threat of war were high. The Soviet Union invaded Afghanistan, and the United States shifted from détente to an active resistance in Soviet Bloc states under the new Reagan Doctrine.\(^ {579}\) Reagan’s use of war as the end result of trade intervention, during a period of escalating Cold War tensions, suggests he was serious about his commitment to free trade.

Reagan was also an advocate for free enterprise, or the policy of governmental noninterference in the conduct of business: letting the market determine prices, wages, quality thresholds, and the success or failure of individual businesses. Reagan discussed free enterprise in at least 170 speeches while in office, averaging a mention roughly every seventeen days of his eight years in office. On October 2, 1981, Reagan announced the Congressional designation of that day as “American Enterprise Day.”\(^{580}\) He claimed that free enterprise was “the foundation of our economic life... [it] depends on and serves every American.” Free enterprise, according to Reagan, “turned our fledgling nation, in a few short years, into an economic dynamo that astounded the world.”\(^ {581}\) A fledgling, young and vulnerable, became a dynamo, energetic and full of potential power, thanks to free enterprise. Although a mixed metaphor, these lines show Reagan’s commitment to fostering that system, meaning that his administration would do its best


not to intervene in the marketplace. If, for example, a specific industry or company needed aid to survive, the free enterprise model Reagan supported dictated that the administration allow that industry or company to wither so that other healthier replacements could succeed.

### 4.2.2 (Not Quite): Reagan’s Regulatory Relief

Reagan ultimately sacrificed his principles on free trade and free enterprise in an effort to save the auto industry. To support this claim, we must begin with Reagan’s attention to the industry while still a presidential candidate. During the sole presidential debate between Carter and Reagan, neither candidate brought up an auto-industry specific issue, although both speakers discussed the overall economic situation. Yet Reagan offered some extra attention to the auto industry. According to Lou Cannon, it was a primary target for Reagan, in part because it was among those industries most hurt by the recession.\(^{582}\) Carter, as we have seen, alienated the auto industry.\(^{583}\) Reagan’s economic message of hope, growth, and prosperity, must have seemed more welcome than Carter’s years of warnings about limits, personal restraint, individual responsibility, perseverance through hardship, and a crisis of confidence.\(^{584}\) As the economy

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\(^{582}\) “…Reagan’s targets were the working class voters of the nation’s industrial heartland, with heavy emphasis on the unemployment-ridden auto communities of Michigan and the steel towns of Pennsylvania and Ohio. Foreshadowing the theme he exploited dramatically at the close of the campaign, Reagan invited workers and their families to compare their economic fortunes with the standard of living they had experienced when Carter took office.” Lou Cannon, *Reagan* (New York: G.P. Putnam’s Sons, 1982) 287.


\(^{584}\) Evans and Novak note that Reagan’s rhetorical approach was “political history” in the making, in that it was an odd set of appeals coming from a Republican candidate. Evans and Novak, *The Reagan Revolution* 82-83.
worsened and Carter failed to deliver the hostages from Iran, Carter’s approval ratings fell and he ultimately lost his bid for reelection.\(^{585}\)

The auto industry continued to struggle, even following Carter’s intervention to save Chrysler and the regulatory reform package. When Reagan took office, the automobile industry was still in a crisis, and 1980 and 1981 proved to be among the most difficult years in the industry’s history up to that point.\(^{586}\) In December 1980, Doug Fraser of the UAW contacted President-elect Reagan to explain those dire circumstances, adding that “our nation faces the literal collapse of one of its most crucial industries if we stand idly by and allow the current conditions to continue in the months ahead.”\(^{587}\) Note that Fraser said “months,” not “years.” Here was the head of the autoworkers’ union, which helped Reagan get elected, telling the new administration that literal collapse was months away if Reagan stood idly by.

In addition to Fraser’s appeal and dire warning, the auto industry generally served as a symbol of broader industrial decline in the United States and such symbolism was dangerous to a new president.\(^{588}\) Reagan made the industry a top early priority. According to Robert A. Leone, “a quick and visible success” in the auto industry “was important to the political success of the overall regulatory relief effort.”\(^{589}\) If Reagan could help expedite a turnaround in the symbolic industry it would validate his broader economic policies.

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\(^{585}\) Haynes Johnson notes that the hostage crisis initially led to a surge in Carter’s approval ratings as he was making his way through the primary, but that this dropped off during the summer and the general election as the “captives stayed captive.” Johnson, Sleepwalking through History: America in the Reagan Years 91, 35-36.


\(^{588}\) Johnson, Sleepwalking through History: America in the Reagan Years 119-20.

Reagan’s economic platform, sometimes known as “Reaganomics,” hinged on two major points: balance the budget by eliminating some regulations, social programs, and waste, and encourage free trade by removing tariffs or import barriers. On the first full working day of the administration, January 20th, 1981, Reagan created a Task Force on Regulatory Relief and appointed Vice President Bush to chair it. Reagan’s regulation program, which he called “regulatory relief” instead of “reform” or “deregulation,” conjured images of Reagan cutting bureaucratic red tape about to strangle major industries. His choice of “relief” suggested that he was saving industry from regulation, rather than fixing regulations to make them work better. Regulation in general is made to be something negative; we can withstand a little but at some point we must be relieved of it. Reagan’s regulatory relief program was neither random nor broadly directed to industry as a whole. Rather, it was targeted to specific major industries. The auto industry was at the top of that list.

There were risks involved in aiding the industry though. Reagan was a free trade and free enterprise advocate. Direct intervention against Japan violated his free trade principles. Direct intervention to aid the industry domestically excepting regulatory reform, violated his free enterprise principles. Each of these violations might come with political consequences that offset any support he might gain from the auto industry constituency. According to Robert Leone, Reagan and his staff were aware of these risks as they weighed early options for aiding the industry. Leone cited a report from Carter’s Secretary of Transportation, Neil Goldschmidt, from January 11th, 1981, which “included several specific recommendations that posed political and

ideological challenges to the new administration." Goldschmidt argued for import restraint but acknowledged it did not align with Reagan’s stance on free trade. He argued for tax loopholes for the industry but acknowledged that Reagan wanted a simpler tax code. He advocated a cooperative relationship with the industry but pointed out that this was not in line with Reagan’s get-out-of-their-way free enterprise stance. Goldschmidt also advocated regulatory reforms, and as this was politically palatable for the new administration, it became the cornerstone of Reagan’s aid to the industry.

Reagan started work on helping the auto industry quickly. Meetings about an “Auto Task Force” and individual action items to aid the industry started before he was inaugurated. Those meetings took into account specific requests from representatives of the industry - many of which were sent in letters during the first few months of 1981. For example, Lee Iacocca proposed import restrictions on Japanese vehicles, credits for new car purchases, and freezing existing environmental and safety regulations at present levels for 2 years, arguing that such measures would benefit the national economy even though they appeared to favor just the auto industry. The Motor Vehicle Manufacturers Association, in a separate twenty page letter to Reagan in February, explained how the troubles in the industry were caused by imports, high interest rates, inflation, recession, and government regulations, rather than any industry actions. The letter included actions the Reagan administration could take to correct these external forces inhibiting auto industry success. In March, the Governor of Michigan, William G.

592 Leone, "Regulatory Relief and the Automobile Industry," 88.
593 Leone, "Regulatory Relief and the Automobile Industry," 89.
Milliken, wrote to Reagan describing the “economic plight” in the auto industry and argued for an administration driven recovery program, which would benefit the nation as a whole. Milliken repeated the oft-used figure within the industry: one of every six jobs in American was somehow related to the industry. He asked Reagan to help the industry by lowering taxes, offering tax credits for retooling, accelerating depreciation for retooling, and offering tax credits for development of technologies to meet regulatory requirements. There were many other letters, but these three are representative of the lot: the letters came from individual leaders in the industry, organizations and associations in the industry, and politicians in auto industry cities or states. Each established the industry as economically important to the nation, asked for immediate aid, and provided ideas for what Reagan could do if he chose to help.

By early April 1981, the administration put the finishing touches on Reagan’s program for the auto industry. On April 6th, Reagan announced the program, followed by a question and answer session with Vice President Bush. The same day, a press briefing announced that the administration sent a large team to Japan to explain Reagan’s measures to help the domestic industry. There are nine drafts of the speech announcing the program available at the Reagan

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601 The team included representatives from U.S. Trade, the Department of Commerce, the Council of Economic Advisors, the Department of Labor, the Department of State, the Department of Transportation, the Treasury, the White House, and the Office of Policy Development. James Brady. *Untitled Announcement of Japan Briefing Team*, 4-6-1981. Speechwriting, White House Office of: Speech Drafts 1981-89 Box 6, Folder 4/6/81 Statement by the President; Program for the U.S. Automobile Industry Reagan Presidential Library, Simi Valley, CA, 1981.
Presidential Library. This suggests considerable attention to those remarks given the length of only 480 words. By examining these drafts alongside the delivered text we can see that Reagan’s remarks intentionally shifted blame away from automakers and justified intervention using the economic importance of the industry. These are tactics first used by Nixon: redirect blame away from the industry and onto a number of other targets or forces, then point to the economic importance of the industry as justification for intervention. Carter followed suit, and with the April 6 announcement of aid for the industry, so did Reagan.

First, Reagan redirected blame away from the auto industry. The tenets of free enterprise would not allow him to intervene to help the industry. Automakers were like any other businesses, riding the tides of the broader economy. Businesses succeeded or failed based on the decisions of those in charge and the quality of what workers produced. A failing business should be left alone to fail. Government need not get involved. But Reagan’s economic message promised recovery, and the auto industry was a highly visible group of major businesses in a precarious position. Reagan needed to help the industry to maintain his broader economic goals - so he needed to define the situation in terms that would allow him to intervene. That meant redefining the industry as subject to extreme forces beyond its control, thereby making it blameless in its own downfall.

To make the industry appear blameless, Reagan opened the April 6 speech by explaining that it was the “national economic condition and strangling regulations” that led to the layoffs, historic drop in production, and “unprecedented” losses of $4.3 billion dollars in 1980.602 The phrase “national economic condition and strangling regulations” as a source for blame in the situation is interesting. “Strangling regulations” works nicely with Reagan’s broader approach to free enterprise and regulatory “relief,” so nicely that he kept it in the speech against the advice of

Bill Niskanen, one of Reagan’s CEA advisors.\textsuperscript{603} Reagan wanted to save industries from the government, to get the government out of the way of their success. This is, in essence, free enterprise: no government interference. By blaming the regulations, Reagan could justifiably deregulate. Yet he also blamed the “national economic condition.” Theoretically, free enterprise does not allow for aid to businesses struggling due to economic tides. If Reagan planned to hold to the pure free enterprise model, he would leave the economy out entirely, but then only deregulation would have been justified. By adding the economy as a source of blame, and making the case exceptional, Reagan justified atypical action for a free enterprise advocate: he would be able to do more than just get out of the industry’s way in order to save it.

Reagan left something unsaid by blaming the economy and regulations. A staffing memo from four days before the speech explained that the trouble in the auto industry was caused by “stringent regulatory requirements” and losses to imports, from shifting consumer demand following the rise in energy prices.\textsuperscript{604} The latter implies blame for domestic industry leaders that failed to respond quickly enough to changing consumer preferences. By the fifth draft of the speech, both Edwin Meese III, the Counselor to the President, and Malcolm Balridge, the Secretary of Commerce, recommended adding “real recovery will not be accomplished by government alone. We can only remove the federal shackles and improve the economic environment within which the auto industry can operate. It is up to the automobile management and unions to take the strong, necessary steps to restore our competitiveness with other


This addition continued with the redirection of blame away from the industry, instead towards the economy and regulations, but hinted that in the future the industry must make decisions to better compete with foreign companies. Reagan’s advisors knew, based on the memo, that the industry had already failed to do just that. Yet the delivered version of the speech included the statement that ignored those past failings of what was within industry control and blamed things that were out of its control.

Second, the speech drafts show that Reagan wanted to reinforce the economic importance of the industry as justification for acting. In the first available draft, the opening sentence read: “The American automobile industry, one of our Nation’s most important industries, is in serious trouble.” An unidentified editor crossed out “one of our Nation’s most important industries.” By the fifth draft, Meese and Balridge advised that the statement be put back in. Meese and Balridge suggested closing with the line rather than putting it in the opening sentence. They advised adding the line: “The automobile industry is vital to our nation’s economy. Business, labor and government must work together to restore our traditional leadership in this field.” The line was incorporated in further drafts and the final copy; it was the last thing Reagan said on April 6th before “Thank you.” Following the list of actions Reagan undertook to help the industry, the single justification for all of it, in the closing lines, was that the auto industry was “vital” and so we must all work together to save it.

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Having established that the industry was blameless in its downfall and that government must intervene due to its economic importance, Reagan explained the package of aid. It predominantly included the rescission of 34 regulations on auto emissions, fuel efficiency, and safety, worth $9 billion in savings to the consumer and industry. Notably, the list included most of the items from the auto industry wish list for environmental regulatory reform, originally presented to the Carter administration. Carter passed over those regulatory reforms in his version of an aid package for the industry due to his commitment to environmental policy, but Reagan met nearly all of the requests in April 1981. In addition, Reagan promised revisions of Department of Labor programs for unemployed autoworkers, accelerated federal purchase of vehicles, and the monitoring of the effects of international trade on the industry.

The individual items in the auto package have a complicated relationship with Reagan’s free enterprise ideals. Rescinding regulations from NHTSA and the EPA worked with Reagan’s approach to free enterprise: get the government out of the way, or, as he put it in the speech, “remove the Federal shackles.” Yet revising Department of Labor rules to help unemployed autoworkers was clearly government intervening to benefit a specific industry. This was also true of Reagan’s stated plan to accelerate federal purchase of vehicles, to the tune of $100 million in fiscal 1981. This is government, rather than allowing the market to dictate the rise and fall of businesses or industries, embarking on a mass purchasing campaign to artificially inflate the production and sales of a product, propping up its industry.

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609 Leone, "Regulatory Relief and the Automobile Industry," 89.
610 Jim Frierson warned against mentioning this plan because the Government Procurement Code did not include a “Buy American” preference; accelerated procurement could lead to the GSA purchasing imported cars. See: Jim Frierson, Note to Craig Fuller/ Karen Hart on 4-3-1981. WHORM Subject File BE Business Economics Box 44, Folder 003-15 Transportation Industry (Begin 000207). Reagan Presidential Library, Simi Valley, CA, 1981.
Reagan’s promise to monitor the effects of international trade on the industry is also interesting when compared to his free trade ideals. In the speech announcing his auto package he said “We are committed to free trade and believe free trade benefits all nations concerned. In observing the principles of free trade, however, we expect our trading partners to do so, as well.”611 The promise to monitor was controversial: Misty L. Church highlighted it on the third draft of the speech, writing that Jim Miller had flagged it because it would “throw a bone to those “pro-protectionist” departments, and upset those “free trade” depts.”612 Why would it upset “free trade” departments? Likely because Reagan had campaigned on free trade and filled his White House with free trade supporters. The statement, even though apparently espousing a commitment to free trade, actually subtly hints at actions to correct trade imbalances. The monitoring mentioned would reveal incredibly lopsided trading between America and Japan, and Reagan might feel pushed into protectionist policies. Miller flagged it, and later Niskanen suggested making the statement even vaguer. On the seventh draft, Niskanen suggested remaining ambiguous about the action, because it “invite[s] more questions than [it] answer[s].”613 Apparently Reagan rejected the advice; the last draft of the speech from the morning it was delivered still included the promise, with the words “free trade” circled in red marker for emphasis.614 Against advice, Reagan wanted to talk about free trade, even as in the same speech he announced protectionist monitoring.

The complicated connections between Reagan’s promised actions and his ideals of free trade and free enterprise may not have been immediately obvious to a member of the general

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611 Reagan, Statement on Assistance for the Domestic Automobile Industry, 4-6-1981, ¶8.
613 Niskanen, Memorandum for Richard D. Darman, 4-4-1981.
public, but Reagan’s advisors understood the delicate balancing act going on behind the scenes. The actions to help the industry provided regulatory relief in line with getting government out of the way of industry, while at the same time using federal money to artificially inflate that industry’s profit. The administration started monitoring trade with Japan, which inevitably revealed a lopsided auto trade situation. Reagan defended automakers, shifting blame for their downfall towards the economy and regulations then justifying his actions to save them with the industry’s economic importance.

Reagan and his advisors continued to act to help the industry in other ways while considering plans for more assistance in the future. A number of internal memos and letters from the industry discussed further aid and offered suggestions for what would be most useful. Still, the industry continued to struggle with steadily eroding market share, losing out to Japanese imports. Chrysler had it toughest, still fighting to recover from its near-collapse, and Iacocca wrote to the White House describing a “depression in the auto industry,” warning that without more aid Chrysler might go out of business, costing the government $6 billion in the first year.

The administration carefully considered this threat: would it really be that bad? The resulting report confirmed that it could mean $6 billion in lost GNP in 1982, but only in the worst case scenario where Japan took all of Chrysler’s market share. The likeliest result was that Ford and

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615 For example, Palmer & Sawhill argue that the auto industry was a leading beneficiary of Reagan’s tax policy providing for the accelerated depreciation on facilities investments. Palmer and Sawhill, eds., The Reagan Experiment: An Examination of Economic and Social Policies under the Reagan Administration 142.


General Motors would absorb most of Chrysler’s market share, rehire most of its workers, and the net impact on the economy would be negligible.\textsuperscript{618}

Here was a case of an auto industry leader threatening bankruptcy and economic end times, followed by a report explaining that it would not be nearly that disruptive. Chrysler might well go under, but it might not actually matter in economic terms. Certainly, an individual automaker did not have the economic importance of the whole industry, importance that had been recited in presidential speech for decades. Economically speaking it would be a wash to lose Chrysler, although Donald Regan cautioned Meese, and thereby Reagan, about “the psychological impact” of “allowing such a corporation to fail.”\textsuperscript{619} For Chrysler at least, intervention was thus about the image of preserving the automaker, or avoiding the image of the automaker failing, rather than attempting to maintain or grow the economy. Don Regan, Reagan’s Chief of Staff, also advised Meese (and Reagan) to think about, even with the image risks of Chrysler failing, what it might mean to continue to help the auto industry: “such as whether aid to a major corporation may undermine support for current policies directed at reducing government involvement in the private sector...” or whether continued aid “increases the responsibilities and liabilities of the Fed. Govt. at a time when the current administration is working to reduce the role of the government in private enterprise.”\textsuperscript{620} Regan pointed out the contradictions that had been building since Reagan was elected. The free enterprise and free trade advocate had already announced monitoring of trade imbalances, federal purchase of a product to inflate sales, and other policies that helped the industry but did not quite fit within his ideals. Now the administration was considering further aid to Chrysler, whose collapse would


\textsuperscript{619} Regan.\textit{Letter to Edwin Meese III on 11-30-1981}.

\textsuperscript{620} Regan.\textit{Letter to Edwin Meese III on 11-30-1981}. 
barely make an economic ripple, and for the industry as a whole, as the administration considered acting on the trade imbalance.

### 4.2.3 “Voluntary”: Reagan’s Protectionism

If the auto industry was going to grow again, regain market share, and thrive, Reagan had to do something about foreign competition, regardless of his position on free trade. Japan represented the first true external threat to the oligopoly of the domestic automakers. Historic tensions between General Motors, Ford, Chrysler, and the UAW were pushed aside by the necessity of a common front fighting against the foreign threat. The automakers were united against Japan, and united in their common appeal to the administration to do something about Japanese imports. Drew Lewis, Reagan’s Secretary of Transportation, was perhaps the strongest administration supporter of direct action on trade. He favored limiting Japanese imports along the lines of the report drafted by Dr. Charles Swinburn during the Carter administration. If Reagan abandoned his free trade principles on Japan and established a U.S. quota on Japanese autos, it would not only help the industry but could also be used as leverage to get the UAW to scale down future contracts, putting downward pressure on domestic auto prices, expanding consumer buying power and strengthening the overall economy. The administration would have to take the action though; Carter had appealed to the International Trade Commission to investigate the issue but that proposal had been rejected.

Reagan needed a restored auto industry as a symbolic victory for his economic plan. Reagan needed a healthy auto industry for the political clout that major constituency could bring to bear. Yet he was also elected, in part, for his free trade principles. The administration figured

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out a way to have the best of both worlds: “voluntary” import quotas. If Japan were, voluntarily, to restrict its sales of autos in the United States, Reagan could publicly maintain his image as a free trader while also enjoying the economic windfall such reduced import pressure would give to domestic automakers, leading to symbolic economic victory and future political advantage. In 1981, at roughly the same time the Auto Task Force prepared the April 6 package of aid, a series of private meetings between U.S. Trade Representative William Brock and representatives from Japan, along with “back-door negotiating pressure” pushed Japan to voluntarily restrict its sales in the U.S. According to Cannon, the Japanese limitations were presented as “voluntary restraints” to make them politically palatable coming from a free trade president. Milton Friedman, a Nobel Prize winning economist, advised Reagan not to go ahead with the restriction, even if it were presented as voluntary, but Reagan allegedly justified the action for “political reasons.” Those political reasons plausibly include maintaining support from the industry.

The restraint remained controversial for some time. By the end of 1981, Murray Weidenbaum of Reagan’s CEA wrote that it had become a “mine field” and a “dangerous tar baby.” Weidenbaum’s usage of “tar baby” to describe the import restraint indicates that, both within the White House and in the national conversation, continued discussion of the restraint was getting the administration deeper into tricky territory. Weidenbaum’s memo is also the first internal administration document that used quotations marks around “voluntary,” implying that the restraint was voluntary in name only.

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625 Cannon, Reagan 324.
The “voluntary” restraint began in 1981 and restricted Japanese imports to 1.68 million cars annually through 1984. The auto import quotas were part of a broader protectionist movement, including restraint against steel coming from Europe, and later steel coming from Japan, Brazil, Mexico, and Korea. By 1985, over 600 trade bills were introduced in Congress, 99 of which were directly protectionist. All of this happened under the watchful eye, and on autos specifically, with the private support, of free trader Reagan.

With Japan kept at bay, at least temporarily, leaders in the auto industry pushed the Reagan administration to aid them in other ways, primarily by further deregulating environmental, safety, and fuel efficiency and by offering incentives to goose sales. Reagan met with industry representatives in December 1981 to discuss the new Clean Air Bill, which it worked with the industry to draft. Consideration of avenues for aiding the industry continued through 1982, although at times, industry suggestions were flat out rejected for being, as Wayne H. Valis wrote to Elizabeth Dole, “costly... politically unwise...[and] preposterous.” Much of what was ultimately advanced by the Auto Task Force in this regard were small regulations or modifications to existing timelines within regulations.

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630 A memo to Elizabeth Dole in advance of the meeting read: “It is important that the President and the others attending say that although the bill appears to be a good one, reflecting many of the President’s principles, we are studying it. The comments made by the President and the others in the meeting cannot reflect the fact that we had advance knowledge of the Bill or worked with industry during its drafting.” Wayne H. Valis. Memorandum for Elizabeth Dole on 12-18-1981. Dole, Elizabeth H.; Series 1 Subject File 1981-1983 Box 4, Folder: Auto Industry 1982. Reagan Presidential Library, Simi Valley, CA, 1981.


In his State of the Union address in 1982, Reagan talked about recovery from the recession and the progress his economic programs were making.\(^{633}\) Automakers were clawing their way back to profitability. The next day, Chrysler announced that it had paid off the debts incurred to U.S. banks during its near-bankruptcy.\(^{634}\) Oil prices leveled off and even dropped a bit in 1982, which Reagan pounced on as proof that he had been correct all along, rather than Carter and those talking about peak oil.\(^{635}\) Cheaper gasoline (for the moment) meant consumers felt comfortable buying heavier domestic autos again, quickening the auto industry recovery.

Even as the industry recovered it petitioned the administration for continued assistance, including through further protection from Japan.\(^{636}\) When Reagan met with the Auto Task Force to talk about imports, he emphasized his commitment to free trade and, according to the Press Secretary, “he believes the government should not become deeply entangled with the economic fortunes of any company or industry.”\(^{637}\) From the public point of view, Reagan’s actions had remained in alignment with his stance on free trade. Of course, as this section has shown, the restraints were “voluntary” in name only. With the industry recovering, there was little need to publicly damage his image as a free trade advocate, so Reagan refused to intervene further than he already had: the administration privately maintained agreed-upon levels with Japan for its “voluntary” restraint only.


\(^{636}\) For a representative example, see: Don Edwards. Letter to the President Regarding USTR Decision. WHORM Subject File BE Business Economics Box 46a, Folder 003-15 Transportation Industry (109000). Reagan Presidential Library, Simi Valley, CA, 1982.

In 1983, with the industry recovering and Chrysler finally returning to profitability, Reagan declared the Auto Task Force a success and suspended its operations. Now that the industry was out of the woods, Reagan commenced a victory tour, and with every visit to a town with an auto industry presence he mentioned the industry recovery as evidence of his broader economic programs’ success, praised the companies, the autoworkers, and the products they made. According to Leone, the fact that the auto industry returned to profitability and Chrysler repaid its debts to the government during the Reagan administration was not due to Reagan’s specific intervention policies. Rather, auto industry leaders created lower breakeven levels of production, allowing for profitable years at smaller market shares. Reagan’s policies may have reduced the fixed costs involved in the process, but Leone estimated that only 40% of the earnings turnaround came from the Reagan intervention. Still, Reagan wanted to take credit for the auto industry recovery, and some in the auto industry wanted to give him credit for it. Lee Iacocca offered Reagan, through David Gergen, the opportunity to “take advantage of Chrysler’s success first if we wish to do so.” When Iacocca prepared to announce the repayment of $800 million to the federal government for the aid from 1979, plus $187 million to buy back the government stock warrants, he advised the administration to prepare a “press plan... to show that Chrysler’s restoration to profitability was due, in part, to your leadership in the economic recovery program.” Carter, who had done so much to save Chrysler and lamented


639 Leone, "Regulatory Relief and the Automobile Industry,” 95-96.


mistreatment from auto industry executives and the UAW at the polls, would have been very angry to have read that letter.

The success story was not all good news. When corporations profit they tend to reward themselves. Once Chrysler returned to profitability it rewarded its leadership and negotiated a new wage structure with the UAW, giving raises to most of its workers. This behavior made Martin Feldstein of the CEA so angry that he wrote a letter to Reagan that revealed the extent to which Reagan had compromised his ideals for an auto recovery: “It looks to me like Chrysler is just perpetuating the same super-high wage policy that caused so much of its past trouble. How can the American automobile industry expect to survive and be competitive with hourly labor costs of $27? Why should we perpetuate this by forcing the Japanese to extend their “voluntary” restraint on auto exports, especially when that gives the Japanese an excuse for keeping U.S. products out of Japan[?]” Feldstein was angry that Chrysler was repeating the same mistakes that pushed it to the brink of bankruptcy. Feldstein was angry that the government had financed this process. Feldstein was angry that Reagan had privately abandoned his free trade stance to force Japan to restraint itself, and that Reagan was considering forcing Japan to extend that “voluntary” restraint. Feldstein was angry that all of this was being done to help the auto industry but was in the process hurting American exports of other goods to Japan.

Feldstein was angry, but his anger was not enough to move Reagan to change his mind. The administration negotiated (in private) an extension of the “voluntary” restraints. In October 1984, Reagan explained that automakers were fortunate Japan had been so generous: the restraints “were put on by the Japanese industry itself and, believe me, totally voluntary... We

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Had the audience had access to some of the conversations going on in the White House, they would have realized that Reagan was publicly defending his personal choice to push Japan on restraint. In extreme situations, which he had labeled the auto industry problems early in his administration, it was acceptable to take protectionist policies to help them get back on their feet. For Reagan, it was acceptable to do it, but only politically palatable if “voluntary,” so that was the approach to Japan.

The next few years were largely quiet in terms of the auto industry. Chrysler’s invention of mini-wagons (minivans like the Dodge Caravan and the Plymouth Voyager) was a hit. The automakers made money, asked (not too loudly) for further assistance, and Reagan occasionally mentioned them as an example of his economic recovery. In 1986, the Task Force was reconstituted and began reviewing legislative means of aiding the industry, rather than

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645 Reagan, Remarks and a Question-and-Answer Session at the Economic Club of Detroit in Detroit, Michigan, 10-1-1984." ¶69.


the earlier administrative strategy from 1981. This may have been due to the overturning of
some of Reagan’s early administrative regulatory reforms.

By the end of the Reagan administration, the auto industry was strong enough to weather
minor recessions and gasoline price fluctuations. Carter had provided the life support that kept
Chrysler alive, but Reagan’s much larger programs of intervention, paired with the gradual end
of the recession allowed automakers to come back in force. The “voluntary” import restraint
provided a temporary shelter, regulatory relief saved automakers billions, accelerated federal
procurement inflated sales, and tax policies like accelerated depreciation schedules saved the
automakers money (on paper). Of course, much of this was out of line in some way, or a direct
violation of, Reagan’s free trade and free enterprise beliefs. Reagan publicly stayed committed to
free trade, but as he intervened in more and more industries, he gradually stopped espousing free
enterprise. He acted as he did for political reasons: helping the auto industry could bring him
support from a major voting constituency and was a symbolic victory for his broader economic
program. Those actions, as the internal memos and discussions have shown, were taken even
though the administration knew that the industry was not changing for the better; in the grand
scheme of things it was not about a healthy industry for the future so much as one that appeared
profitable long enough to last through his administration.

4.3 The Bush and Clinton Non-interventions: Apply Praise Generously

The period from 1988 to 2000, under the presidencies of George H. W. Bush and William
J. Clinton, was a period of relative economic prosperity. The title of this section points to the fact

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650 For example, the Supreme Court overturned Reagan’s 1981 administrative recession of the airbag regulation in June 1983. The new Task Force was focused on the repeal of CAFE standards, among other things.
651 By 1985, Peggy Noonan wrote that she was required to edit “free enterprise” out of any speech drafts. It had become a “no-no” word. Noonan, What I Saw at the Revolution: A Political Life in the Reagan Era 218-21.
that the auto industry did relatively well, thanks in part to preferential treatment by Nixon, Carter, and Reagan, and in part to the upward swing of the economy; there was no cause for intervention in the industry in any major way. Both Bush and Clinton, in the absence of any need to intervene, just praised the industry for its past and present, ignoring any difficult aspects of that history. In this brief section, I examine that perfunctory praise, noting in places how this praise seemed inconsistent with events. As Bush and Clinton told bedtime stories about the glorious auto industry, the record of difficulties in the industry gradually began to fade; the years when the industry was on government life support faded from voters’ memories. As a bonus, voters got Sport Utility Vehicles (SUVs).

4.3.1 Everything is OK; Bush’s Praise

Two things happened during the Bush administration that should have been cause for concern. First, a mild oil price shock in 1990, caused by the Iraqi invasion of Kuwait that year, raised gasoline prices in the United States. According to Carl E. Walsh, the oil shock combined with consumer pessimism and accumulated debt from the 1980s to produce a brief recession. The recession, which lasted 8 months, caused weak auto sales and some losses for the Big Three companies. Had the oil shock been larger or the recession longer, the industry might have responded in ways that would prepare it for similar events in the future. Second, unbeknownst to domestic automakers, forces were at work that would lead to the eventual loss of the “Big Three” label, when Ford, GM, and Chrysler fell far in terms of its global auto production. Reagan’s “voluntary” import restraints shielded domestic automakers from imports, but the foreign companies responded in unexpected ways: they built transplant factories in the United States to get around the import quotas, and they developed luxury car brands with higher profit margins to

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compete against the domestic producers in other car classes. The Big Three did not take the threat seriously, and, just as they had done decades earlier with compacts, the domestic producers ignored these new brands slowly winning over consumers.

Other than the brief recession and the quiet growth of new luxury brand competitors, the Bush administration, in office from 1989 through 1993, enjoyed a period of relative prosperity, at least in terms of the domestic auto industry. There was little need for major public addresses about the auto industry. There were no large intervention programs to rescue it; the industry was doing quite well on its own. Instead, since industry issues were minor and handled far from the president’s desk, Bush resorted to a common political tactic when times are good and especially useful during election years: claim credit (for yourself or your party) and praise the constituency.

First, Bush claimed credit for the good times. Throughout his administration he claimed credit for the comparatively healthy economy. In a news conference he highlighted the increased exports to Japan since 1987, owing in part to trade policies instituted under Reagan. He also mentioned the “voluntary import proposals” up for extension on Japanese autos. When pressed on the futility of trade policies with Japan, because the domestic automakers had continued to lose market share, Bush argued that it was different this time, then redirected to a discussion of the health of the broader economy.

Second, Bush praised the industry. The good economic times meant there were no tough speeches justifying intervention or pushing the industry to change. Instead, he borrowed from the now well established rhetorical legacy of talking to and about domestic automakers: thank them

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and praise them for everything good they have done while ignoring everything else. For example, following in Nixon’s footsteps, Bush made the auto industry the solution,\textsuperscript{656} including on things like new battery technology and electric car motors.\textsuperscript{657}

Bush’s praise of the industry also included two topics used since at least the 1950s by presidents when they needed to say something nice about the industry: the industry is a job-creator and was the arsenal of democracy. In a speech at the Economic Club of Detroit, Bush situated manufacturing as the source of the present prosperity, and praised the auto industry as a prime example of it: “Manufacturing – you know it perhaps better than most – has been the greatest generator of good jobs in American history. Take a look at the auto industry. I’m speaking not simply about the jobs created in the industry itself but the thousands upon thousands of jobs in supplier and spinoff businesses. Manufacturing is and always will be a basic strength of this country’s economy.”\textsuperscript{658} Even as manufacturing declined across the United States, Bush equated it with prosperity. The auto industry, the prime example of successful manufacturing, was worthy of thanks for creating those thousands and thousands of jobs, but also for saving democracy. Bush reminded his audience in Detroit that “Fifty years ago, this great State of Michigan earned the proud title of Arsenal of Democracy. Industries centered here had no peers and practically no competitors anywhere on the planet.”\textsuperscript{659} Using the version of the condensation symbol “arsenal of democracy” much the same way John F. Kennedy had, Bush equated Michigan (and thereby Detroit and the auto industry) with the successes associated with the Second World War. This is a particularly interesting bit of praise, in that it was not in the

\textsuperscript{656} Note that, for Bush, there was no problem, just a solution. The auto industry was the solution on battery technology - but the ‘problem’ of no battery technology was not really a problem in the way that pollution was.\textsuperscript{657} George H. W. Bush."Remarks to the Economic Club of Detroit in Detroit, Michigan, 3-13-92." online by Gerhard Peters and John T. Woolley, The American Presidency Project. <http://www.presidency.ucsb.edu/ws/index.php?pid=20720>, ¶21.\textsuperscript{658} Bush, "Remarks to the Economic Club of Detroit in Detroit, Michigan, 3-13-92." ¶3.\textsuperscript{659} Bush, "Remarks to the Economic Club of Detroit in Detroit, Michigan, 3-13-92." ¶4.
original drafts of the speech. According to documents from the Bush Presidential Library, the Dan McGroarty/Bunton draft did not have the arsenal statement. The line was added on a draft later that day, and approved by Bush on a third draft the morning he delivered the speech. The speechwriter had not originally included the arsenal of democracy claim but some unknown editor inserted it - an unnecessary additional piece of praise, which Bush approved.

In addition to the praise, Bush also advanced some positions for the relationship between government and the auto industry. For example, he followed Reagan’s lead in advocating regulatory relief, but used Nixon’s explanation for doing so: “Whatever contributes to economic growth goes forward, and whatever stifles growth gets scrapped.” The CAFE program, for Bush, was an example of something that stifled growth. Bush vowed not to sign “CAFE legislation that will destroy the auto industry and cost American jobs.” Later that year, Bush claimed that he was “not flexible” on the CAFE issue, and that Clinton’s proposal for 40 mpg standards “would be devastating to the automobile business,” because it would cost jobs. Bush said that he would not adopt a standard, “whether it’s a CAFE standard or whether it’s a strange

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policy regarding an owl, that throw [sic] a lot of Americans out of work.”  He paired CAFE with the owl to suggest that both were equally silly; we should choose jobs over owls and we should choose jobs over CAFE. Bush claimed that to meet Clinton’s standards automakers would have to make cars “out of papier-mâché,” and that Al Gore, likely behind the plan, was “Mr. Ozone Man.” Again, Bush reduced the idea of increasing CAFE standards to an absurdity. He argued that we must not lose jobs for an absurdity.

So Bush, due largely to the positive economic situation and the relative health of the auto industry, had few difficult auto issues to tackle in public. He challenged Clinton on new CAFE standards during the campaign, but other than that Bush largely just praised the auto industry when he spoke to or about them. He made no effort, in public or in private, to push the domestic auto industry towards more competitive advantages against the foreign luxury brand threat.

Times were good: smile, wave, claim credit, and praise.

4.3.2 Everything is Great!; Clinton’s Praise

When William J. Clinton was elected in 1992, times were still good for the auto industry. He made them better, for the auto industry and for most of the American public. The auto industry enjoyed a boom in sales of light trucks early in Clinton’s administration, and due to the lack of big fights or necessary interventions, Clinton largely just continued to praise the industry, borrowing from the rhetorical legacy in place for decades, and thereby reinforcing an exceptional industry identity.

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669 Bush, ”Remarks to the Community in Grand Rapids, Michigan, 10-29-1992.” ¶17.
Large vehicles on truck chassis have been available in the United States since at least WWI, but the CAFE standards enacted in 1975 meant that the big vehicles, which guzzled a lot of gas, could not form a large part of a company’s sales portfolio. A company would have to sell compact cars to offset the fuel economy of every big truck or vehicle on a truck chassis. Automakers got around this restriction in the 1980s by marketing them as work vehicles, allowing for more sales. Midway through the 1990s, a successful lobbying campaign led to the EPA reclassifying the AMC Cherokee as a “light truck,” putting it in a different CAFE category and allowing for more favorable averaging of its low mileage. This led to AMC, and later all automakers, building SUVs classified as light trucks, and marketing them to everyday drivers. Consumers loved them because they were roomy, solid, created a sense of safety, and could handle the kinds of rough road conditions they never actually encountered. The industry loved them because it made $10,000 per unit or more selling them. The high cost of labor and low selling point of compacts meant that automakers often lost money selling small cars, but SUVs made record profits. At the height of the “SUV craze,” as it came to be known, some estimates suggest Ford made upwards of $18,000 profit on every Excursion SUV it sold. With the profits from big SUVs the auto industry did well financially and needed little in direct presidential aid, so Clinton just praised the industry on occasion of visiting.

Clinton praised the auto industry for helping to build a middle class and powering the economy. In 1993, he described Michigan as “the land of opportunity for our people who couldn’t make a living on the farm anymore. They came here and became middle class citizens

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by working in the auto plants or by other industries that were successful.” Clinton repeated this claim in 1994, adding that farmers could become middle class citizens working in the auto industry, “without regard to their race or their education level before they got here.” As discussed in the first chapter, this was a clear distortion of the truth that ignored the racial disparity in hiring and job classification, the heavy racial tension in the city for decades, and the eruption of that tension, on numerous occasions, in racial violence. Times were good though, and there was no apparent political benefit to being honest about history.

The Big Three automakers were praiseworthy in other ways, according to Clinton, because the auto industry was “the basic engine of American prosperity,” “an important part of our economy,” and Detroit was “America’s industrial heartland.” The industry, which made middle class citizens out of farmers, was of crucial importance to the broader economy. It was, Clinton noted, responsible for one in seven jobs in the United States. Clinton failed to mention that the figure had been one in five in the 1950s and one in six through the 1970s; the industry was important and one in seven was a powerful number.

In announcing the Clean Car Initiative, a government-industry program for accelerating research into next-generation autos, Clinton made the industry the solution rather than the problem. Industry expertise and understanding of ways to solve practical problems led to huge developments in production techniques, near-term improvements in efficiency, safety, and

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675 Clinton 10-11-94 Exchange with Reporters Prior to a Meeting With Auto Industry Leaders in Detroit, Michigan
676 Clinton, “Remarks at the Group of Seven Jobs Conference in Detroit, 3-14-1994.” ¶4.
emissions, and prototypes for super-efficient vehicles. He repeated this point of praise in 1994, claiming that “private enterprise, not Government action, is the engine of economic growth and job creation,” and noting that the industry had “worked hard with their partners in labor to improve quality, safety, and fuel efficiency” on their own. Of course, much of that work was done as a requirement to meet federal regulations, but that point did not help Clinton praise them. Clinton simply ignored the decades of lobbying, lawsuits, threats, and so on the industry used to get around or directly fight those regulations.

In January 1999, speaking again at the Economic Club of Detroit, Clinton defined the auto industry and Detroit as not only the center or heart or head of industrial America, but of America as a whole. “People like that came together in Detroit and all across America,” he said, “they forged America’s transition from farm to factory. Detroit led the way, and America led the world. Today… Detroit is still leading the way, and America continues to lead the world.”

Detroit led the way, and America led the world. This phrase, a banality common in political stump speaking, is representative of the way that both Bush and Clinton talked to and about the industry in the 1990s. Times were good, so politicians were free to praise where possible and score political points for doing so. Detroit led the way, and America led the world. In the 1990s, <insert city here> led the way, America led the world, and no one much cared if there was a strong argument or relevant history to support either claim.

Throughout the otherwise economically pleasant years of the 1990s, the auto industry pushed back against Clinton initiatives on free trade, including agreements like the North American Free Trade Agreement (NAFTA) and the General Agreement on Tariffs and Trade

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678 Clinton, “Remarks Announcing the Clean Car Initiative, 9-29-1993.”
679 Clinton, “Remarks at the Group of Seven Jobs Conference in Detroit, 3-14-1994.” ¶17.
(GATT). Auto company leaders might have favored NAFTA, for example, because it allowed for more production of parts in Mexico and Canada, saving money. The UAW was opposed, because NAFTA threatened to cost jobs in the U.S. According to documents obtained from the Clinton Presidential Library, the strategy for selling the industry and the American public on the issue was a tough talk about a changed world. For example, Bernard Aronson wrote to Clinton that: “We need to tell the American people the truth: We live in a new world. We live in a global economy. We may wish we could return to the safe and secure world that existed after World War II when American workers produced American products for American consumers and trade was just an added frill, but that world is gone forever.” Clinton followed this advice in discussing the issue with the industry, claiming our “only option” for the future was to embrace the trade agreements and the new markets they would create.

The passage of NAFTA turned out to be a boon for the industry, as least in the short term. In 1993, the auto industry exported five times more cars to Mexico than it had the year before. Clinton, of course, used this number when NAFTA, and later GATT, were brought up. The rest of the 1990s, thanks to the SUV craze and the broader health of the economy, were good years for automakers. By 1999, Clinton trumpeted the highest sales numbers in twelve years, with each of the Big Three breaking personal sales records.

683 Clinton, “Remarks at the Group of Seven Jobs Conference in Detroit, 3-14-1994.”
685 Clinton, "Remarks and a Question-and-Answer Session with the Economic Club of Detroit in Detroit, Michigan, 1-8-1999."
Clinton and Bush spent their time in office praising the auto industry on the occasions that anything be said at all. The lack of a public fight over regulation or an industry request for aid allowed both Bush and Clinton to just borrow full sentences worth of praise from their predecessors’ speeches. In so doing, both helped to diminish the memories of an industry on life support and erase the history of the heated regulatory challenges over the prior three decades.

4.4 Complimenting Your Captor

In this chapter I argued that Carter and Reagan both compromised with themselves to help the auto industry. Each, when automakers held the economy ransom in exchange for aid, violated previous positions: responsibility and restraint for Carter, free trade and free enterprise for Reagan. Regardless of political party (Carter a Democrat and Reagan a Republican) the industry was able to leverage its economic importance to get preferential treatment, regulatory reform (or rescission), loan guarantees, useful tax loopholes, and even protectionist barriers against its top competitor. This last point is especially important, because it meant that the presidency stood alongside the auto industry on a global scale, something that is rather uncommon in modern times.686

Both Carter and Reagan had to publicly justify the intervention in private enterprise and their own actions in contradiction to widely known personal stances. Each did so much as Nixon had: by shifting blame away from the industry, praising the industry for what it had done in the past, and pointing to the very economic importance that industry leaders used as ransom for the aid. The title of the chapter conclusion is “complimenting your captor” to reference exactly that behavior: industry representatives threatened various incumbents in the presidency with the economic importance of their industry, pointing to catastrophe if incumbents did not intervene in

686 Presidents do not regularly advance the interests of an American industry when such requires less free trade. If anything, recent trends are towards freer trade with practically all countries, even if that hurts American industries.
major, principle-abandoning ways. Once the incumbents relented, and both Carter and Reagan did, the public announcements of intervention featured that ransom note - the industry is too economically important to do anything but intervene. This particular appeal, as part of the broader rhetorical legacy presidents inherit, became the keystone claim for justification of intervention in 2008 and 2009.

Due to the largesse of the Carter and Reagan administrations the industry survived its most troubling times to that point and entered into its second Golden Age. SUV profits were a salve for the wound of a still eroding market share, and even as automakers slowly evolved new fuel-efficient and alternative-fuel models, they remained unprepared for impending upheaval in the 2000s. Bush and Clinton, riding the economic currents, did not push the automakers in any meaningful way. Instead, both praised the industry for its past when they talked to or about it at all. By the end of the 1990s, the vicious fights over regulations faded from memory, leaving the general public and the collective memory as voiced through the presidency to only recall how much fun SUVs were, and the glorified, praiseworthy, now ancient history of the auto industry.

Carter and Reagan maintained that the industry was exceptional and thus deserving of aid. Bush and Clinton, absent the need to justify intervention, continued the exceptional industry narrative. Had the industry continued to struggle through the Bush and Clinton administrations, perhaps that exceptional status would have shown wear and, eventually, a president would have chosen to let an automaker go bankrupt. Times, however, improved, and the industry enjoyed more than a decade of praise with no major need for public aid - enough time for the blameworthy elements of the industry to fade before everything came crashing down again.

In the next chapter I examine the buildup to and events of the recent collapse of the domestic auto industry. The administrations of George W. Bush and Barack H. Obama, in
various ways, had to negotiate that situation in the context not only of a simultaneous collapse of the financial industry, but also of the rhetorical legacy created by a century of presidents talking to and about the industry. A century of praise, of shifted blame, and of economic justification for aid prefigured the material and rhetorical responses that Bush and Obama were able to utilize.

5 AN EXCEPTIONAL INDUSTRY

The decade from 2000 to 2010 was a rough ride for the domestic auto industry. The decade began with historic profits powered by SUV sales and ended with double bankruptcies amidst a global recession. Two presidents were in office during this period: George W. Bush and Barack H. Obama. This chapter considers how each of these presidents dealt with and talked about the auto industry as it went from an extreme high to an extreme low, and as the two administrations collectively spent roughly $100 billion to save it. I begin with the Bush bailout. In that section, I explain the situation leading up to the financial collapse and analyze Bush’s rhetoric about the auto industry as he considered and ultimately extended aid to it. I argue that Bush redirected blame away from the industry in order to make them seem worthy of aid. He also cast himself as an unwilling participant engaged in an undesirable but necessary action, which served as a rebuttal to anticipated critique that he violated his free enterprise principles. Bush employed a rhetoric of exception, casting the situation and the industry as extraordinary and deserving of extraordinary measures. Ultimately, the size of the bridge loans Bush provided to the auto industry virtually required the Obama administration to spend substantially more money to protect that initial investment, so Bush implicitly justified the Obama bailout as well.

In the second section of this chapter, I consider the Obama bailout. In that section, I analyze the many Obamas that spoke about the auto industry. I argue that the intense critique Senator Obama used against the industry softened by the time primary candidate Obama and
general election candidate Obama needed to excite and unite the base for the campaign against John McCain. This meant less blame for the industry, redirected blame to implicate others, and expressions of hope for a turnaround. Likewise, President-elect Obama offered even less direct critique than candidate Obama had. Once he assumed office and oversaw his own intervention in the industry, Obama further redirected blame and amplified his praise of the industry, but turned that praise into an obligation for the public to act to save the automakers. This effectively ensured that future administrations would need to assist the industry in times of need. In addition, he emphasized the sacrifices he instituted to make the taxpayer expenditure seem fair, and attempted to restore faith in the companies by lending the credibility and stability of the United States government to their success.

This chapter concludes with a consideration of the implications of these two presidential bailouts of the auto industry. I argue that, on the one hand, by 2010 Obama deserved respect for having been the first sitting president to openly critique the industry since Theodore Roosevelt, even though he softened that critique as he progressed in the campaign and then into office. His historic critique and tough extracted sacrifices in exchange for government financing through the turnaround set an important precedent for how the national government interacts with desperate industries and companies in the future. On the other hand, I argue, Obama employed the auto industry success story in his reelection campaign, although he removed all practically all critique of the industry from that version of the story. Used with great success against Mitt Romney, who argued we should have let Detroit go bankrupt, I argue that Obama’s blame-free version of the story helped him win reelection. It also served as an additional example of how politicians shape the past to win the present. This kind of erasure of the blameworthy in service of uniting a constituency behind the praiseworthy is part of the rhetorical legacy that makes up the
institutional speech between the presidency and the auto industry. I argue that in this case such is also dangerous and leads to ever larger and more frequent interventions to come.

5.1 The Bush Bailout: Principles, Exceptions, and a Special Industry

In this section I begin by describing the auto industry at the end of the Clinton administration, bloated from SUV profits and making decisions that would prove disastrous if the economic climate changed. Next I consider Bush’s early addresses to the industry, explaining why his lack of will or motive determined the scarcity and tone of each. At that point, I map the context for the broader economy leading up to the financial crisis of 2007-8 and the near-collapse of the auto industry. Finally, I analyze Bush’s two major addresses on aiding the industry in conjunction with his memoir Decision Points. Bush’s $17.4 billion bridge loans to the auto industry were a direct violation of his stated views on the appropriate relationship between government and private enterprise. I argue that Bush used three strategies to justify this action: he cast it as undesirable, redirected blame away from the automakers, and argued that the action was a necessary response to an exceptional situation. In so doing, I argue, Bush squandered a chance to critique the industry and reinforced an auto industry identity that increasingly became unassailable. At the very least, by the end of the Bush presidency, the auto industry was something that government had to help when needed; presidents either wanted to help it or, as with Bush, helped it in violation of stated principles because there was no alternative. The auto industry is special, and in the following section, I explain how Bush rhetorically reinforced that status, justifying aid in the moment and shaping the future.

5.1.1 “They’re Making the Right Decisions:” Bush’s Praise

At the end of the Clinton administration the auto industry seemed, on the surface, to be healthy and profitable. Gasoline prices, while creeping up pennies at a time, remained for years
at roughly pre-OPEC crises levels, when adjusted for inflation. Automakers profited from these low gas prices, selling ever larger SUVs, which consumers bought by the millions. There were dips in sales but times were generally good compared to the late 1970s and early 1980s.

Some of the auto industry’s decisions late in the Clinton administration seemed, at the time, to be beneficial. For example, Chrysler gradually moved from a lineup of two-thirds cars to two-thirds trucks by the mid-nineties. Trucks, with high profit margins, were the key to operating in the black for the smallest of the Big Three. GM, for its part, settled a particularly costly UAW strike in 1998 by giving in to union demands and then spinning off the parts division into a separate entity, Delphi Corporation. Yet the Delphi workers’ benefits were still guaranteed by GM in the event Delphi could not afford to cover them. If demand for SUVs dried up, Chrysler would have a lineup of unsellable models. If, on the other hand, general demand dried up, production would slow and Delphi might not be able to afford its new benefits responsibilities, leaving GM to foot the bill.

For the time being, the industry was still in relatively good shape. With the exception of Chrysler, whose new parent Daimler-Benz, loaded it with debts and posted losses until 2003, the industry was profitable, if not healthy. The UAW, like most unions in America, shrank, reducing some of the fixed costs burden on automakers. GM enjoyed some very profitable

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689 The strike began at a small factory in Flint, but because that factory supplied critical components for other assembly plants, the 9,200 striking workers idled 175,000 others at plants across the continent. GM lost $1 billion in a single month, sued the UAW, then settled with the union just to end the strike and get the factories operating again. Ingrassia, Crash Course: The American Automobile Industry’s Road from Glory to Disaster, 130-32.
690 There were problems, including, for example, lawsuits related to SUV fatalities. See: Adam L. Penenberg, Tragic Indifference: One Man’s Battle with the Auto Industry over the Dangers of Suv (HarperBusiness, 2003).
691 For more on the Daimler-Chrysler merger, see: Bill Vlasic and Bradley A. Stertz, Taken for a Ride: How Daimler-Benz Drove Off with Chrysler (New York: Harper Business, 2000).
years, in large part due to its financing arm GMAC, which made huge profits financing home mortgages in the early 2000s during one of the greatest housing booms in American history.  

There was little perceived need for Bush to say anything to automakers. In a speech for the conference of mayors during the first summer of his administration, Bush spoke about the economy and the need for Federal assistance to business owners. The speech, held in Detroit, contained no auto industry specific information or appeals. The industry appeared profitable and had no need for aid, so Bush paid more attention to other pressing concerns. In 2001, that meant talking about his broader economic plan and the stem cell debate. By the end of 2001 and afterwards, Bush focused on 9/11, Al-Qaeda, weapons of mass destruction, Iraq, and Afghanistan, not automakers.

The industry remained profitable for the first few years of the post-9/11 era, but by 2004 there were signs that the recent good times for the auto industry, spurred by sales of SUVs, were not going to last forever. Imports topped 41% of the market. National Geographic ran a cover story titled “The End of Cheap Oil.” Gasoline prices jumped to over $2 a gallon, meaning a large SUV gas tank might cost $50-60 to fill up. A smart automaker might have been inclined to switch from big SUVs to fuel efficient models of smaller cars. The auto industry is, and has been since before WWII, a lumbering giant; new models take years to develop, engineer, and manufacture. A spike in gas prices might deter consumers from a new large model in the short term, but the shock often did not last - certainly not long enough to cancel a new SUV model

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693 Ingrassia, Crash Course: The American Automobile Industry's Road from Glory to Disaster 156.
695 For Bush, the stem cell debate dominated his pre-9/11 thinking. The first major decision after he assumed office was on stem cells. See: George W. Bush, Decision Points (Broadway, 2011).
696 Up 10% since 1999. Ingrassia, Crash Course: The American Automobile Industry's Road from Glory to Disaster 160.
about to launch that had been in the works for 5 or 6 years. For automakers, too much money had gone into the lineups so the 2005 models went ahead, in the hope that sales dips from the gasoline price shock would be brief.

In February 2005 Bush paid another visit to the Motor City. Speaking to the Detroit Economic Club, Bush explained his three pillars of economic policy. The third, which he emphasized to an audience of auto executives, was to keep American companies competitive. Gas prices were climbing, imports continued to erode Big Three market share, demand for SUVs was weakening, and there were hints that the housing bubble was growing too large to be sustainable. Everyone in the room knew these discomforting facts about the economic climate, although Bush chose not to highlight them in his speech. For Bush, speaking to an audience of people that controlled the domestic auto industry, the way to keep companies competitive in this kind of climate was to talk about the education system and better educating the students that would fill the workforce of tomorrow. The Bush administration could have pushed higher mileage requirements through the existing CAFE system, called for the dissolution of the costly jobs bank, encouraged the UAW or industry CEOs to trim operating inefficiencies and fringe

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699 Or so the thinking in the auto industry generally went. For example, a 2001 internal report at GM showed that the company was bloated and needed to cut workers, dealers, factories, and brands. Yet doing so, in the best of cases, was arduous. Cutting a brand, such as when GM cut Oldsmobile, meant compensating dealers across the country, all of whom had contracts with the manufacturer and in some cases, state law on their side. After GM spent over $1 billion to let Oldsmobile go, justifying that expense many times over for other brands and factories was not palatable. Rick Wagoner of GM, according to Ingrasia, waved the report and warnings off. The costs to cut new models and brands outweighed the potential of shifts in demand (which might have been temporary) and economic situation. See: Ingrasia, Crash Course: The American Automobile Industry's Road from Glory to Disaster 154-55. Note that some accounts have the cost to get rid of Oldsmobile as high as $2 billion, such as in Rattner, Overhaul: Insider's Account of the Obama Administration's Emergency Rescue of the Auto Industry 188.


701 This program, introduced in the mid-eighties, provided union autoworkers near-normal pay to sit in a room and wait to be needed on the line again. During a production slowdown, the jobs bank was a holding area for workers to wait or retrain, to provide them security and a ready labor force for the automakers when demand picked back up. Long periods of low demand could swell the ranks in the jobs bank though, draining automaker funds and hamstringing its efforts to turn a profit.
benefits... Bush could have made these or dozens of other suggestions. Instead, he championed an education-based competition policy that offended few and could not have an impact (positive or negative) on companies for at least a decade. Absent an acute need for government intervention which might provide him leverage to make demands or a compelling reason to make suggestions, since he had already been reelected, Bush repeated his three pillars economic plan while in Detroit and moved on. For him, the auto industry was just one more industry and he had neither the will or any reason to try to push it to improve.

When Hurricane Katrina hit the southern United States later that year, gas prices spiked above $3 a gallon, nearly tripling the price of gasoline since Bush’s first year in office. Demand for SUVs disappeared, just as new models debuted. In the month following Katrina’s landfall GM’s sales dropped 24%, Ford’s 20%. As sales collapsed and production slowed, Delphi went bankrupt. Delphi was the largest industrial bankruptcy in American history up to that point, and the costs, upwards of $11 billion, fell on GM. This prompted Standard & Poor to downgrade GM stock to junk-bond status, a signal that they had no trust that GM could reward its stockholders, repay its debts, or turn a profit any time soon.

Delphi’s collapse and layoffs immediately added to the ranks of the jobs bank. By 2006, there were over 15,000 autoworkers in the bank, earning pay and benefits to sit around and wait for a theoretical bounce back in demand that would call them back to work, extending the

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702 It may have been the wrong solution for those interested in education policy, but it was unlikely that many in a room of Ivy-league MBAs running the auto industry would argue much with efforts to improve public education.
703 Ingrassia, Crash Course: The American Automobile Industry's Road from Glory to Disaster 171.
705 Ingrassia, Crash Course: The American Automobile Industry's Road from Glory to Disaster 168-70.
706 Vlasic, Once Upon a Car: The Fall and Resurrection of America's Big Three Automakers - GM, Ford, and Chrysler 49-55.
financial strain on the automakers.\textsuperscript{707} In addition, the workers in the jobs bank and those still punching timecards at the factories, for the most part, had generous healthcare benefits. Even if the number of employees had stayed the same, and all employees had been productive in making cars and helping the company sell them, the cost of health benefits had risen exponentially over the decades. Since the health coverage benefits were introduced into union contracts the real price of health care and insurance coverage had risen all across the country. As such, one of the chief ways that the industry could deal with its benefits responsibilities was to work towards controlling the spiraling cost of health care.

In 2006, the CEOs of the Big Three met with President Bush at the White House and talked about health care, among other things. According to Vlasic, GM CEO Rick Wagoner “pretty much set the agenda [for the meeting] with his public comments about health care reform.”\textsuperscript{708} Following the meeting, Bush described the conversation as “constructive and meaningful,”\textsuperscript{709} but the most important part of the unscripted comments was Bush’s defense of the automakers response to the economic situation: “These leaders... are making difficult decisions, tough choices to make sure that their companies are competitive in a global economy. And I’m confident that they’re making the right decisions.”\textsuperscript{710} From Bush, this simple statement is actually also high praise. After all, he named his memoir \textit{Decision Points} and defined the role of the president as making the most important decisions, referring to himself as “The

\textsuperscript{707} Employees in the jobs bank in 2006: 8,000 from GM, 4,000 from Delphi, 2,500 from Chrysler, and 1,000 from Ford. GM spent roughly $1 billion per year on its jobs bank employees. See Vlasic, \textit{Once Upon a Car: The Fall and Resurrection of America's Big Three Automakers} - GM, Ford, and Chrysler 109-10.

\textsuperscript{708} Vlasic, \textit{Once Upon a Car: The Fall and Resurrection of America's Big Three Automakers} - GM, Ford, and Chrysler 185.


\textsuperscript{710} Bush, "Remarks Following a Meeting with Chief Executive Officers of United States Automobile Manufacturers, 11-14-2006." ¶2.
For Bush, people who make tough decisions are worthy of praise. So when Bush began remarks about his meeting with auto industry CEOs by, in the first substantive sentence, praising them for making difficult decisions and tough choices, he validated those choices and the CEOs making them (even though many of them proved to be too little, too late, or dead wrong). Bush continued to bolster the image of the industry, pointing out that automakers “play such a significant part of our economy,” and are “a vital part of our employment base.” Bush offered no actions he planned to take to aid the industry, other than generally noting that they had discussed healthcare, dependence on foreign oil, and fair trade. As with his earlier comments, this suggests that Bush’s position that government should not interfere with private enterprise stopped him from offering major help to the industry, at least in a way other than his broader economic goals.

The situation for automakers gradually worsened, and it was not be long before Bush would be forced to reconsider aid to the industry. With demand tumbling, market share shrinking, and gas prices climbing, automakers tried to prepare for the worst. Ford leveraged every factory, machine, nut, bolt, and even its trademarked Blue Oval logo to raise $23.5 billion in loans to finance a turnaround. GM sold off assets to raise cash, including GMAC, which had been a considerable profit source offsetting losses in manufacturing. Chrysler’s

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713 2006 was the first year that domestic market share of the auto industry fell to less than half, with 53% imports. Toyota briefly topped GM for the global sales leader title in 2007, becoming the first automaker other than GM to hold the title in over seventy years. Vlasic, Once Upon a Car: The Fall and Resurrection of America's Big Three Automakers - GM, Ford, and Chrysler 128, 259.
715 Ingrassia, Crash Course: The American Automobile Industry's Road from Glory to Disaster 180.
parent/partner Daimler sold Chrysler to Cerberus, fleeing the oncoming storm. With the exception of Ford, which started raising cash and cutting back earlier (and more widely), automakers were unprepared for the financial crisis about to strike. GM and Chrysler had done too little too late to prepare; each had in different ways squandered the peace and profit of the SUV craze, and in less than 3 years each would go through a managed bankruptcy.

In March of 2007, the CEOs of the Big Three again met with Bush at the White House. Based on the public remarks afterwards, the conversation seems to have stuck to dependence on foreign oil and new fuel technologies for the domestic market. Bush praised automakers because they “recognize the reality of the world in which we live and are using new technologies to give the consumers different options.” The industry, in this line of thinking, was the solution rather than the problem, adapting on its own to a changing world and changing consumer demand.

In development for some years already, the automakers trumpeted company-specific offerings in flex-fuel or alternative-fuel vehicles, which Bush claimed would be 50% of those offered by 2012. The emphasis on non-traditional fuel vehicles came as little surprise at the time; gas prices being what they were. Automakers needed to focus the national conversation on new alternatives rather than on the steadily eroding basis of the auto industry’s economic model. Optimism, however ill-advised, was still possible in the spring of 2007. By late summer and fall, when the first financial institutions went bankrupt or were sold off to prevent bankruptcy, optimism about the market for autos was more difficult; every ripple in the financial markets...
could tighten credit, restricting consumers’ ability to get a loan for a new car. If things got any worse in the financial world that would mean doom for the auto industry, unless Bush decided to change his mind about intervening in private industry.

5.1.2 Rhetoric of Exception: Bush’s Bailout

The financial crisis of 2008 was catastrophic for the domestic auto industry. Presented with a total meltdown of the financial sector, Bush had no choice but to act in ways that went against his position that government should keep out of private enterprise. In this section, I review the basic outlines of the financial crisis and situate the auto industry within it. Next, I examine Bush’s decision to intervene to save the industry and his rhetoric of exception to justify that departure from his free enterprise principles.

The intricacies of the causes of the crisis, proposed solutions, debate over and passage of TARP, role of the issue in the 2008 presidential election, and debate over and passage of the 2009 recovery plans have been well documented. The auto industry crisis of 2008, occurring at the same time and in part due to the broader crisis, is frequently mentioned in the broader works, but has also been the focus of a number of books on its own.

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Briefly, the burst of the housing bubble in 2005 and 2006 led to rapidly rising interest rates for adjustable rate and subprime mortgages and rapidly falling home values. Predatory lending practices, easy credit, and paperless mortgages had increased the number of homeowners but weakened the housing system as a whole. That weakness could not survive the burst of the value bubble, leading to a tidal wave of foreclosures. Financial instruments like collateralized debt obligations (CDO) and mortgage backed securities (MBS), whose values were based on the future payments of the mortgages they contained, became next to worthless. CDOs (often in groups called tranches) and MBSs received high credit ratings based on the belief that risk was widely distributed within them and any single foreclosure would be offset by the rest of the package. When foreclosures became the norm rather than the exception, anyone holding CDOs or MBSs in a portfolio lost money. Many institutions made billions pushing or betting on such paper (including consumer banks, hedge funds, and investment houses) while others used it as a seemingly safe way to round out a portfolio on behalf of clients (including insurance companies and organizations or companies specializing in retirement instruments). As foreclosures continued to mount and the misunderstood but widely held CDOs and MBSs started to collapse, institutions on Wall Street and homeowners on Main Street saw credit freeze up and everything from commercial banks’ assumed assets to 401k values disappear, practically overnight.

Major financial institutions, often mergers of investment houses and consumer banks and already over-leveraged, suddenly had grossly insufficient operating capital. American Home Mortgage Investment Corporation filed for bankruptcy in August 2007, followed days later by BNP Paribas, a French investment bank, suspending three major investment funds due to lack of liquidity. Other financial institutions followed suit, engaging in “write-downs,” essentially

crossing out the value of CDOs and other instruments from assumed assets and greatly weakening many institutions’ financial position. A group of banks barely saved Countrywide Financial from bankruptcy, followed by the bankruptcy of subprime lender Ameriquest and the online NetBank. In 2008, the Bush administration orchestrated a firesale of Bear Stearns to JPMorgan Chase, in an effort to avoid the psychological impact of a bankruptcy - the crisis of confidence in banking institutions that could lead to catastrophic runs on the banks. Bear Stearns was not the end, though. By July, the mortgage bank Indymac went into receivership. During the last few months of 2008, the government effectively nationalized Fannie Mae and Freddie Mac, which at the time owned half the mortgage market (roughly $6 trillion dollars worth of mortgages). Bank of America bought Merrill Lynch, Lehman Brothers collapsed, AIGs’ credit was downgraded, prompting worry of a major insurance company going insolvent, there was a run on money market funds, the FDIC seized Washington Mutual and sold it, again at firesale prices, to JPMorgan Chase, and Bush signed the Emergency Economic Stabilization Act, creating the $700 billion TARP fund.

Against this scene the auto industry, burdened by its own problems, also collapsed. The financial crisis, which started to raise interest rates in 2006 and froze available credit in 2007-8, meant that an automaker had nowhere to turn if it needed funds to tide itself over until the recession ended. No bank had either the liquidity or the will to loan GM billions of dollars. At the same time, gas topped $4 a gallon, effectively erasing the last vestiges of big SUV sales. Ford lost $8.7 billion in the second quarter of 2008, GM $15.5 billion the same quarter. The

\[722\] According to Vlasic, GM reached a 174 day supply of GMC Yukons and Chevy Tahoes, meaning it could stop producing them immediately and not sell them all in another six months of stable sales, “which was some sort of record for unwanted inventory.” Vlasic, Once Upon a Car: The Fall and Resurrection of America's Big Three Automakers - GM, Ford, and Chrysler 282.

\[723\] Note that a likely typo in the Rattner account attributes these numbers to Q2 2009. Vlasic correctly identifies them as numbers for Q2 2008. Rattner, Overhaul: Insider's Account of the Obama Administration's Emergency
auto industry had to turn to the government, and with the faith of those who had gone to the government before and always been rewarded, they did so.\textsuperscript{724}

In September 2008, GM CEO Rick Wagoner flew to Washington D.C. to explain why GM deserved government money. His target was a pool of energy loans set aside for companies to design more fuel-efficient cars. Wagoner met with House Democrats, addressed the Economic Club of Washington, and the next day joined Alan Mulally of Ford and Bob Nardelli of Chrysler to meet with House Speaker Nancy Pelosi. Pelosi assured the automakers the energy loans would be in the budget and that they would have access to the loans so long as they qualified.\textsuperscript{725} Bush signed off on the program on September 30th.\textsuperscript{726} Unfortunately for the automakers, the Department of Energy had two months to write the rules for the loans, so no money would be coming before then. The situation was getting worse: the September jobs report was eventually revised to show 459,000 jobs lost in a month, with the predictable ripple impact across the rest of the economy and especially on durable goods purchases like new cars.\textsuperscript{727} Automakers could not wait for the new rules; GM and Chrysler needed the money sooner.

On October 13, the same day that Paulson met with CEOs from the nation’s largest banks to inform them they would have to accept TARP funding, he also had a meeting about the auto industry. Wagoner went to D.C. to meet with Paulson and explain the difficulties in the industry. In a “matter-of-fact” position, Wagoner said that without help GM would go bankrupt, have to

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\textsuperscript{724} According to Rattner, GM’s Fritz Henderson told GM’s Rick Wagoner in an email that Bush would not let the automakers fail at the end of his presidency, but warned that government aid might come with strings. Rattner, Overhaul: Insider's Account of the Obama Administration’s Emergency Rescue of the Auto Industry 18-19.
\textsuperscript{725} Vlasic, Once Upon a Car: The Fall and Resurrection of America's Big Three Automakers - GM, Ford, and Chrysler 298-99.
\textsuperscript{726} Paulson, On the Brink: Inside the Race to Stop the Collapse of the Global Financial System.
\textsuperscript{727} Geithner, Stress Test: Reflections on Financial Crises 163.
\end{flushright}
liquidate, and contribute to an economic domino effect for the entire country.\textsuperscript{728} Importantly, Wagoner positioned the likely bankruptcy timeline prior to Election Day, meaning that without aid, the last thing that would happen before the 2008 election could be the dissolution of a century-old industry, long considered a national icon and the subject of regular presidential praise. Wagoner wanted $10 billion in TARP funding to save GM, but Paulson refused. In his book \textit{On the Brink}, Paulson recalled that TARP was not meant to “bolster industrial companies” and that, regardless of Wagoner’s threat, “I knew better. I had worked with companies like GM long enough to know that they did not die quickly.”\textsuperscript{729} Paulson, believing that GM could survive through the election, was not going to spend TARP funds the banks needed to help a manufacturer. Automakers would have to go back to Congress for aid.

Wagoner, speaking to Paulson in what might have seemed to be perfect timing providing him leverage with the impending election, could not have known that he was actually a victim of horrible timing. GM desperately needed an infusion of cash to combat dreadful sales numbers wrecking the financial sheets, so he played the upcoming presidential election as a chip against Paulson, not knowing that it had already been used against him by the President. Bush believed that the timing of the auto industry’s request for aid was suspicious. In \textit{Decisions Points}, Bush recalled: “I didn’t think it was a coincidence that the warnings about bankruptcy came right before the upcoming elections. I refused to make a decision on the auto industry until after the vote.”\textsuperscript{730} Even though Bush fully understood the gravity of the situation in the financial industry, reportedly having said simply “this sucker could go down” in reference to the national economy,\textsuperscript{731} he did not want action on the industry to influence the election. The energy loans he

\textsuperscript{729} Paulson, \textit{On the Brink: Inside the Race to Stop the Collapse of the Global Financial System}.
\textsuperscript{730} Bush, \textit{Decision Points} 468.
\textsuperscript{731} Reich, \textit{Aftershock: The Next Economy and America's Future} 38.
signed would not have rules written until November at the earliest, providing funds to the industry by December. Any further action could negatively impact the heated contest between John McCain and Barack Obama. The auto industry had to wait until after Election Day.

Once Obama won, Bush no longer had to worry about presidential action influencing the election. More importantly, the situation in the industry had continued to deteriorate and Bush did not want the industry to go under during his presidency, which now seemed a possibility. Bush met with Obama following the election and, among other things, talked about the auto industry. He later told his economic team that he had assured Obama he would not allow the automakers to fail, saying “I won’t dump this mess on him.” For his legacy, his successor, and for economic reasons, Bush was going to save the industry, at least temporarily.

Leaders in the auto industry continued to push anyone they could to provide funds. On November 6th, Big Three CEOs and Ron Gettlefinger of the UAW met with Democratic leaders to ask for loosened restrictions on the already approved energy loans; automakers needed the money now. Twelve days later, the auto industry CEOs testified for the Senate Banking Committee, asking “point-blank” for $25 billion in emergency funds from TARP. The CEOs failed to provide specific numbers for how the money would be distributed between them or spent, allegedly because Wagoner had been warned to be as vague as possible. ABC news’ Brian Ross broke the story that the CEOs had flown to D.C. in private jets to ask for bailouts, which made the already bad optics of corporate leaders asking taxpayers to save mismanaged companies worse. The CEOs returned to Congress on November 18th for a second attempt to attain aid, with much more attention to looking humble this time, each arriving in a hybrid

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732 Bush, Decision Points 468.
735 Ingrassia, Crash Course: The American Automobile Industry's Road from Glory to Disaster 217-19.
vehicle produced by their company. They met with the House Financial Services Committee for four and a half hours, presenting more detailed plans on needed amounts, how it would be spent, and what the expected results would be.\footnote{Taylor III, Sixty to Zero: An inside Look at the Collapse of General Motors and the Detroit Auto Industry 229.}

It took multiple rounds of negotiations to reach a palatable version of aid for the industry. These negotiations were tense, with threats of bankruptcy and cries of moral hazard\footnote{“Moral hazard” is a term used to describe the risks associated with protecting institutions from collapse. If you rescue a bank, for example, those running that bank and all other banks might make riskier decisions in the future because they know that the government will rescue them. Rescue, then, is an action that makes systems weaker by promising to rescue institutions from the problems they create with risky behavior.} rebounding throughout, and accounts of the events differ considerably in regards to the role that Bush played.\footnote{For a more complete account of the horse-trading involved in securing emergency loans for the automakers, see: Bush, Decision Points 469, Rattner, Overhaul: Insider's Account of the Obama Administration's Emergency Rescue of the Auto Industry 33-42, Ingrassia, Crash Course: The American Automobile Industry's Road from Glory to Disaster 219-27, Geithner, Stress Test: Reflections on Financial Crises 256.}

Basically, the initial plan discussed was not politically viable because it gave too much authority to a “Car Czar.” Bush appealed for support for the aid on November 22, arguing that if “automakers are willing to make the hard decisions needed to become viable, they should be able to receive the funds.”\footnote{George W. Bush."The President's Radio Address, 11-22-2008." online by Gerhard Peters and John T. Woolley, The American Presidency Project. <http://www.presidency.ucsb.edu/ws/index.php?pid=84957>. ¶7.} Without blaming the industry or justifying action in any broader sense, Bush merely chastised Congress for not acting before the Thanksgiving recess and urged them to finish the job. By the time of the second plan, the automakers were asking for $34 billion instead of $25 billion, and Congress proposed $14 billion in response. Senator Bob Corker proposed four conditions for the funding, which proved too onerous on the industry. Congress continued to debate whether, how much, and with what strings it should aid the auto industry, while autoworkers in Detroit looked to God for a bailout.\footnote{At the Greater Grace Temple Pentecostal Church in Detroit, with shining white Big Three SUVs parked on display, the service called a prayer for relief from Toyota Camry’s and Honda Accords. Ingrassia, Crash Course: The American Automobile Industry's Road from Glory to Disaster 5.}
Ultimately, Bush decided to act since Congress could not reach a deal; time was running out to save the industry during his presidency. The Bush plan called for a bridge loan, car czar oversight, and a less strict version of Corker’s conditions in exchange for $17.4 billion in TARP money. Bush’s aid package required that the automakers submit viability plans to the Obama administration by February 2009. It was just enough funding to carry the automakers into February or March of the next year, giving the new administration some breathing room and insuring it would survive Bush’s last days in office.

The size of the intervention also required that Bush justify the action in public, especially since he had, for so long, railed against government meddling in private enterprise. Bush discussed the bridge loans to the auto industry on December 18th, in what he called “reflections... by a guy who’s headed out of town” for the American Enterprise Institute, and on December 19th, in a televised speech from the Roosevelt Room of the White House. In these two addresses, Bush used three strategies for justifying his action, at that point the largest industrial bailout in American history: he cast the action as undesirable, redirected blame away from the automakers, and argued that the action was a necessary response to an exceptional situation. Each of these strategies is worth considering in turn.

First, Bush cast the action as undesirable, for governance in general and for him personally. In describing the intervention, Bush was clear that it was not something he set out to do: “I didn’t want to do this. It’s the last thing I wanted to do. Nevertheless, I felt compelled to do it.” In Decision Points, Bush wrote “it was frustrating to have the automakers’ rescue be

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my last major economic decision.”\textsuperscript{744} When he announced the loan package, he did so with the caveat that “The actions I’m announcing today represent a step that we wish were not necessary.”\textsuperscript{745} It was also something he generally believed to be wrong. For Bush, “Government has a responsibility not to undermine the private enterprise system,”\textsuperscript{746} its proper role is “oversight” rather than intervention, and action now is not “an excuse for the Government to be running automobile companies,” or any other companies.\textsuperscript{747} In short, Bush claimed that he did not want to act as he did and did not believe others should act that way either.

It was important for Bush to begin from this premise because the nature of his action on the auto industry, not to mention on TARP, was inconsistent with previous statements about free enterprise. Delivered three weeks before he left office, these arguments represent an attempt to secure his legacy as a free enterprise conservative, regardless of his actions at the end of his term. He preemptively protected himself from the criticism he knew he would receive for acting against the principles of his party; he did not want to do it and did not think it was what government should be doing. This anticipatory rebuttal behavior, in itself, is not news.

Politicians worry about legacy at the beginning and especially at the end of terms of office. They speak and act, in part, with how they will be remembered in mind.\textsuperscript{748} Still, in the case of the auto industry, Bush’s departure from his principles, even defended in advance, is one more example of a president helping automakers even when they do not want to do so. This subtly reinforced

\textsuperscript{744} Bush, Decision Points 469.
\textsuperscript{747} Bush, "Remarks to the American Enterprise Institute and a Question-and-Answer Session, 12-18-2008." ¶60.
\textsuperscript{748} For a discussion of this tendency in presidential speech, see, especially, the chapter on “Farewell Addresses” in Campbell and Jamieson, Presidents Creating the Presidency: Deeds Done in Words. Bush even highlighted this tendency during the Q&A on December 18th: “I’m looking forward to the true history of this financial crisis being written... this will all be sorted out when they finally analyze what went right or what went wrong.” Bush, "Remarks to the American Enterprise Institute and a Question-and-Answer Session, 12-18-2008." ¶57.
the notion that the industry is worth saving, making it that much harder for future presidents to choose not to, even if principles dictate doing nothing and letting the market run its course.

Bush cast the action as undesirable, but was still left with the problem of aiding a failing enterprise. Even if principles allow one to act to save something, it is difficult to justify saving something blameworthy - something deserving of failure. That brings us to Bush’s second strategy for justifying action to save the auto industry: redirect the blame. In his national address announcing the bridge loans, Bush began by directing blame away from the companies. The first sentences in the address attempt to accomplish this: “For years, America’s automakers have faced serious challenges: burdensome costs, a shrinking share of the market, and declining profits. In recent months, the global financial crisis has made these challenges even more severe.”

Bush shifted agency from the actor to the scene, in Burkean terms, directing blame away from the auto companies. According to this statement, the trouble was going on for years, not months or weeks, so no single decision or act created the problem, distributing the blame away from, for example, a single CEO. The automakers faced serious challenges, yes, but Bush framed those challenges vaguely enough that they might well apply to any company in any industry: costs, market share, and profits. This made automakers an everyman in business - nothing about making autos specifically was implicated in the current troubles. Finally, the global financial crisis made it worse, just as it did for virtually every other business and industry in the country. In two sentences Bush directed blame away from the industry leadership, the industry itself, and the individual companies, all without highlighting any by name.

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It is worth noting that Bush expressed very different sentiments in memoirs once out of office.\textsuperscript{751} In *Decision Points*, Bush was openly critical of the automakers. He wrote that “The Big Three firms of Ford, Chrysler, and General Motors had been experiencing problems for years. Decades of poor management decisions had saddled automakers with enormous health-care and pension costs. They had been slow to recognize changes in the market. As a result, they had been outcompeted by foreign manufacturers in product and price.”\textsuperscript{752} Poor management decisions, high fixed costs, slow to recognize, and outcompeted. These few sentences implicate industry executives, engineers, and union workers as the source of the problem, especially since the foreign manufacturers had apparently found a workable alternative allowing them to outcompete the domestic companies. In Burkean terms, the scene lost agency to the actor. Probably much closer to how Bush actually felt about the intervention, such critique while in office would have spelled trouble for the aid he announced and any support for further aid from the Obama administration. The nation and Congress might be willing to back aid for an important industry or business failing in the global economic crisis, but not for the industry that Bush described in *Decision Points*.\textsuperscript{753} So, as the second strategy for justifying the aid, Bush had to redirect the blame away from industry leadership, companies, and workers as best as he could.

The third strategy Bush used to justify the bridge loans to the auto industry is one he borrowed from his broader position on the intervention in the financial system, and one that Carter used three decades earlier (but explained in less detail): that this was an exceptional situation. In *Decision Points* in 2010, Bush remained convinced, or wanted to convince readers, \textsuperscript{751} Vice President Dick Cheney claimed that he opposed the bridge loans and tried to convince Bush to oppose them as well. See: Paul Eisenstein, *Cheney Opposed GM Bailout, 8-31-2011*, 2011, Yahoo! Autos, Available: https://autos.yahoo.com/news/cheney-opposed-gm-bailout.html, 12-10-2013.
\textsuperscript{752} Out of office (*Decision Points* was published in 2010), Bush was freer to be honest about the industry, in a few sentences in the last few pages of his book. Bush, *Decision Points* 468.
\textsuperscript{753} Note that the banks are an altogether different case. Politicians and pundits hurled sufficient vitriol on them during and after passage of TARP to cause one to wonder how any thought they might be deserving of aid. The case of banks is best explained by the third strategy Bush used for justifying aiding the auto industry.
that the situation was exceptional. He wrote that Paulson described the financial situation as “extraordinarily serious” and that “this was not a normal environment. The market had ceased to function.” According to Barry Ritholtz, this was a relatively common position at the time. “Just as there are no atheists in foxholes,” he wrote, “there were no free market capitalists in the face of the financial system collapse.” While publicly defending auto industry aid, Bush made the same case: “I think under normal circumstances, no question, the bankruptcy court is the best way to sort through credit and debt and restructuring, no question. These aren’t normal circumstances; that’s the problem.” When Bush announced the funds for the industry he argued the case again: “If we were to allow the free market to take its course now, it would almost certainly lead to disorderly bankruptcy and liquidation for the automakers. Under ordinary economic circumstances, I would say this is the price that failed companies must pay, and I would not favor intervening to prevent the automakers from going out of business. But these are not ordinary circumstances. In the midst of a financial crisis and a recession, allowing the U.S. auto industry to collapse is not a responsible course of action.” In this argument, the abnormal circumstances meant that government had to intervene because it was the only responsible thing to do. According to Bush, “The only way to avoid a collapse of the U.S. auto industry is for the executive branch to step in.” Bush described the situation as an exception to his previous statements on the role of government, but in that exceptional case, intervention was not only warranted but necessary.

754 Bush, Decision Points 439-40.
755 Ritholtz, Bailout Nation: How Greed and Easy Money Corrupted Wall Street and Shook the World Economy 176.
Giorgio Agamben, in work building on that of Carl Schmitt, described how governments expand power structures during periods of crisis. The state of exception, as Agamben labeled it, often involves one branch of government seizing power from others and is often characterized by a refusal to sacrifice that power if the state of exception ends. From this perspective, political actors are inclined to create, rhetorically or materially, a state in which they might claim urgency or necessity, so as to expand power.

Joshua S. Hanan and Catherine Chaput argued that something similar was at work during the economic crisis of 2007-2008. Hanan and Chaput described an agonistic relationship between narratives in play during the debate over passage of the Emergency Economic Stabilization Act of 2008 (which created the TARP funds). According to Hanan and Chaput, the historical expediency narrative was a rationale for action that emphasized the extreme and exceptional nature of the case. The narrative of moral critique, used by opponents to the bill, was a critique of action seen as corrupt profiteering. Ultimately, Hanan and Chaput argued that an enthymeme of exceptionality, underlying both narratives, prevailed and preserved the very structure that made its deployment possible.

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762 "Viewed from this rhetorical angle, the artificial binary established through the ideological sedimentation around Keynesian versus free market economics begins to loosen, revealing a common backing for these different warrants: a market logic saturating both the state and civil society that simultaneously critiques and embraces government interventionism. Importantly, both those who support as well as those who critique EESA uphold this operative governing fantasy;” see: Hanan and Chaput, "Stating the Exception: Rhetoric and Neoliberal Governance During the Creation and Passage of the Emergency Economic Stabilization Act of 2008,” 20.
Similar rhetoric based on exceptions was at work in Bush’s justification of intervention for the auto industry. Casting a situation as extreme or exceptional has a few implications, if it is accepted: first, it ends debate on whether or not to act. One cannot sit in Congress and commission a study when the economy is falling apart, nor can one do so when the auto industry will run out of funds in days, not weeks. Second, it allows the resulting action to be something one would not otherwise condone. Ordinary action suits an ordinary situation, extraordinary situations demand extraordinary actions. Finally, it allows a politician to claim rarity while also setting a precedent. Exceptions are not rules, hence are not what one usually encounters or should encounter, so claiming exception theoretically means the resulting extreme action will be something rare or never used again. Yet at the same time, it is possible (perhaps easy) to argue even years later that the situation is still exceptional or has become exceptional again, warranting similarly extreme action. In claiming that the auto industry case was exceptional, then, Bush precluded debate on whether government should act, justified extraordinary action, and shaped the way such could be used in the future.

I have argued elsewhere that the stated purpose of the aid Bush provided to the auto industry was to buy time, and that is exactly what his material aid did. The $17.4 billion gave the automakers time to put together more complete turnaround plans for the Obama administration. Interestingly enough, Bush’s $17.4 billion prefigured a much larger sum from the Obama administration, and Bush would have had to have known that. If one provides a company with just enough money to make it through the next three months, to buy time for viability planning, one has to also realize that it will take a much larger sum, to be doled out months from now, to finance the contents of that viability plan. If Bush was opposed to Obama spending much

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more money to finance such a turnaround, the initial $17.4 billion was just as useful shredded, in that it only delayed the inevitable until Bush was out of office. Bush did not want the industry to fail on his watch, as he wrote in *Decision Points* and said publicly, but he also did not want it to collapse just after he left office. So, as he explained the exceptional and necessary nature of the $17.4 billion, he must have known it would lead to further exceptional and necessary spending. While Bush only justified $17.4 billion, he should be held accountable for the funds Obama delivered to the industry as well, and Bush’s public justifications of the smaller sum on the grounds noted here should also be considered justifications of Obama’s larger intervention.

When Bush announced the aid for the industry, he used three strategies to justify the action so different from his personal beliefs on governance. First, he cast the situation as undesirable. Second, Bush redirected blame away from automakers (or the leadership or workers). Third, he cast the situation as exceptional, necessitating an otherwise unacceptable response. While Bush was not as ready to openly praise the auto industry as some of his predecessors, likely due to the intense and stressful nature of those last few months in his term, his strategies for justification accomplished the same thing that praise might have. By acting, even though such action was undesirable and against his principles, Bush reinforced the idea that the auto industry somehow trumped those principles. This reinforced the pattern that the industry was special and had to be considered differently when in need - which both Carter and Reagan had done in interventions decades earlier. Carter violated his personal beliefs on restraint and responsibility for the industry. Reagan became a less free trader and a less free enterprise president for the auto industry. Now Bush, a free enterprise president who believed failing companies should be allowed to fail, used taxpayer money to save the auto industry. The
material interventions and the rhetorical justifications position the industry as special - deserving of special consideration whatever your politics or approach to governance.

By redirecting blame away from the automakers, Bush squandered a chance to publicly denounce the decision making and behavior that put the companies in the position they were in. Politicians must always be mindful of the vote and alienating a constituency, but for an unpopular president with weeks, rather than months, left in office, one might expect Bush to say publicly what he later wrote in *Decision Points*. Carter chose not to be openly critical, even though he privately was, because he was running for reelection and needed the support of the multiple constituencies represented by the industry. Bush was in the perfect situation in 2008 to critique the industry. The government had to save the industry to protect jobs and not make the financial meltdown worse, but the automakers certainly had not earned such treatment. By not saying so beyond calling on industry leaders to make tough choices, and in fact implying that automakers were not truly to blame, that automakers were just one more group of businesses struggling in the financial crisis, Bush vindicated those poor management decisions and behaviors. He warned against creating a moral hazard with the auto industry and banks, but in the former case at least, wound up reinforcing a hazard that had been building for decades.

Finally, by casting the auto industry case as an exceptional one, Bush reinforced its special status. Past presidents trumpeted economic and symbolic importance as reasons to protect and aid the industry. In 2008, Bush reminded the nation of the industry’s economic importance, but by casting it as exceptional, may have made future praise moot. During the financial crisis of

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765 It is possible that Bush was worried his actions might cost John McCain the campaign. Still, McCain went to great lengths to distance himself from Bush, and it might have actually helped McCain in Midwest states to be able to say he supported helping the industry, even though the current president did not.
2007-8, everything from fisheries to shoe shops to restaurants went out of business. Chain companies struggled, laid off workers, cut costs, and closed locations. Everyone, even the richest in the country, lost something. Yet the government only intervened to save the banking industry and the auto industry. The situation was an exception - it was special. Banks and the auto industry were an exception. They were special. Fifty years from now, the domestic auto industry will have, as part of its identity, a story about how only it and the banking industry were saved when everyone was suffering. As the next section shows, that story is already being told.

5.2 The Obama Bailout: “Change” In Every Sense

The bridge loans provided by the Bush administration only financed General Motors and Chrysler through late February or early March of 2009. They were meant to buy time for the automakers to produce viability plans, to be provided to the Obama administration and used as a metric for determining how and how much more to act. In this section, I consider the Obama intervention. Obama was in a historically uncommon situation, in that he spoke at length about the industry while he campaigned for office. As such, this section broadens the basic scope of the present work to this point to include Obama’s pre-presidential rhetoric. In the following pages, I analyze the many Obamas that spoke about the auto industry as the Obama administration and Team Auto worked to save it. By many Obamas, I mean that Obama’s rhetoric about the industry changed quite dramatically depending on the context. This section begins with an analysis of Senator Obama’s early, highly critical approach to the auto industry. I proceed to an analysis of how his approach shifted as he became a presidential primary candidate and then a presidential candidate running in the general election: his critique got softer, the blame more distributed, the praise more frequent. Next, I examine Obama’s reactions to the Bush intervention, largely given while Obama was president-elect, out of but soon to be in Bush’s shoes. I argue that Obama
changed his approach further, refining it, evident when he assumed power and, with Team Auto, spent nearly $82 billion to save the industry; the size of the expense mandated a stronger justification. I conclude by arguing that the form of that justification, both rhetorically and materially, is a limiting factor that will shape the relationship between government, presidency, and the auto industry for decades to come.

5.2.1 Industry Critic: Obama’s Rhetoric as Senator and Candidate

Barack Obama campaigned on change in practically every sense of the word.\textsuperscript{766} He was a relative newcomer in D.C.,\textsuperscript{767} a moderate-left Democrat following two two-term Republican Bush, with the audacity to have hope,\textsuperscript{768} an inclusive social message, a different economic approach, and a plan for peace in the Middle East.\textsuperscript{769} If victorious he would be one of the youngest and the first African American president to be elected.\textsuperscript{770} “Yes we can” and “Change we/you can believe in” were the rallying calls of a voters. Obama promised them a future - a change. Obama won the presidency, in part due to McCain’s inability to escape Bush’s shadow,\textsuperscript{771} demographic shifts,\textsuperscript{772} campaign spending,\textsuperscript{773} and targeted messaging.\textsuperscript{774}

\textsuperscript{766} For a interesting narrative of the primaries and general elections, see John Heilemann and Mark Halperin, Game Change: Obama and the Clintons, McCain and Palin, and the Race of a Lifetime (New York: HarperCollins, 2010).
\textsuperscript{767} Obama’s D.C. Senate record ran since 2005, while John McCain had served in Congress since 1982.
\textsuperscript{768} Obama published The Audacity of Hope in 2006, a highly strategic release date for his 2008 presidential bid.
\textsuperscript{771} Bush’s approval ratings were in the high 20s and low 30s for most of 2008. See: Gallup, Presidential Approval Ratings - George W. Bush.
\textsuperscript{772} McCain won white voters 55% to 43%, older voters (65 and up) 53% to 45%, and voters in the South 54% to 45%. Obama won younger voters (under 29) 66% to 32%, middle aged voters (aged 30-44) 52% to 46%, women voters 56% to 43%, moderate voters 60% to 39%, independent voters 52% to 44%, African-American voters 95% to 4%, Hispanic voters 67% to 31%, Asian voters 62% to 35%, and LGBT voters 70% to 27%. See: Roper, How Groups Voted in 2008, 2008, Roper Center, Public Opinion Archives, Available: http://www.ropercenter.uconn.edu/elections/how_groups_voted/voted_08.html 8-20-2014.
As far as the auto industry goes, Obama was an advocate for change there as well. Obama was critical of the auto industry in his national spotlight book, *The Audacity of Hope*, published just before he began his presidential primary bid. Automakers “resisted” higher fuel efficiency rules because “retooling costs money, and Detroit is already struggling under huge retiree health-costs and stiff competition.”\(^{775}\) The government should have raised the requirements anyway, which would have pushed the industry to upgrade and might have prevented what we saw instead: “Japanese competitors run circles around Detroit.”\(^{776}\) Obama argued for more attention to fuel efficiency standards and support for E-85 ethanol blend fuel as a mid-term solution to dependence on foreign oil.\(^{777}\) The change Obama advocated, then, was for government to be tougher on the industry and use regulation to force innovation, and for the industry to be more responsive to the changing world by building products to better suit it. This language, and the threat of regulatory coercion it described, were relatively unheard of in presidential speech. If Obama continued to talk about and to the industry in that way while in office, he would become the first president to do so.\(^{778}\)

While running for his party’s nomination, when the auto industry was struggling but had not yet imploded, Obama established a tougher stance on the auto industry than past presidents

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\(^{774}\) Kenski, Hardy & Jamieson refer to this as microtargeting. See: *Kenski, Hardy and Jamieson, The Obama Victory: How Media, Money, and Message Shaped the 2008 Election* 275-80.


\(^{776}\) *Obama, The Audacity of Hope: Thoughts on Reclaiming the American Dream* 169.

\(^{777}\) Note that ethanol is a popular issue in bread basket states, especially the one with the first primary: Iowa. By 2014, although ethanol from non-edible sources (wood chips, cane, etc.) was still in development, plug-in electric and hybrid vehicles had largely supplanted ethanol vehicles as the alternative fuel solution. For more on agricultural byproducts replacing corn-based ethanol, see: George W. Huber and Bruce E. Dale, “Grassoline at the Pump,” *Scientific American* 2009.

\(^{778}\) I consider Obama’s pre-presidential campaign rhetoric in this section because he was in the historically unique situation of talking at length about the auto industry while campaigning for his first term. No other presidential candidate campaigned while the auto industry struggled with imminent disaster; the degree to which the industry was a campaign issue in 2008 and 2012 is unprecedented. While campaigning, presidents did visit the industry, and in some cases those remarks were analyzed in this work (with Kennedy and Nixon, for example), but not to the extent necessary with Obama. Since the auto industry was a major issue in 2008 and 2012, and since President Obama made reference to his campaign comments about the industry, I analyze his pre-presidential rhetoric here.
had, which followed the themes outlined in *The Audacity of Hope*. In May 2007, the first time Obama discussed the auto industry during his campaign for the presidency, he spoke to the Detroit Economic Club. Obama claimed that we “are held hostage to the spot oil market,” the “tyranny of oil” that “now threatens to destroy [our way of life].” In October 2007, Obama challenged the audience and Congress to “stand up to the oil and auto industry,” because refusal to “build fuel-efficient cars or transition to renewable fuels... may boost their short-term profits, but it is killing their long-term chances for survival and threatening too many American jobs.”

Note the use of strong terms here: hostage, killing, survival, threatens, threatening. This is the language of life and death. For Obama, auto industry decisions are serious business, and the industry has been making the wrong ones. We have to “stand up” to them, confront them as one confronts a bully, an aggressor, a belligerent. In Obama’s early primary campaign narrative, the auto industry resists change, gets preferential treatment, and in so doing puts us all in danger.

The blame for the situation, according to Obama’s primary campaign rhetoric, should fall on the industry itself. In May 2007, Obama said: “For years, while foreign competitors were investing in more fuel-efficient technology for their vehicles, American automakers were spending their time investing in bigger, faster cars. And whenever an attempt was made to raise our fuel efficiency standards, the auto companies would lobby furiously against it, spending millions to prevent the very reform that could’ve saved their industry. Even as they’ve shed thousands of jobs and billions in profits over the last few years, they’ve continued to reward...

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failure with lucrative bonuses for CEOs.”

This is neither empty commentary nor polite suggestion. This is rather a pointed (and accurate) criticism of a major constituency.

Note also that Obama specifically identified leadership decisions here: engineering investment choices, resistance to regulation, and unwarranted compensation. The consequences of those poor decisions included, according to Obama, Japan and China surpassing our average fuel efficiency, increased foreign control of market share, and Toyota surpassing GM in sales. Even in the face of those consequences, automakers have continued with more of the same. Obama continued: “Automakers still refuse to make the transition to fuel-efficient production because they say it’s too expensive at a time when they’re losing profits and struggling under the weight of massive health care costs. This time, they’re actually right. The auto industry’s refusal to act for so long has left it mired in a predicament for which there is no easy way out. But expensive is no longer an excuse for inaction. The auto industry is on a path that is unacceptable and unsustainable - for their business, for their workers, and for America.”

Poor decision making and resisting inevitable and necessary changes has now, in this narrative, put the entire country at risk. Even though, “this time” (as opposed to every other time), the automakers have a valid excuse, that cannot be the end of it. “America must take action to make it right,” Obama stated, before explaining his plan for government-industry partnerships and financing to retool the industry for a new era of fuel-efficient vehicles. Consider for a moment the rarity of these types of statements: this work has considered every president for the prior century, not one of them was as overtly critical in public of the industry. In May and October 2007, Obama blamed the industry for its situation in a way unheard of in presidential speech. By that point, Obama appeared to represent a true change for how presidents dealt with automakers.

782 Obama, "Remarks to the Detroit Economic Club, 5-7-2007." ¶34.
It is especially surprising that Obama took such a strong stance against the industry while campaigning for office, when we might initially expect a presidential candidate to be especially nice to constituencies useful for an electoral coalition. Yet there was some purpose for critiquing the industry in this case. Obama’s primary campaign strategy on the auto industry was about his broader symbolic change and new approaches to old institutions; but it was also about the political clout and makeup of the auto industry constituency. Auto workers and the UAW were the backbone of the Democratic voting base for decades and presidents past had appealed to that constituency. Auto industry executives, among the richer white-collar employees outside of Wall Street, have likewise been an important target constituency for Republican candidates. This made for an industry whole usually worth courting - one of its component constituencies usually attracted the frontrunner from either party. Obama’s flat out rejection of that during the primary seems to have been a rejection of an important constituency in his party’s base. Yet as Ingrassia argued, the party base in the Democratic Party was shifting in the mid-2000s towards “bicoastal suburbanites who championed fuel economy and environmental regulations.” The auto industry was still an important constituency. Yet Obama could strategically push it, including historic direct blame for its shortcomings, because the power in his party shifted in a direction that made it more palatable. And yet, in a close race, Obama still visited the industry and praised the industry, even as the political power and relevance of the constituency waned.

The industry was losing economic force as well. Presidents had cited the fact that the auto industry accounted for one in five jobs in the 1950s, one in six in the 1970s, and one in seven in the 1990s. When Obama spoke in Detroit in 2007, he pointed out its economic importance, now

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783 Ingrassia added that the ousting of John Dingell (from Detroit, married to a GM executive) from the House Energy and Commerce Committee by Henry Waxman (“leader of the ascendant greens” from California) was “a sign of the times.” Ingrassia, Crash Course: The American Automobile Industry’s Road from Glory to Disaster 216.
roughly one in ten jobs in America.\footnote{Obama, "Remarks to the Detroit Economic Club, 5-7-2007." ¶37.} Ten percent is not easily ignored, and when stated out of context still sounds like praise for what must be a ubiquitous and crucial industry. When seen in context, the figure points to the expansion and diversification of American labor at the same time as to the shrinking of the auto industry (assembly, parts, raw materials, support services). So Obama’s critique was an extension of his “change” approach, a response to his party’s shift towards a greener approach to manufacturing, and also a reflection of the declining economic clout of the auto industry.

Still, it would be unwise for any politician to directly attack a part of the base without also praising them in some form. Even if the environmental wings of his party wanted to push the auto industry to change and the industry was not as economically important as it once was, Obama needed the cooperation of the industry to make such change feasible and still needed the support of the UAW to guarantee his victory in Michigan, Ohio, and other Midwest states. Obama made sure to remind the industry of its praiseworthy past. In November, Obama praised an audience of autoworkers for building the American middle class and securing “good-paying jobs for generations of workers.”\footnote{Obama, "Remarks to the United Auto Workers Conference in Dubuque, Iowa, 11-13-2007." online by Gerhard Peters and John T. Woolley, \textit{The American Presidency Project}. <http://www.presidency.ucsb.edu/ws/index.php?pid=77020>. ¶11.} In May, Obama also thanked Detroit for being the arsenal of democracy. In a lengthy section of the speech, Obama told the story of how the attack on Pearl Harbor prompted the government to ask the “greatest of all generations” to, “almost overnight,” “transform a peacetime economy... into an arsenal of democracy.”\footnote{The American Presidency Project capitalized the term “Arsenal of Democracy” in this line, although this is not usually the case in speech transcripts they produce. Obama, "Remarks to the Detroit Economic Club, 5-7-2007." ¶4.} There were doubters, but Roosevelt assured them the production people could succeed, “and so the nation turned here, to
Detroit, with the hope that the Motor City could lead the way in using its assembly lines to mass produce arms instead of automobiles;” automakers achieved a “distinctly American... production miracle.” For Obama, the auto industry was the leader in (and the source of) the arsenal of democracy that, in that narrative, was the deciding factor in winning World War II. On the primary campaign trail, then, Obama critiqued the auto industry but also made sure to praise it for its past, as presidents had done for decades.

Obama also blamed others when he blamed the industry. The industry was blameworthy, yes, but others were responsible for the situation as well; or so Obama made it seem as he participated in the rhetorical legacy of redirecting blame away from the auto industry. Obama distributed blame towards Washington D.C.: “Good ideas are crushed under the weight of typical Washington politics. Politicians are afraid to ask the oil and auto industries to do their part, and those industries hire armies of lobbyists to make sure it stays that way.” So, while the industry and its poor decisions are responsible, so also are political cowards too afraid to push it to change. The workers resist change because they fear for their jobs, and “the rest of us whip ourselves into a frenzy whenever gas prices skyrocket or a crisis like Katrina takes oil off the market, but once the headlines recede, so does our motivation to act.” In this statement, Obama added workers and everyone that drives a car to the political cowards who must share blame with industry leadership for our poor average fuel efficiency. Obama repeated this communal responsibility theme near the end of the speech: “For too long, we’ve been either too afraid to ask our automakers to meet higher fuel standards or unwilling to help them do it. But the truth is, if we hope for another miracle out of Detroit, we have to do both. We must demand that they revamp their production, we must assist that transition, and we must make the choice to

788 Obama, "Remarks to the Detroit Economic Club, 5-7-2007." ¶16.
789 Obama, "Remarks to the Detroit Economic Club, 5-7-2007." ¶16.
buy these cars when we have the option. All of us have a responsibility here, and all of us are required to act.\textsuperscript{790} Again, Obama implicated the industry but also blamed the rest of us, so we must all be part of the solution. While not the full redirection of blame that Nixon used, Obama still went to some trouble here to cast the industry as not the only entity at fault.

Obama’s early primary campaign approach to the auto industry was substantially more critical of the industry than his predecessors had been, although not as critical of the industry as he had been while a Senator. This was, in part, due to his party’s green shift and the general weakening of the economic force of the constituency, which provided the room to critique the industry since its constituencies were not so clearly necessary to the party anymore.\textsuperscript{791} Obama was still careful to praise the industry for its past and distribute blame away from it, implicating everyone. Even in the absence of a clear political or economic motive to court the auto industry constituency, Obama praised the industry for its past. The rhetorical legacy stood, and Obama borrowed rhetorical strategies from predecessors, including the redirection or shifting of blame away from automakers. Once Obama moved to the front of the primary race and eventually into the general election, to which I now turn, his rhetoric about the industry softened considerably.

5.2.2 Industry Defender: Obama’s Rhetoric as Nominee and President-Elect

At around the same time that Obama won primaries in Indiana and North Carolina, victories which prompted some to announce the end of the race against Clinton and the beginning of the general election against McCain,\textsuperscript{792} Obama spoke a few times about the auto

\textsuperscript{790} Obama, "Remarks to the Detroit Economic Club, 5-7-2007." ¶44.
\textsuperscript{791} In addition, party-based politics are transitioning into candidate-based politics, with Obama’s “star” power potentially negating some of the necessity for typical electoral coalition strategies.
\textsuperscript{792} “American media collectively announced that Mrs. Clinton’s White House dream was over. The front page headline of the New York Post was: “Toast!” George Stephanopoulos of ABC declared that “this nomination fight is over” while Tim Russert of NBC stated: “We now know who the Democratic nominee’s going to be, and no one’s going to dispute it.” David Axelrod, Mr. Obama’s chief strategist, said he would now begin to campaign against Mr.
industry, but with a subtle shift in message. In an interview on NBC News’ *Meet the Press*, Obama claimed that “Detroit ended up making investments in SUVs and large trucks because that’s where they perceived a competitive advantage and that’s where they felt they could make the most profit. I think it was a mistake for them not to plan earlier. Now we’re seeing a huge growth in fuel-efficient cars that is benefiting the Japanese automakers, and Detroit is getting pounded some more... I didn’t say that just in front on environmental groups, I went to Detroit and said it in front of the automakers. That’s the kind of truth telling we need from the next president.”

Obama pointed out that he was willing to critique the group to its face, so to speak, and while in Detroit a year earlier he had been pointedly critical. Yet what he actually said on *Meet the Press* is nothing like what he said in Detroit. In the version of his “truth telling” that he described on *Meet the Press*, Detroit had just made a mistake. They invested where they saw a competitive advantage, but it was a mistake, and due to that, the industry was losing to Japan. The industry was not malicious, threatening, or resistant to change... it had just made a single costly mistake. Now a frontrunner and presumptive nominee for the Democrats, Obama dialed back his overtly critical approach to the industry. He could conceivably win the nomination without any support from the industry, but the general election is a much tougher fight.

A week later, in a speech filled with comparisons of him and McCain rather than Clinton, Obama blamed “decisions that were made in the boardroom” for the industry’s problems, but also added that “American automakers have been showing leadership in recent years.”

McCain in general election states.” See: Toby Harnden, "Clinton Refuses to Quit, but Battle 'Is Over'," *Telegraph* 2008.


in June, Obama claimed that the “past eight years will be remembered for misguided policies, missed opportunities, and a rigid and ideological adherence to discredited ideas... We could have done something to end our addiction to oil, but instead we continued down a path that funds both sides of the war on terror, endangers our planet, and has left Americans struggling with four dollar a gallon gasoline.”

The theme of dependence on foreign oil is the same in that speech as it was in his critical 2007 speech in Detroit, yet the wording is importantly different. Here, the use of “the past eight years” directs most of the blame to the Bush administration, and even though industry leadership could be blamed as part of the reason we did not do anything to end our addiction, the industry is left out of it. Implied blame, maybe - after all Obama was addressing a crowd in Flint, a major auto industry city in Michigan. Yet the direct, pointed blame from 2007 is absent.

Ten days later, when asked if organized labor, which had endorsed Obama, was responsible for problems in the auto industry, he responded: “Ultimately, management is in charge of the auto industry and I think some poor decisions were made in the past. I think you’ve got some smart, enlightened auto executives who are in place now and recognize that they need to build the cars of the future.” So when he was asked whether the union was in part responsible, Obama first redirected blame away from the workers to the leaders, who were not evil but had made some poor decisions. Next, he brushed the blame aside from both, by pointing out that the poor decisions were “past,” and that now, we have executives that will not make the same mistakes. Obama even agreed to meet with one of those executives, Bill Ford of Ford

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Motor, to discuss how the industry could be part of the solution going forward.\footnote{For a discussion of this meeting, see Vlasic, Once Upon a Car: The Fall and Resurrection of America’s Big Three Automakers - GM, Ford, and Chrysler 293-95.} Again, this is a much softer approach than in 2007, and it continued for the rest of the summer of 2008, in part because of the different natures of the primary campaign and the general election.\footnote{For further examples of the 2008 approach, with more praise, less blame, and a focus on helping the industry succeed in the future rather than on why it had not been succeeding recently, see: Barack H. Obama."Remarks at a Town Hall in Cedar Rapids, Iowa, 7-31-2008." online by Gerhard Peters and John T. Woolley, The American Presidency Project. <www.presidency.ucsb.edu/ws/index.php?id=77738>, Barack H. Obama."Remarks in Lansing, Michigan, 8-4-2008." online by Gerhard Peters and John T. Woolley, The American Presidency Project, <www.presidency.ucsb.edu/ws/index.php?id=77759>, Barack H. Obama."Statement of Senator Barack Obama on Loan Guarantees for Domestic Auto Manufacturers, 8-22-2008." online by Gerhard Peters and John T. Woolley, The American Presidency Project. <www.presidency.ucsb.edu/ws/index.php?id=91080>, Barack H. Obama."Remarks in Grand Rapids, Michigan, 10-2-2008." online by Gerhard Peters and John T. Woolley, The American Presidency Project. <www.presidency.ucsb.edu/ws/index.php?id=84568>, Barack H. Obama."Remarks in Coral Gables, Florida, 9-19-2008." online by Gerhard Peters and John T. Woolley, The American Presidency Project. <http://www.presidency.ucsb.edu/ws/index.php?id=78653>, Barack H. Obama."Remarks in Indianapolis, Indiana, 10-23-2008." online by Gerhard Peters and John T. Woolley, The American Presidency Project. <www.presidency.ucsb.edu/ws/index.php?id=84615>.} The difference between the critique of 2007 and the softer approach in 2008 was that the campaigns happening in each year were very different. His 2007 critical stance against the industry was part of his early bid to be the Democratic nominee. He spoke of change, and his speeches advanced some truly new ideas, including being tough on the auto industry. By May 2008, Obama had effectively become the far frontrunner in his primary race. He became the presumptive nominee for his party one month later.\footnote{Obama became the presumptive nominee when Hillary Clinton formally ended her campaign and endorsed him on June 7, 2008. See: CBSNews, Clinton the End Campaign, Back Obama, 2008, CBSNews.com, Available: http://www.cbsnews.com/news/clinton-to-end-campaign-back-obama/, 7-12-2014.} So in 2007, Obama needed attention for his campaign and enough “change” to give people a reason to support him, and could afford to be tough on an industry in ways that the rising Greens might appreciate. By May and June of 2008, Obama needed to reunite his party for the contest against McCain – to bring together the Greens, blue-collars, and CEOs – he chose to be softer on the auto industry. Sure, they had made mistakes, and he was the kind of president willing to say that to them, but the days when he would be willing to repeatedly blame the industry for its failings were apparently over.
As summer became fall and the financial industry dominos began toppling rapidly, credit froze, people were laid off, sales dropped, and the auto industry situation went from weak to precarious. General Motors and Chrysler really needed an infusion of cash by November, the month in which industry CEOs met with Democratic leaders, then the Senate Banking Committee, and finally the House Financial Services Committee to ask for aid. Near the end of November, members of Congress began to work out a deal to help the industry, with lame duck President Bush reprimanding them for not getting it done before Thanksgiving recess.

Following his victory over McCain, President-Elect Obama began assembling his new administration while at the same time, in Congress, working on the financial collapse. Although Obama had a new presidency to plan and an imploding financial industry to deal with, the steadily worsening conditions in the auto industry attracted his attention. Obama’s approach to the auto industry as President-Elect was different from his approach as a presidential candidate and from his approach as a presidential primary candidate. Even though he was privately still very critical of the industry, while President-Elect, Obama distributed the blame for the auto industry’s situation, praised the industry, expressed hope that the industry could succeed, and employed a rhetoric of exception that was similar to that used by Bush.

First, Obama distributed blame for the industry’s predicament. In an interview on 60 Minutes on November 16, Obama implicated all drivers in our failure to move away from large, gasoline hungry vehicles. He described “our pattern” of moving “from shock to trance. You know, oil prices go up, gas prices at the pump go up, everybody goes into a flurry of activity. And then the prices go back down and suddenly we act like it’s not important, and we start, you

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800 According to Rattner, the week after he was elected, Obama asked his advisers if there was any way the automakers could avoid bankruptcy, and wondered aloud “Why can’t they make a Corolla?” Rattner, Overhaul: Insider's Account of the Obama Administration's Emergency Rescue of the Auto Industry 44.
know, filling up our SUVs again.”\(^\text{801}\) Rather than blaming the auto industry for refusing to response to foreign pressure on fuel-efficient vehicles, Obama faulted the driving public for buying big SUVs and never committing to a change, even after gas price shocks. On December 12, in his fourth discussion of the industry while president-elect, Obama explained that he was “disappointed that the Senate could not reach agreement” to help the industry and that he “share[d] the frustration of so many about the decades of mismanagement in this industry that has helped deliver the current crisis.”\(^\text{802}\) Surely, it was not pleasant to say “decades of mismanagement,” yet it is less direct than his past criticism was. “Decades” blames many, not few, so many that pointing fingers at current CEOs now would be a waste of time.

Second, Obama praised the industry. On November 7, three days after being elected to office, Obama issued a statement reinforcing the importance of the industry. “The auto industry is the backbone of American manufacturing,” he said, “and a critical part of our attempt to reduce our dependence on foreign oil.”\(^\text{803}\) If America was ready to lose its manufacturing backbone, a body part often associated with courage, willpower, and pride, it did not need its auto industry. If American courage, willpower, and pride were worth saving, so then we should save our auto industry. Obama associated the auto industry with key American traits, traits we were proud of, in order to rhetorically set the auto industry as something integral to ourselves, and therefore worth saving. On December 12, he reminded the public that “millions of American


jobs rely directly or indirectly on a viable auto industry.”

Third, while President-Elect, Obama appeared hopeful about the industry’s viability planning and supportive of financing a turnaround. On November 7 he asked the Bush administration to “do everything it can to accelerate the retooling assistance that Congress has already enacted,” which referred to the approved $25 billion in fuel efficiency loans that could not be dispersed to the industry until rules for it were written. “In addition,” he continued, “I have made it a high priority for my transition team to work on additional policy options to help the auto industry adjust, weather the financial crisis, and succeed in producing fuel-efficient cars here in the United States of America.” Supportive of recent action, Obama was also focused on additional action in service of a return to domestic auto industry preeminence. On November 16, Obama expressed hope that the discussion with the auto industry would succeed and result in “a bridge loan to somewhere as opposed to a bridge loan to nowhere.” This phrasing reflects a parting shot at Sarah Palin, the vice presidential nominee he and Joe Biden had recently defeated, accused of advocating then fighting against a “bridge to nowhere” in Alaska. For Obama, the auto industry aid would have to result in good returns on investment, a bridge leading somewhere, and he expressed hope that it could be done. On December 3, while he noted that the first round of discussions with the industry did not include “a clear plan for viability over the long term,” Obama said “it appears, based on reports that we’ve seen, that this time out, the executives from these automakers are putting forward a more serious set of plans. I don’t want to comment on them before I’ve actually heard and seen what they’re putting forward, but I’m glad

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804 Obama, "Statement by the President-Elect on the Failure of the Senate to Pass an Auto Industry Assistance Package, 12-12-2008." ¶1.
806 Obama, "The President-Elect's News Conference in Chicago, 11-7-2008." ¶16.
807 Obama, "Interview with Steve Kroft on CBS' "60 Minutes," 12-16-2008." ¶33.
that they recognize the expectations of Congress." Even though he had not examined them personally and was unsure what the plans contained, Obama was willing to express gladness about them and mark them as more serious. “The beginnings of reform are at hand,” he said on December 12, continuing to express hope that change was possible and happening.

Finally, Obama borrowed Bush’s rhetoric of exceptionality. On November 7 and 16, he established the seriousness of the situation for the entire country, not just the industry: industry hardship “goes far beyond individual auto companies to the countless suppliers, small businesses and communities throughout our nation.” and “for the auto industry to completely collapse would be a disaster in this kind of environment, not just for individual families but the repercussions across the economy would be dire.” A collapse, Obama argued on December 19, would “have devastating consequences for our economy and our workers.” Of course, collapse would always be difficult; in this kind of environment though, collapse would be devastating. Obama claimed that “under normal circumstances” a bankruptcy might be best, but “I think that what we have to do is to recognize that these are extraordinary circumstances… the usual options may not be available.” Although Obama was not as adamantly opposed to government intervention in private enterprise as Bush, so his usage of the exception enthymeme was not a violation of personal beliefs, the fact that Obama echoed it is important. As with Bush, by

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809 Obama, "Statement by the President-Elect on the Failure of the Senate to Pass an Auto Industry Assistance Package, 12-12-2008." ¶1.
811 Obama, "Interview with Steve Kroft on CBS' "60 Minutes," 12-16-2008." ¶32.
813 Obama, "Interview with Steve Kroft on CBS' "60 Minutes," 12-16-2008." ¶35.
making the auto industry case an exception, Obama reinforced the notion that the industry was somehow also special or deserving of special treatment.

So, while President-Elect, Obama was substantially less critical than he had been in 2006 or 2007, in part because he needed to forge a governing coalition that required a cooperative auto industry. He distributed blame in ways closer to how he explained the auto industry predicament once he had become the presumptive nominee and started campaigning against McCain. He continued to praise the industry and express hope that it could improve, as he had done since his primary contest. Finally, while President-Elect, Obama employed Bush’s rhetoric of exception, situating the auto industry situation as exceptional and therefore deserving of extraordinary attention or action. Obama’s rhetoric as President-Elect about the industry was thus different than it had been for the prior few years. Elected but not yet in power, Obama had to try not to overshadow the Bush administration – he would be in office soon but was not yet. As he moved from advocate for change to the highest office, Obama needed to soften direct critique while appearing more optimistic about possible success under his administration.

President-elect Obama’s auto industry rhetoric is also important because during those same months Congress debated how to aid the industry. Bush ultimately distributed TARP funds because Congress could not reach a deal, but throughout, Obama was an important voice in crafting the narrative about the industry. While Bush handed the industry $17.4 billion, Obama made the case that many factors and actors were to blame for industry troubles but that the industry was still praiseworthy and worth saving. Obama expressed hope that the industry could improve, validating Congressional votes in favor of aid, which would be needed in 2009 once Obama worked to extend more aid to the industry. Finally, Obama parroted Bush’s claim that the situation was exceptional, extraordinary, and thus deserved exceptional or extraordinary action.
By choosing to extend such aid to the finance industry and auto industry, Obama helped Bush cast the auto industry as somehow special.

5.2.3  **Industry Savior: Obama’s Rhetoric During the Bailout**

Once in office, Obama had to figure out how to best act to save the industry he had harshly critiqued in 2006-7, then more softly critiqued while advocating for aiding it in 2008. Although there was discussion of a “car czar,” Obama instead instituted a team approach (“Team Auto”) with Larry Summers and Timothy Geithner overseeing and Steven Rattner leading the team on the ground. The team was tasked with investigating the reality of the industry situation, reviewing industry viability plans, and executing whatever measures were required to put the industry back in the black. It had to act quickly. In February, the Obama administrations’ first full month in office, Alex Taylor III wrote that GM and Chrysler were “living the nightmare” with the worst sales levels since 1982.\(^{814}\) GM asked for $16 billion but noted that bankruptcy could cost more than $100 billion, reminding the new administration, or perhaps threatening the administration, what could happen if nothing was done.\(^{815}\)

Three important points became clear during February and March of 2009 as the Obama administration worked with the industry on a plan. First, the industry did not deserve all the harsh criticism it had received for being unable to compete and unwilling to try. Jeffrey Sachs, the Director of the Columbia University Earth Institute, argued compellingly that societal


decisions and governmental decisions had created a situation that rewarded the exact business models that the industry was criticized for following.\footnote{Jeffrey Sachs, How to Bring Back the Big 3, 2009, Fortune Magazine, Available: http://archive.fortune.com/2009/02/17/news/companies/sachs_carmakers.fortune/index.htm?postversion=2009021711, 6-1-2014.} In addition, Team Auto discovered that the industry was not as far behind foreign manufacturers like Toyota in production efficiency as had been thought and had nearly closed the labor cost gap with foreign competitors.\footnote{According to Rattner, production efficiency at US automakers was 32 hours per car compared to 30 at Toyota. Labor costs at GM were $52.89-$60.64 per hour compared to $51.61 at Toyota. Rattner, Overhaul: Insider's Account of the Obama Administration's Emergency Rescue of the Auto Industry 74-75.} Furthermore, there was no financial incentive for domestic automakers to produce small cars at a loss, other than maintaining market share against the inevitable onslaught of imports.\footnote{Rattner, Overhaul: Insider's Account of the Obama Administration's Emergency Rescue of the Auto Industry 75-76.} The industry was struggling, but for good reasons, and it had worked to resolve some of its issues.

Second, the auto industry was still worthy of blame – and in fact deserved much more than even Obama levied on it in 2006 or 2007. The present work has shown that auto industry leadership and union representatives were at times adversarial towards one another, and in different ways, complicit in worsening the industry business model. In addition, Team Auto discovered resistance to provide plans with a large enough scope to effect real change, problems in the way fixed costs influenced the industry’s business model, short-term profit minded practices like subvention, and a complicated supply base that hamstrung the whole industry.\footnote{Rattner, Overhaul: Insider's Account of the Obama Administration's Emergency Rescue of the Auto Industry 86-88, 127, 86.} Candidate Obama critiqued an industry that made poor decisions, but Team Auto uncovered that many of those were actually intentional features of the industry rather than accidents of choice.

Third, the Task Force and the Obama administration were actually as “tough” on the industry, as they claimed to be.\textsuperscript{820} For example, in addition to replacing executives, cutting executive pensions, and reducing unsecured debt, financial stakeholders like JP Morgan were forced to accept a fraction of the amount the industry owed them or nothing at all.\textsuperscript{821} To control parts suppliers rushing for financial aid, the Team made funds available but at such a high cost that less than 10\% of the pool was ever dispersed.\textsuperscript{822} The Team, using the threat of bankruptcy, forced the UAW to accept historic changes to its contracts, including agreements to free Chrysler from its union health care liabilities.\textsuperscript{823} Although “the Obama administration had never seriously considered letting GM liquidate,” letting Chrysler go to strengthen GM was considered, and at one point, likely.\textsuperscript{824} So not only was Obama willing to be tough on the industry, with Chrysler at least, accommodation was the difference between survival and liquidation.

Team Auto’s investigation uncovered an industry that was healthier than expected in some ways and sicker than imagined in other ways. The Team also acted in ways that were truly tough on the industry. As Team Auto investigated, Obama continued to discuss the industry much as he had while President-Elect. His rhetoric about the industry during the Team Auto investigations distributed blame away from individual CEOs by spreading it across time, blaming “years of bad decision making,” but in the same sentence “a global recession” for

\textsuperscript{820} Note that some, including former president Carter, do not agree. In the recently updated epilogue to White House Diary, Carter suggested that he was able, due to better leverage, to get a good deal for the American public. Carter, White House Diary 349-50.
\textsuperscript{821} Rattner, Overhaul: Insider’s Account of the Obama Administration’s Emergency Rescue of the Auto Industry 141-42.
\textsuperscript{822} Rattner, Overhaul: Insider’s Account of the Obama Administration’s Emergency Rescue of the Auto Industry 132.
\textsuperscript{823} Rattner, Overhaul: Insider’s Account of the Obama Administration’s Emergency Rescue of the Auto Industry 152-59.
\textsuperscript{824} Rattner referred to it as Plan B, but sometimes Plan A. Obama made the decision to support Chrysler if it could partner with Fiat, but its survival was by no means as certain (or as desired) as that of GM. Rattner, Overhaul: Insider’s Account of the Obama Administration’s Emergency Rescue of the Auto Industry 160-62, 83.
pushing automakers “to the brink.”

Just as Bush had, Obama blamed the global recession, which every business suffered from; this cast the auto industry as just one more industry suffering. In a discussion of fuel efficiency standards on January 26, Obama blamed Washington for standing in the way of a national policy, creating “a confusing and patchwork set of standards that hurts the environment and the auto industry.”

The industry was struggling, everyone knew that, but here Obama pointed to confusing regulations as a possible further contributor to that struggle. As his Team Auto investigated and planned for an industry turnaround, even possibly including allowing Chrysler to dissolve to help GM, Obama remained publicly “committed to the goal of a retooled, reimagined auto industry that can compete and win.” If it could compete it would survive, and if it could compete it would win.

By March 30, Obama and Team Auto worked out a plan for intervention in the industry. The plan was to finance a partnership between Chrysler and Fiat and escort Chrysler through bankruptcy if needed. Next Team Auto would manage a bankruptcy at GM, then purchase a 60% ownership stake in the company to free GM of old debt while refining its operations - making it leaner and meaner. Over the next four months, as Team Auto worked with Chrysler and GM on the bankruptcy and turnaround proceedings, Obama gave four major addresses about the auto industry and a number of minor ones. In those speeches, a number of strategies are evident: establish and then distribute blame, praise the industry to the point that we are obligated to intervene on its behalf, emphasize the sacrifice required of automakers, and reestablish faith in the companies. Each is a refinement of those developed since his criticism of 2006.

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First, Obama maintained his softer critique of the industry but continued to distribute blame away from individuals and the industry altogether. The industry was not entirely blameless: according to Obama automakers did not initially present serious enough turnaround plans, resisted government regulation, failed to respond to global changes, assumed unsustainable amounts of debt, and had made poor choices or decisions in the past. Yet even though responsible for its problems, the blame could not fall entirely to the automakers. On March 30, 2009, Obama began by directing blame at those in charge. It was, he said, “a failure of leadership - from Washington to Detroit - that led our auto companies to this point. Year after year, decade after decade, we’ve seen problems papered over and tough choices kicked down the road, even as foreign competitors outpaced us. Well, we’ve reached the end of that road. And we as a nation cannot afford to shirk responsibility any longer. Now is the time to confront our problems head on and do what’s necessary to solve them.” The failure of leadership claim and the more general claim of avoiding tough choices were common for Obama. Its usage here implied that auto company CEOs are to blame for the unnamed problems in the industry, but the statement continued by dispersing that blame: to all leaders in Detroit and in Washington.

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831 Obama, "Remarks on the United States Automobile Industry, 6-1-2009."


834 Obama referred to a failure of leadership in at least 14 speeches catalogued by the American Presidency Project by 2014; only one of them was about the auto industry. The same database lists at least 167 speeches by 2014 that refer to avoiding tough choices, with only a handful of those discussing the auto industry.
His use of *epanalepsis* in the next line, “year after year, decade after decade,” emphasized the length of time that problems had been papered over. The clauses stretched out the time referred to, as such, the usage here indicates Obama stretching the blame over a deep past. Whereas he had blamed “decades of mismanagement” while a candidate, this version of the same idea made that time (and by extension those poor decisions) seem almost mechanical, inevitable, subtly absolving the individual CEO further. Throughout, the repetition of forms of “we,” an example of *anaphora*, joins the nation first as bystanders (we’ve seen...), then as contributors (we’ve reached...), and finally as change agents (we as a nation cannot...). So, by the end of the paragraph, Obama had dispersed blame away from individual CEOs and spread it to include the entire nation, the entire national “we,” which watched, contributed to, and now cannot afford to not act to resolve a collective problem. Throughout the rest of the speech and in others that summer, Obama continued to distribute blame away from any single target in the industry, including to the economic crisis, selfish stakeholders, government regulations, and casting the situation as essentially random and thus automakers blameless, generally making it easier to justify intervention. Over and over again, Obama moved blame from the auto industry and onto other scapegoats, flinging the blame far and wide, thereby making it easier over time to see the industry as not entirely at fault and therefore worth helping.

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835 Weaknesses in our economy as a whole” were part of the problem and “frozen credit markets” meant that the companies could not borrow to finance a turnaround. The economic crisis “crippled capital markets” necessitating the government investment in GM. See: Obama, "Remarks on the United States Automobile Industry, 3-30-2009.,” Obama, "Remarks on the United States Automobile Industry, 4-30-2009.,” Obama, "Remarks on the United States Automobile Industry, 6-1-2009."

836 Obama, "Remarks on the United States Automobile Industry, 4-30-2009."


838 Obama equated the situation to a natural disaster like a storm, tornado, or hurricane. In such situations, the Nation aids the community, it does not seek to blame. Obama, "Remarks on the United States Automobile Industry, 3-30-2009."
Second, Obama continued to praise the auto industry throughout the intervention process. This praise took the same form as much of what he and his predecessors had already said: these industries and companies were economically important, they built the middle class, produced a commodity we love, became the arsenal of democracy, were a source of ingenuity, and were symbolic of America. Over and over, Obama repeated praise, that originated during the auto industry’s Golden Age more than six decades earlier.

Yet by the time he oversaw the intervention to save the industry in the summer of 2009, that praise had also become a mandate for intervention. On March 30, Obama said “We cannot, and must not, and we will not let our auto industry simply vanish. This industry is like no other; it’s an emblem of the American spirit, a once and future symbol of America’s success. It’s what helped build the middle class and sustained it throughout the 20th century. It’s a source of deep pride for the generations of American workers whose hard work and imagination led to some of the finest cars the world has ever known. It’s a pillar of our economy that has held up the dreams of millions of our people.” The industry had symbolic importance here, it had helped build and sustain the middle class, and it produced a project we love and gives us pride. It is like no other, special. None of these claims are new. Yet by the summer of 2009, they were prefaced with an obligation to intervene: “We cannot, and must not, and we will not...” The epistrophe here built

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841 Obama, "Remarks on the United States Automobile Industry, 3-30-2009."
842 Obama, "Remarks on the United States Automobile Industry, 3-30-2009."
from obligation to action. We have to save the industry, it suggested, then listed reasons that we owe such a rescue effort. America was obligated to save its special industry.

Third, Obama emphasized the deep sacrifices that everyone involved needed to make in exchange for government intervention. Whereas earlier rhetoric had hinted that government intervention beyond the Bush bridge loans would come with many strings, during the summer of 2009 Obama’s Team Auto had studied the industry and created a plan for action, clarifying what those strings would be. For his part, Obama made sure to explain them in detail when he discussed the intervention. On April 20, he explained that the Chrysler plan would “protect American jobs, American taxpayers, and the future of a great American car company,” and all the stakeholders involved “have agreed to make major sacrifices,” including “painful concessions” from the UAW, banks accepting one third of face value for Chrysler’s debts, and the dissolution of Chrysler Financial. By June 1, with the Chrysler proceedings concluded and GM’s ready to begin, Obama described the process as “difficult but necessary steps” and “a number of painful steps.” For GM’s turnaround, this meant cooperation from the German government, investments from the governments of Ontario and Canada, cuts in UAW compensation and retiree health care benefits, a fraction of amount owed for unsecured bondholders, and, of course, the cleaning of balance sheets only possible through bankruptcy. These were serious sacrifices, and not necessarily ones automakers or autoworkers or governments or banks wanted to make to save the industry. Yet, as Obama argued on June 1: “what you’re doing is making a sacrifice for the next generation, a sacrifice you may not have chose [sic] to make, but a sacrifice you were nevertheless called to make so that your children and all of our children can grow up in an America that still makes things, that still builds cars,

that still strives for a better future.” In language reminiscent of the calls to sacrifice one might have heard during WWII or the early Cold War, Obama asked those involved to be proud of the sacrifices made to save an industry. While symbolically appealing to Judeo-Christian and American mythos of shared sacrifice, Obama also needed to highlight sacrifices involved for a real, dollars and cents reason, because the sacrifices detailed helped to justify the costs accrued to rescue the industry, mitigating the impression that the industry got something for nothing.

By the summer of 2009, Obama’s rhetoric included statements of faith in the companies, backed by the authority and credibility of the government. In order for the intervention to work, American consumers would need to have enough faith in General Motors and Chrysler to continue buying cars from them. If the process scared off buyers, sales would dip further and the government financing would not be enough. So Obama carefully explained that the process of fixing GM and Chrysler would be a bankruptcy, but in name only. It was “a tool,” a “legal structure” that would streamline the process of making the companies financially healthy. Yes, it was a bankruptcy, but in this case, the benefactor was literally as large and solid as it could be: “But just in case there’s still nagging doubts, let me say it as plainly as I can: If you buy a car from Chrysler or General Motors, you will be able to get your car serviced and repaired, just like always. Your warranty will be safe. In fact, it will be safer than it’s ever been, because starting today, the United States Government will stand behind your warranty.” This statement put the government on the hook for tens of millions of serpentine belt replacements. No American expected the president to show up and rotate their tires, but with this statement, Americans might

850 Obama, "Remarks on the United States Automobile Industry, 3-30-2009." ¶19. Obama repeated the claim on April 30: “your warranty will be safe, because it is backed by the United States Government,” and on June 1: “I want to remind everyone that if you are considering buying a GM car during this period of restructuring, your warranties will be safe and Government-backed.” Obama, "Remarks on the United States Automobile Industry, 4-30-2009." , Obama, "Remarks on the United States Automobile Industry, 6-1-2009." ¶20.
have believed that GM and Chrysler could remain solvent for years to come, since the government had committed to spending whatever needed to be spent to guarantee it. The guarantee of success came again on April 20 when Obama claimed that “we will succeed not only with Chrysler, we will not only see our American auto industry rise again, but we will rebuild our entire economy and make the 21st century another American century.” When the Chrysler intervention worked, Obama used it as further proof the GM one would work: “Chrysler’s extraordinary success” by June 1 “reaffirms my confidence that GM will emerge from its bankruptcy process quickly and as a stronger and more competitive company.” Obama guaranteed success, derived from a government guarantee of industry warranties (stability) throughout the process. Many could, with good reason, disagree on whether the President should have made such a commitment, but once made, it was easier to trust the companies and buy a new car from them. This was precisely what was necessary to make the intervention work - restored confidence and continued sales.

Even with any new confidence restored in the industry, the summer of 2009 was a tough one. Ford was better prepared for the economic crisis of 2007-8 and weathered the Great Recession with much less aid than Chrysler or GM required. By the end of the summer, the latter two companies had undergone bankruptcy proceedings, shrunk in size, and shed brands, factories, dealers, workers, and debts. The government had a 60% ownership stake in GM and Fiat had an owner-partner stake in Chrysler. Since he was the president and, quite literally, holding all leverage against the automakers that needed government funding to survive, Obama was able to be tough on the companies and force unprecedented sacrifice in exchange for

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851 He continued: “We have made great progress. We can make great American cars. Chrysler and Gm are going to come back. And I am very confident that we’re going to be able to make once again the U.S. auto industry the best auto industry in the world.” Obama, “Remarks on the United States Automobile Industry, 4-30-2009.” ¶22.
intervention. The Obama administration’s intervention was much larger than the $17.4 billion in bridge loans provided by the Bush administration, totaling roughly $81.8 billion spent. In public, Obama justified those loans by first distributing blame away from the industry, and then implicating the entire nation as responsible for the situation. Next, he praised the automakers, but positioned that praise as a debt, an obligation the entire nation had to save its special auto industry. Obama went into detail about the severity and number of sacrifices all involved would have to make, a call to action for the nation and a trade-off for aid for auto stakeholders. Finally, Obama worked to restore faith in the automakers, guaranteeing success, in order to shore up the consumer confidence that would keep people buying cars and thereby keep the companies alive.

Early indicators of success cheered Obama - the bankruptcy proceedings were speedy and allowed each company to shed mountains of debt, making for much healthier balance sheets. Workers in the Midwest, and especially in Detroit, did not fare as well as the companies. National attention from the bailouts and decades of decline in the region prompted media specials on the state of Detroit. *Time* magazine started “Assignment Detroit,” producing dozens of stories starting in September 2009 that documented the downfall, present hardships, and possible futures for the Detroit citizenry. CNN produced a full length documentary dubbed “How the Wheels Came Off: The Rise and Fall of the American Auto Industry,” again, chronicling how the industry past had led to the present necessary government interventions.

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As I have argued elsewhere, Detroit residents were, in these and other narratives, cast as losers in the game of capitalism.\textsuperscript{856} Citizens resisted media characterizations of the city, insisting that there was cause for hope.

While the future of Detroit remains uncertain, the Obama intervention did much more for the auto industry in the short term than it did for the families in auto communities. In the long-term, the survival of the industry may prove to be an important source of hope for those families, but early on the companies were the biggest winners. American taxpayers will recover most, if not all, of the money the Obama intervention cost them.\textsuperscript{857} General Motors repaid all money owed to the government by April 2010, five years ahead of schedule.\textsuperscript{858} As I have argued elsewhere, Obama wanted to fix the industry, not buy it time or get out of its way, as past presidents had.\textsuperscript{859} As the Great Recession tapered off, following the massive expenditure of the Obama stimulus plan, and with the aid of sales driving programs like the Obama administration’s Cash for Clunkers tax rebates, a leaner domestic auto industry returned to profitability.\textsuperscript{860} The future of the city of Detroit itself is, at present, uncertain.\textsuperscript{861}

As I traced his rhetoric from the campaign to the Oval Office, there were many different Obamas. I considered how Obama’s rhetoric about the auto industry changed between 2006 and 2009. My analysis shows that the argument changed as the context, particularly Obama’s role at the time, changed. In 2006, Obama was a junior Senator representing, in part, a new


\textsuperscript{857} Not including the funds Bush authorized; see: Rattner, Overhaul: Insider’s Account of the Obama Administration’s Emergency Rescue of the Auto Industry 296.


\textsuperscript{859} Stuglin, "U.S. Auto Industry Rescue."

\textsuperscript{860} For more on Cash for Clunkers, see: Grabell, Money Well Spent? The Truth Behind the Trillion-Dollar Stimulus, the Biggest Economic Recovery Plan in History 160-71, Rattner, Overhaul: Insider’s Account of the Obama Administration’s Emergency Rescue of the Auto Industry 140.

\textsuperscript{861} In 2013 and 2014, the city of Detroit went through a costly bankruptcy proceeding after being overburdened by fixed obligations like retiree pensions and having too few revenue streams to keep up with them.
environmentalist current in the Democratic Party and, as such, he was harshly critical of the industry. During his primary run in late 2007 and early 2008, Obama needed to excite the base enough to choose him out of the group of candidates, so his change rhetoric fed a continued critique of the industry as part of broader “change.” Yet he needed the still valuable constituencies of the auto industry to support his bid so, in 2007 and 2008, Obama distributed some of the blame to other actors or factors and made sure to establish that the industry had a praiseworthy past. Once he became the presumptive nominee, Obama had to unite his party for the general election against McCain. His critique of the industry softened, becoming occasional references to poor choices in the past instead of a pointed accusation of profit motive and hard-headed resistance to change. In addition, he continued to redirect blame away from the industry. Obama the presidential nominee needed every environmentalist, autoworker, and industry executive he could muster to get elected. President-Elect Obama distributed the blame for the auto industry’s situation, praised the industry, expressed hope that the industry could succeed, and employed Bush’s rhetoric of exception. The situation was rapidly deteriorating for the industry and the whole economy, but Obama was not in office and thus could only talk about why the industry would be worth saving and whether it might work. Once in office, Obama needed to justify what amounted to three to four times more money than Bush had spent on the auto industry. This meant continuing to distribute blame while using praise as an obligation to act. Once we accepted that we could and should act, Obama reinforced the sacrifice he would extract from the industry in exchange and guaranteed the success of the process.

The many Obamas considered in this section are an example of how politicians often respond to external forces, changing contexts, or the evolving needs of different kinds of coalitions at different points in time, when choosing how to frame or phrase an issue. In general,
a change politician willing to offer historic critique of a major industry with political and economic clout might stay willing to do so while campaigning for and once assuming office. Instead, as was the case with Obama and the auto industry, that critique will often soften so as not to alienate a constituency that may prove useful.

There is an important point to make about the extent to which Obama moved from direct blame to distributed blame to praise. Namely, the size of the intervention required to save GM and Chrysler demanded that Obama praise the industry at length and deflect accusations of blame. The sheer scale of first, the Bush bridge loans ($17.4 billion) and then, the Obama bailout ($81.8 billion) effectively required the president overseeing such to paint the benefactor as both desperate but worth saving. Otherwise, why spend the taxpayer money? More to the point, why spend so much taxpayer money? Earlier interventions, as shown in earlier chapters in the present work, involved smaller and less public forms of aid, and as such were often justified with some praise or public defense. By the time of the Bush and Obama administrations, orders of magnitude more praise and public defense was needed for interventions orders of magnitude larger. There is a cyclical, self-reinforcing phenomenon at work there. Government provides aid to an industry, justified because the industry is large and important. The next time the industry needs aid, it and others point to the most recent justification: we were worth saving then, why not now? The more money we spend to save an industry or company, the more praise we have to lavish on them to justify the expense. The more we praise them, the more difficult it becomes to refuse aid the next time it is needed, which is likely to be a larger need than the first. That means even more praise to justify the larger request, setting a higher standard for the next time the company needs aid, and so on.
The only way to break this cycle is for a situation to come along that is serious enough that blame comes easily, in a political climate that allows for such blame and with a political actor willing to take that historic first step. In 2006, Obama seemed to be the right type of politician at the right time in the right climate to force change in the auto industry. As he demonstrated in 2009, he was able to extract serious sacrifice and force real change in the industry in exchange for aid. Yet Obama also continued the rhetorical legacy of previous presidents: redirecting blame away from the industry and using praise of the past as justification for aid in the present.

Furthermore, Obama turned that praise into an obligation to act. He directly made the link between a praiseworthy past and an indebted public in the present that is responsible for ensuring auto industry viability. We owe them, he argued, we cannot, we must not, and we will not let our auto industry simply vanish. Then Obama assured the public that government would stand behind the auto industry during its restructuring and guaranteed success in recreating a healthy industry. We cannot, we must not, and we will not. We will save them and I guarantee it will work. Now, the credibility of the government was tied to the viability of the auto industry - with no stated expiration date. Citizens might wonder whether the same will be true in 2017, when Obama’s replacement will occupy the White House. We did not let the auto industry vanish in 2009. What about in 2017, or 2020, or 2050? Assuming that economic cycles continue with relative regularity, the industry will need help again soon. Obama’s rhetoric in 2009 suggested that, for the foreseeable future, the government would always stand ready to help the industry - on behalf of a grateful and indebted public.
5.3 Precipice, Success, Shellacking, and a Victory Tour

This chapter considered what was perhaps the worst decade in the more than a century-old domestic auto industry. From 2000 to 2010, domestic automakers crashed from the historic height of the SUV craze. That crash, for General Motors and Chrysler, and to a lesser extent Ford and Toyota, is a reminder of the volatility of the durable goods market as it relates to national and global economic cycles. By the end of the decade, GM and Chrysler had been pushed through bankruptcy proceedings and were either partially owned by the government or owned/partnered with a foreign company.

The presidents in office during this troubled decade both acted in unprecedented ways and on an unprecedented scale to aid the industry. Bush provided bridge loans that kept the industry alive, even though, as I have argued, it was a direct violation of his view of the importance of free enterprise. Arguing that he was an unwilling participant and using a rhetoric of exception, Bush justified the necessarily rare intervention, which at the same time provided precedents for a future president. For his part, Obama committed four times as much money as Bush had to financing a turnaround at GM and Chrysler, which he justified by establishing distributed blame and a national debt to the industry for its past. We owed it, so we had to aid it. In different ways then, both Bush and Obama overtly justified intervention in the industry based on economic grounds while subtly reinforcing a narrative about the auto industry that cast it as special, exceptional, and worth saving.

Both Bush and Obama, in different ways, subtly validated the industry actions that contributed to the situation. Obama was less guilty of the latter, especially before assuming office as president, but the size and scope of material aid validated action aiding the industry anyway, even as Obama blamed years of poor decision-making for the situation. This
contributed to the moral hazard that many worried about creating during the chaotic days in late 2008. Perhaps the most important contributor to an auto industry specific moral hazard, wherein automakers act in riskier ways because they know that government will rescue them if needed, is the link between the claim that we are obligated to aid the industry because we owe it for its past and the claim that the government will stand behind the industry and guarantee its success. It is difficult to not contribute to a moral hazard when you openly and proudly acknowledge the entire nation owes an industry aid and its government will guarantee its success.

Of course, the auto industry did lose some things. Obama held to his firm environmental principles, which were a source of his original harsh critique of the industry. During and after the rescue of the two automakers, Obama pushed historic national agreements on fuel efficiency standards. Throughout the planning stages and while going through managed bankruptcies, Obama and his Team Auto extracted tough sacrifices from practically every organization and individual connected to the auto industry. The result was a leaner auto industry more likely to maintain profitability in tough economic conditions.

Based on Obama’s actions through 2010, we might consider the Obama intervention a material win-win situation that had potential rhetorical problems for some distant date. The intervention worked, the industry was healthy, but Obama had forged a public obligation to aid the industry and connected it to government credibility by guaranteeing the industry’s success, adding to the rhetorical legacy that shapes the relationship between the institution of the presidency and the domestic auto industry. None of that would matter if the industry never got in financial trouble again. In the case that it did, some future president would have to negotiate that rhetorical legacy when considering whether, how, and how much to help the industry on that next occasion. That rhetorical legacy, maybe called up in 2020 or 2025, would be filled with
constraints and resources. The constraints of obligation and government guarantee might be offset by the resources Obama provided: the first public example of a president being tough on the industry in multiple ways, both in somewhat normal economic conditions and while the industry was on the brink of collapse. We would have had, in Obama, historic critique and historic forced sacrifice. On balance, Obama would have done very well on the auto industry issue, both materially and rhetorically.

After 2010 though, Obama’s handling of the auto industry issue changed yet again, in ways that complicate our measure of its relative consequences. Between 2010 and 2014, the Obama intervention in the auto industry turned into an unbridled success story. The industry recovery, according to a speech Obama gave on April 24, 2010 “proceeded at a pace few thought was possible.” Domestic automakers returned to profitability, repaid loans to the government, bought back the government held stakes in their companies, released new high quality fuel efficient vehicles that rivaled or bested those of the best foreign automakers, hired back workers, built new factories, and so on.

On the other hand, Obama and the Democratic Party underwent a “shellacking” in the midterm elections of 2010. According to Matthew N. Green, the two most important predictors for the massive losses the Democratic Party suffered in 2010 were inherent electoral disadvantages and the poor state of the national economy. In the summer of 2010 leading up to the midterm election, stubbornly high unemployment figures and a general shift in the tide from concern about the stimulus to concern about the deficit prompted worries about a jobless

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recovery, a double-dip recession, and the rise of the Tea Party. The controversial Arizona Senate immigration reform bill (1070) and the controversial Affordable Care Act contributed to heated exchanges and anger at Congress. In general, Democrats and the Obama administration generally failed to tell a story that excited enough voters to come out and vote in the midterm.

The auto industry success story could have been a simple narrative frequently deployed to win or maintain support for Democratic candidates. Obama and his team formulated a stump speech that used the auto industry intervention, but the result was not inspirational and looked a lot like the list of options Obama’s Team Auto presented him with, one of which included letting Chrysler go bankrupt. In this speech, Obama described the seriousness of the situation facing automakers and then laid out his three options for acting: give the industry billions but do nothing to force it to change, do nothing and risk allowing the companies disintegrating, or finance tough choices and a true turnaround effort. The speech included blame and redirected blame in the style of his 2009 speeches, and typical praise (arsenal of democracy, economic importance) in the style of his past speeches and those of his predecessors. It was a simple narrative, but the three options version openly flagged to his constituents that letting automakers go bankrupt was, at one point, considered. Giving them billions and forcing no change was also apparently on the table. The speech relayed a realistic portrayal of what could have happened and what did happen, but in a way that was, to a Detroit native like myself, actually offensive.

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865 Weatherford argued that such a failure of messaging contributed to the 2010 election results. Weatherford, "The Wages of Competence: Obama, the Economy, and the 2010 Midterm Elections."
Now, the auto industry narrative played little role in the “shellacking” the President admitted he and his party took in 2010 because it was largely absent from most of Obama’s campaigning. Obama’s choice not to deploy the industry success story more often has a few possible explanations. First, the story was not yet complete. The government still held a stake in General Motors, debts were still unpaid, and stubbornly high unemployment suppressed overall economic growth, keeping auto sales lower than they might have otherwise been. Second, and more likely, Obama chose not to deploy the auto industry success narrative because the public was still generally opposed to it. Polls in 2009 and 2010 found anywhere from 72% to 54% opposed intervention in the auto industry.

Two years later, the auto industry intervention had had more time to work - a strengthened industry was doing much better financially. The apparent costs of the intervention had steadily declined as debts were repaid. By 2011 the UAW was confident enough in the automakers’ strength to move for returning some of the benefits it had sacrificed. A study released just after the 2012 election concluded that the intervention ultimately cost taxpayers $13.7 billion, but by intervening we saved or avoided the loss of roughly eight times that amount and preserved 2.6 million jobs. In addition, unemployment had dropped some and the economy looked like it might improve. When Obama was up for reelection in 2012, it was by no

means a foregone conclusion he would win. As Kathleen Hall Jamison reminded us in the opening sentence of her 2013 book on the election, similarly high unemployment numbers had prevented incumbents from winning reelection since FDR in 1936. Still, there was a chance, and some other promising economic indicators would provide some help to Obama’s chances.

One additional major difference between the 2010 midterm election and the 2012 presidential election was that, in 2012, Obama used the auto industry success story full force. Compared to the relative handful of mentions in 2010, it is remarkable how frequently Obama deployed the auto industry success story in his 2012 campaign for reelection. In the six and a half years included in the American Presidency Project’s catalogue of speech texts from 2007 to the present, Obama referenced the auto industry in more than 450 speeches. In 2010, in the eleven months leading up to midterm election day, he mentioned the industry 46 times, generally in ways similar to the “Third Option” formula above. For the same period leading up to Election Day, from January 1 to November 5, 2012, Obama delivered 885 speeches and 195 of them included the auto industry. In other words, in a little more than one out of every five speeches for nearly a year, Obama mentioned the auto industry. This was slightly less than the frequency during the same time period that he mentioned Iraq (in 224 speeches), Afghanistan (234), the military (245), or insurance (232). At the 2012 Democratic National Convention, the industry success story was featured, and arguably, the theme. Four videos and eight speakers used it during the convention. The issue came up the presidential and vice presidential debates as well, and a series of targeted ads in swing states discussed the auto industry in the weeks before Election Day. The industry success story was ubiquitous throughout the 2012 campaign.

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872 “Insurance” included speeches discussing the Affordable Care Act and unemployment insurance. All numbers based on searches of the American Presidency Project database using the time periods and words detailed.
By Election Day, public opinion had shifted in favor of the intervention.\textsuperscript{873} This made things difficult for Obama’s opponent in 2012: Mitt Romney. In 2008 Romney had argued for letting the industry go bankrupt.\textsuperscript{874} I have documented elsewhere how the auto industry issue was debated during the 2012 election cycle; I analyzed primary debates, national conventions, presidential debates, vice presidential debates, and last minute advertising to understand how the Obama and Romney campaigns used the auto industry issue. I argued that, “for Romney, the intervention in the industry was something he had suggested all along, although he would have handled it differently, and he was opposed to bailouts on principle. The auto industry crisis did not constitute an emergency of the scale necessary for him to compromise those principles. Romney also claimed late in the campaign that the intervention had actually failed – that the apparent success would prove short-lived and illusory.”\textsuperscript{875} I argued that this approach was, at times, in line with his primary opponents and base, but out of touch with public opinion by the time of the general election against Obama. I also argued that Obama claimed “intervention in the industry was the right thing to do at the time. It was importantly \textit{not} the same thing as Romney would have done. It was necessary precisely because the auto industry crisis \textit{was} an emergency and the workers’ jobs were important. Finally, for Obama, the auto industry intervention was a remarkable success story – it worked and it worked well. Both Romney and Obama appropriated the past: Romney hammered home a story of blame, Obama one of glory.”\textsuperscript{876} This approach, befitting the incumbent that had authorized the expenditure, in line with


\textsuperscript{876} Stuglin, ""Let Detroit Go Bankrupt:" Using the Past to Win the Present."
shifting public opinion on the intervention, and, for the success story part at least, verifiably true, was a much more effective version of the narrative.

Although we cannot directly measure whether the ways Obama and Romney reshaped and retold the story of the auto industry bailout influenced people to vote one way or the other, Obama’s version of it likely had much more traction, especially in Midwestern auto states like Michigan and Ohio. Joe Klein, a political columnist for *Time*, wrote in February of 2012 that Romney “has taken no fewer than three positions on the auto bailout, including a disastrous one - that Detroit should be allowed to fail.”Bob Bennett, chairman of the Ohio Republican Party, confirmed this when he said, after the results were in, “the biggest determining factor was that we couldn’t handle the automobile bailout issue.”Obama won in Michigan (54.2% to 44.7%) and in a close race in Ohio (50.6% to 47.6%). Overall, losing both states and their 34 combined electoral votes would not have cost Obama the election, but he could not have known that six months earlier. He knew the economic indicators were not encouraging, although they were acceptable. The auto industry success story was complete though, and in the event that it made a difference, he would use it in 2012. As it turned out, it just widened the gap over Romney.

Obama would have left a material win-win in the short term for the industry and government, based on his rhetoric about the auto industry up to 2010. He would have left a rhetorical legacy of historic critique, but also of a historic intervention. Furthermore, he crafted an obligation for the public to aid its auto industry when needed and tied government credibility to such with a guarantee for success. Things changed after 2010 though; Obama and Democrats

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877 Joe Klein, "Halftime and Hyperbole: How the GOP's Overreaction to Clint's Chrysler Ad Hurt Romney's Chances," *Time* 2012.
lost big in 2010 midterm elections due, in part, to poor messaging. In 2012, Obama utilized the auto industry issue, deploying the success story as much as he could.

It is particularly important to consider the version of the story used to contribute to his reelection. In it, there was little to no blame for the industry.\(^\text{879}\) Its problems were almost entirely derived from the global economic crisis. The narrative was that Obama administration made the right choice to step in and the process was successful - the auto industry was back! Senator Obama would be very angry with 2012 incumbent Obama for the way the latter told that story. Times were good and incumbent Obama needed as much support as he could get for reelection. There was little to gain from reminding the industry that it created the problem in the first place, so Obama left it out of the narrative.

The nature of economic good times and bad times, the cycle of boom and bust, has historically meant that durable goods manufacturers like automakers will ride a rollercoaster of historic profits and historic losses. In general, this has also meant that for every period of rough years when automakers might seek aid, regulatory relief, or a bailout, there will be an equal number of good years when automakers will repay debts, make lots of money for stockholders, and invest in the production of industry-shaping innovations (or become an arsenal of democracy, for example). If we add this basic economic context to what this dissertation has shown about how presidents talk to or about the industry, the result is chilling. During boom times, presidents have no reason or will to engage the industry and make waves. During bust times, the industry needs aid and such is offered (maybe justified on economic grounds). Whatever blame for the situation is offered, it fades during the following good times. Years of profits and new reasons to think the industry praiseworthy cause us to forget how angry,

\(^{879}\) For a full analysis of individual texts, see: Stuglin, ""Let Detroit Go Bankrupt:" Using the Past to Win the Present."
disappointed, and frustrated we were the last time the industry needed help. Presidents, just like 
Obama during his 2012 reelection campaign, prefer to offer praise in order to maximize support 
from the industry. They reshape the past, forgetting or discarding the blameworthy in favor of 
the praiseworthy. They fashion a useful, positive, constituency winning narrative. In 2006, 
Obama was a change agent willing to criticize the industry. By 2012, responding to the need to 
unite and excite a constituency to reelect him, Obama continued his long trend of gradually 
redirecting the blame for the situation while at the same time establishing industry aid as a 
foregone conclusion. Whatever small role it played in the overall outcome, Obama’s minimized 
blame version of the auto industry success story worked. That continues a rhetorical precedent 
every bit as potentially dangerous as his 2009 claim that the public owed aid to the industry and 
that the government would guarantee its success.

6 CONCLUSION: INSTITUTIONAL LEGACIES

This dissertation began with a puzzle: presidents consistently defended and aided the 
domestic automobile industry, in part due to the industry’s economic importance, even as the 
legitimacy of the economic argument eroded over time. In 2008-9, two presidential 
administrations continued the trend of praise and aid for an auto industry a fraction of the size of 
that which had originally warranted such treatment decades earlier. The puzzle is at once 
material and rhetorical. It is material because it is not immediately evident why modern 
administrations have directed so much aid to support an industry in decline since the 1970s. The 
puzzle is also rhetorical: it is unclear why presidents, across time, situation, and political party, 
have so consistently praised, defended, and exonerated an industry so worthy of blame. 

In the dissertation I have attempted to solve this puzzle. I argued that the material and 
rhetorical aspects of the puzzle were linked in what I call institutionalized speech. Briefly,
institutionalized speech begins from the fact that individual presidents speak from within the institution of the presidency, and each incumbent inherits material and rhetorical legacies. Individual presidents can throw off the legacies of the past, especially those that are ideologically problematic or historically young. Other legacies cannot be so easily discarded. The legacies with the longest histories and deepest symbolic importance are the stuff of institutionalized speech: contemporary presidents can embrace or repurpose them but to disown them completely would entail political consequences. So as I have shown, presidents favorable to a particular legacy use it as a resource during their administration, reinforcing and extending it, while those that find the legacy problematic or disagreeable might see it as a constraint. The latter must still contend with the legacy, and attempts to repurpose it or make it palatable often reinforce it further. The legacies live on long after the individual leaves 1600 Pennsylvania Avenue.

In these closing pages, I begin with a review of the work of the dissertation and the case of the domestic auto industry. I pay special attention to the conclusions from each previous chapter, as I connect these into a single narrative. Next, I take institutionalized speech beyond the auto industry and consider it on theoretical grounds, explaining the requirements that other potential cases must meet, the stages of the relationship that might then develop, and possible other cases that either fit or would not fit the theory. I conclude this chapter and the dissertation by discussing the implications in institutionalized speech for our understanding of presidential rhetoric, epideictic rhetoric, the rhetorical presidency, rhetorical history, collective identity, collective memory, and circulation.

6.1 Review: The Presidency and the Domestic Auto Industry

Before we can consider institutionalized speech as it might apply to other cases or as it might connect back to and inform other theoretical conversations, it is worth reviewing the work
that shaped the contours of the theory. In this section, I present a summary of preceding chapters, highlighting the conclusions from each. I conclude this section with a discussion of the relationship between the presidency and the auto industry today, and what we can assume about it going forward.

The introduction to this dissertation reviewed existing bodies of literature to frame the rest of the work. I began by connecting the political imperative to identity construction: presidents build electoral coalitions to get elected and governing coalitions to maintain support and advance agendas. In order to build these coalitions, presidents praise certain constituencies. In so doing, presidents contribute to the construction of a collective identity for those constituencies: the telling of stories about a constituency gradually presents a view of who comprises it.

Next, I examined literatures on collective identity and memory to conclude that when presidents engaged in the kind of praise necessary for election and useful for governance, it required a certain level of strategic amnesia. In order to craft a useful version of the past, one that would be positive enough to elicit support in return from the constituency praised, a president edits history. The rhetorical sleight-of-hand involved in creating a compelling and praiseworthy narrative involves identifying and amplifying the most favorable aspects of the past while spinning the ambiguous ones and strategically erasing the most controversial ones. These erased moments, variously described as forced absences, characteristic amnesias, or selections of reality, often directly contradict aspects chosen for inclusion in praiseworthy narrative. In short, since the presidential motive is to gain support, the presidential narrative is largely or entirely positive and the negative or blameworthy is excised; the result is that presidentially influenced collective identities seem to be the most positive version of that group’s character and history.
The case of the domestic auto industry is an example of this dynamic at work. First, “the auto industry” is actually comprised of multiple constituencies that have historically been antagonistic to one another, even to the point of bloodshed: the unionized workers and the management/owners. As I argued in the introduction, the most basic erasure in this case involved presidents participating in the rhetorical unification of these fractious constituencies under a single moniker and with a single identity, extending praise for the unions to the whole, extending praise for the companies to the whole, and eliding that which was blameworthy in both. Second, the auto industry is particularly susceptible to a praiseworthy narrative. In the introduction I argued that the industry’s early leaders believed the industry to be exceptional, it truly had an exceptional early run in the first half of the last century, and many had come to see a culture of exceptionalism dominate industry thinking by the second half.

Of course, none of this would matter if presidents spoke in a vacuum, but they do not. Presidents speak as if in a vast choir of others, where the voices of former presidents linger, echoing around the ceiling. These echoes from the past are the choral background to the president, sometimes harmonious and sometimes discordant. The introduction reviewed the literature on the rhetorical presidency to situate the prior conclusions about praise and forgetting in the institution of the presidency - our study of the choral echoes of the past. I focused on presidential rhetorical legacies: presidents create, but they also inherit from past presidents, borrow from others, and repurpose what they find. As more and more presidents address the same topic in the same way, expectation dictates that future presidents will do so in similar ways, until eventually an idiosyncratic choice by an individual becomes common, habitual, expected, and ultimately, a revered tradition.
A given president might abandon a particular legacy, but in the case of those built around politically useful constituencies, abandoning it altogether becomes more difficult and less desirable. The past is thus full of rhetorical legacies, which matter little to a rhetor in a vacuum but are, at times, especially in the case of a constituency that has bipartisan appeal, inescapable in the institution of the presidency. In the case of the auto industry, whose individual component constituencies appeal to Democrats, Independents, and Republicans, the unified constituency will be a consistent target for both parties and thus, a prime example of the kind of legacies that are resistant to abandonment.

To make the case that the auto industry was a special kind of constituency, which in turn was the subject of sustained electoral courting from both parties, and that the resulting attention would be praise that strategically reshaped history, I analyzed what presidents said to and about the industry. In chapter one, I examined the first half century of auto industry history and analyzed presidential rhetoric about it. By 1960, presidents had come to describe the auto industry as praiseworthy for having created a universally loved commodity, securing victory in WWII as the arsenal of democracy, achieving historic advances in the quality of life for workers through unionization, and attaining supreme economic importance while building an American middle class. This description strategically erased early anger and fear towards the commodity. It hyperbolized the role of the auto industry in wartime production while ignoring industry leaders’ reluctance to get involved and early failures to deliver once forced to produce for the war. By 1960, the presidential narrative about the auto industry minimized racial tension, class tension, and tension between unionized workers and management. It erased industry complicity in the racial, class, and unionization violence that eventually erupted. Presidents courted the support of workers and/or the management, so selected a praiseworthy version of the past from the
available history, strategically forgetting aspects that would not win applause, donations, or votes. By 1960, I argued, this meant a presidentially crafted narrative that painted the industry as exceptional, a version of history the industry was likely to co-opt.

In chapter two, I examined the national social forces that created pressure on government to regulate the by-then extremely powerful domestic auto industry. The new consumer safety and environmentalist movements could have allowed for a range of possible responses regarding the auto industry. Johnson, Ford, and to the greatest extent, Nixon, acceded to industry demands in order to maintain support from the constituency. Although he presided over new environmental and consumer protection regulations, these were hollowed out versions of what the advocacy groups called for: regulations that seemed powerful on the surface but were actually riddled with designed in loopholes. These presidents then, and especially Nixon, helped institutionalize a polite, cooperative regulatory system in response to impolite calls for an adversarial relationship between an out of control industry and government watchdogs.

Still, these safety and environmental regulatory institutions could easily be seen as getting tough on automakers - and they were - even though the inner workings of the regulatory systems were more back-room deals with the industry than government watchdog. To maintain industry constituency support, particularly important given the size and money corporations like General Motors had and the voting power marshaled by the UAW, Johnson, Nixon, and Ford explained that the regulations should not be seen as adversarial. Johnson established the automakers as the solution to auto safety problems, rather than the cause. Nixon said the same about pollution, while also distributing blame away from automakers, externalizing the action from the actors. Nixon subsumed all regulatory concerns under an economic argument: regulation can only ever be undertaken if it costs little and does not hurt industry profitability. In
the case of automakers, the companies were too large and too economically valuable to risk damaging with regulations. Ford generally followed Nixon’s lead and chose not to publicly discuss efficiency concerns at length, although the same advocacy groups called for him to do so.

The period of regulation covered in chapter two included a rise in consumer safety, environmentalist, and fuel efficiency concerns. I argued that a pattern emerged by the end of the Ford administration for dealing with any new issue involving the auto industry: presidents responded to advocacy groups to create some new regulation on the industry, but that response was not exactly what the groups had asked for. Instead, presidents defended the industry, redirected blame away from the industry, relied on the exceptional history established in former presidential speech to praise the industry, and created regulatory systems in cooperation with the industry that appeared more robust and adversarial than they actually were. Johnson, Nixon, and Ford could appear to be tough on the automakers while also maintaining the support of those in the industry that knew what was actually going on.

Chapter three covered the fallout period: the years when domestic automakers met the combined challenges of continued regulation, oil shocks, and fierce new foreign competition. The 1970s and 1980s were rough on the auto industry, and as is common for struggling industries or companies, they looked to the government for help. Yet the auto industry was special in that it could point to the administrations of Johnson, Nixon, and Ford as part of that request. These presidents had said the industry was too important to let alone, had claimed it was not the problem but the solution, had distributed blame away from the industry, and had acted in ways that were easier on the industry so as to maintain its profitability - thus powering an economic engine that paid hundreds of thousands of salaries. Carter and Reagan, a Southern Democrat and a West Coast Republican, responded in kind. In the 1970s and 1980s, these
administrations gave preferential treatment to the auto industry, reformed or rescinded regulations, guaranteed loans to Chrysler, provided tax loopholes, and established protectionist barriers against foreign competitors.

I argued that these actions were in direct violation to previously declared policy positions: Carter violated his commitment to responsibility and restraint, Reagan violated his commitment to free trade and free enterprise. Regardless of political party then, presidents were willing to act in ways that were unexpected and contradictory in order to appease or please domestic automakers - to maintain support from the unified auto industry. Chapter three thus covered the entrenchment of the pattern for dealing with the auto industry. When advocacy groups called for regulation, past presidents acquiesced, but defended the industry in the process. It was too big and too important to attack. When disaster struck with import competition and oil shocks, Carter and Reagan intervened in major ways to save the industry, and again justified doing so using the economic importance argument. The industry was exceptional, and when it struggled, it deserved the government aid necessary to survive.

Chapter three ended with a brief treatment of the limited ways that Bush and Clinton interacted with the industry in the late 1980s and 1990s. The treatment was brief because little was said on either side. The auto industry resurfaced on sales of minivans and SUVs, oil prices settled, and the general improvement in the economy under the Clinton administration meant more buying power for consumers, leading to upticks in auto sales. The auto industry did not need government aid as direly as it had in the 1970s and early 1980s. Bush and Clinton spoke of and to the industry as with any other important constituency - praise and a call for votes or support. Yet that praise was the borrowed narrative established by former presidents and based on achievements now decades distant: the auto industry built a middle class, was the arsenal of
democracy, created a commodity that changed the world, and so on. Functionally, the relatively good years under Bush and Clinton, with perfunctory campaign praise that used the narratives of the past as a rhetorical resource was nearly as important as the direct intervention undertaken by Carter and Reagan. Absent clear necessity, Bush and Clinton actively forgot the violent, murky, negative, blameworthy past, repeating instead a sanitized, praiseworthy version. Bush and Clinton actively forgot that the auto industry had needed aid from Carter and Reagan to even survive the last decade. Instead, Bush and Clinton reinforced the rhetorical legacy that the auto industry was praiseworthy, and in the absence of any need to defend aid, were not forced to defend or explain or redirect blame, as had prior presidents. By the beginning of the second Bush administration, the industry again appeared exceptional, special, worthy of but not currently in need of aid, and with a praiseworthy history sanctioned by no less than seven Presidents of the United States. If the situation deteriorated, the industry could point to that sanctioned history in its requests for government intervention, and the sitting president would have to deal with that legacy when choosing how to respond.

Chapter four covered the most recent collapse of the domestic auto industry and the ways the second Bush and Obama administrations ultimately repeated and reinforced the now institutionalized patterns for dealing with the domestic auto industry. Auto sales, particularly for low mileage SUVs, could not survive rising gas prices and the economic fallout of 2007-8. Bush and Obama spent many billions of dollars to rescue the industry in 2008-9, validating the industry actions that made intervention necessary while also further reinforcing the special nature of the industry. To justify the expense, Bush declared himself an unwilling participant and pointed to the exceptional nature of the situation, while at the same time arguing that intervention was necessary and the industry special, worth saving. Obama, in a slow evolution away from his
antagonistic approach to the industry prior to the general election, justified his intervention in the industry by pointing to the industry’s praiseworthy past. Obama drew the praiseworthy history together with the special circumstances of the Great Recession to argue that the industry deserved aid; we owed the industry an intervention. He also guaranteed its success, a necessary public relations move to bolster auto sales that, paired with the obligation to act, created the very moral hazard he and Bush worried about.

At the end of chapter four, I considered the future based on the Bush and Obama administrations by 2010. That possible future included rhetorical resources and constraints for future presidents. The next time the auto industry needed aid or fought an advocacy group calling for some new regulation, the sitting president could draw on a full century of praiseworthy narrative to justify intervention. Thanks to Obama, that president could also reference the tough concessions Team Auto wrested from the industry in the bankruptcy processes. Any future president will have to deal with a major constraint: there is too much history and too many presidential precedents to ignore the issue; also likely too much to choose not to do something helpful to the industry in the case it needed help. A president in 2050 could be tough on the industry, as was Obama, but would have to do so while at the same time aiding that industry’s recovery: we owed it to them for all they had done.

The end of chapter four also included a different view of history, if we include in that consideration Obama’s reelection campaign in 2012. I argued that the dismal results of the 2010 midterm elections, paired with an opponent that argued for letting Detroit go bankrupt, encouraged the Obama administration to vocally reference the auto industry intervention in the 2012 election. Specifically, Obama shaped the intervention into a success story - a major domestic achievement - that should, among other things, earn him four more years in office. That
success story did not include any of Obama’s harsh criticism of the industry from his pre-
presidential career. Instead, it referenced the glorious praiseworthy past of the industry. The
reelection narrative about the auto industry was that while Romney would not have helped
automakers; Obama “knew” they deserved to be saved, so he saved them.

Due to this narrative and its likely contribution to victories in Midwestern states, the
future now looks different than it would have from 2010. Obama’s tough concessions are less
available as a rhetorical resource, having just been minimized by Obama himself. The
praiseworthy past, the exceptional identity the industry enjoyed that was a century in the making,
looked even stronger after 2012. The constraint against speaking or acting looked stronger too:
Romney demonstrated that inaction on the issue would have eventual electoral consequences,
while Obama demonstrated that a major successful intervention could positively influence
electoral outcomes. Obama fashioned a useful, positive, constituency winning narrative about his
intervention in the auto industry and he deployed it, with success, in 2012.

This dissertation has demonstrated the explanatory power of institutionalized speech.
Considered in isolation, any individual intervention in the industry or justification of a soft
regulation on the industry is obscured. When seen as part of a relationship that is over a century
old, those individual actions fit together clearly. The unprecedented size of the Bush-Obama
intervention to save the industry makes sense as institutionalized speech, as does both presidents’
use of praise while handing the industry a bailout. Institutionalized speech also has predictive
power in the auto industry case. Applying it to the case in 2007 or 2008 might have predicted the
Bush-Obama intervention before it happened. Applying it to the case today predicts that, not
only will the auto industry certainly need more government intervention in the future, but also
that the incumbent at the time will almost certainly have to intervene on the industry’s behalf.
There is simply too much history and precedent to do nothing, which both the industry and the incumbent’s opposition can and will point to during the next time of need. When a future president again intervenes to help the auto industry, we can confidently predict that the justification of such action will include reference to the praiseworthy past presidents have helped craft for the industry. In 2050, some president will almost certainly announce some new program to help the struggling industry that “helped to build our middle class and served as the arsenal of democracy.” Institutionalized speech, then, in terms of just the case of the auto industry, provides both predictive power and explanatory power. In the next section, I take institutionalized speech beyond the auto industry.

6.2 Institutionalized Speech: Requirements, Stages, and Other Cases

There is value in better understanding the auto industry case. The complicated relationship that has evolved between the presidency and the auto industry, when closely examined through the idea of institutionalized speech, becomes less complicated. We can explain why recent events happened as they did and predict the kinds of resources and constraints in effect for presidents in the near future. Yet there is also value in stepping back from one particular case and considering whether institutionalized speech might have broader utility. In this section, I explain the requirements and stages of institutionalized speech as evidenced in the auto industry case in order to be able to potentially apply those same things to other cases. I consider, in the process of mapping out the requirements and stages, some cases that would not fit. I conclude by considering an additional case that might be better understood by focusing on institutionalized speech: the relationship between the presidency and the American farmer.
6.2.1 Requirements of Institutionalized Speech

The reader should note that the term “institution,” as used in the following pages, is complicated. When I refer to the presidency as an institution, I use the term in the sense that political scientists and scholars of the rhetorical presidency have used it. In this section I also make reference to a “target institution” or “institution B.” For my purposes, institutionalized speech describes relationships and interactions between two institutions, the presidency and some target (“B”). The dissertation has focused on the case of the domestic auto industry, which is not, strictly speaking, an institution in the same way as the presidency. Yet it is an institution in the sense that it has features including an identity, a shared history, norms, leadership, common purpose, a definable membership, and legacies. Even though “industry” is the most accurate word to describe the case used in this dissertation, it is limited. Institutionalized speech might also apply to the relationship and interaction between the presidency and, for example, a professional association, a specific company, a coalition of groups united in support of an issue, and so on. In order to open the possibilities for using institutionalized speech, I use the term “institution” broadly enough that, when talking generally about the theory, it can stand in for whatever group, of whatever structure or nature, fits the other requirements that make institutionalized speech a possibility or where institutionalized speech might have explanatory value. With that in mind, we can consider those general requirements.

The construct “institutionalized speech” emerged as a way of understanding a puzzle involving the presidency and the domestic auto industry, but the core requirements of the approach can be extended beyond that industry. During the course of my investigation, certain features of the target institution clearly were important to the functional relationship that arose, which could be used to look for new cases that might be illuminated with the same approach. If
we set aside the case of the auto industry, what does institutionalized speech look like? In
general, institutionalized speech encompasses the ways that long standing institutions interact
with one another when one needs political or monetary support and the other has them to offer.
Rhetorical patterns can emerge over time that shape the reflected identities of each institution
and eventually become legacies that shape, or determine, the interactions between them.

We can map out the basic requirements of institutionalized speech in the broadest terms
as follows. It will always involve at least two institutions, the presidency and a target institution:
institution B. Institution B must have the following features. First, institution B must be a single
entity or a group of entities that can be united rhetorically into a single entity. Second, institution
B must be capable of providing some kind of support to a presidential administration. Third,
administrations within the presidency must regularly address institution B in attempts to gain this
support. Fourth, institution B must have a longstanding history that the incumbent can reference
when that institution is addressed or discussed. Fifth, there should be at least the potential that
institution B could need some kind of aid that an administration would be capable of providing.
If these features are present in institution B, it is possible that institutionalized speech could arise
between that institution and the presidency over time. Each feature is worth closer examination
to clearly demonstrate why each is necessary.

First, institution B must be a single entity or a group of entities that can be united into a
single entity. Constituencies are often fractured, although there are rhetorical means for unifying
them (and electoral or governing reasons for doing so as well). The industry or companies or
groups that comprise institution B need to able to be united into a single entity so that
administrations can address that same entity over time. In terms of a precondition, the means by
which this is done is less relevant than whether it is possible to do so. As discussed in the
introduction to this dissertation, there are many ways that disparate groups can be united as
social movements, constituencies, and so on, internally through emergence or externally directed
by rhetor(s). So, whether it is, for example, identification, an empty signifier, a condensation
symbol, a common demon figure/enemy, shared deep resources, or common imagined
communities that do the work of unification, so long as it is possible to unite the groups in a
stable way that institution could wind up as the subject of institutionalized speech. The groups
must be united into a single entity because it follows that such single entity is more likely to be
the subject of consistent address from administrations and also that those addresses are more able
to rely on former ones that addressed the same unified group.

For example, in the mid 1800s, it would have been next to impossible for a rhetor to unite
a factory’s workers and management into a single group - the chasm dividing the two at the time
was too great. Due to the divide, presidents of one party could legitimately address only the
workers, while presidents from the other party might only address the management and owners.
These speeches would not build on one another in the same way as if the audiences had been
rhetorically united into a single group, even if only for the purpose of having a single audience.
The present day GOP is suffering from a similar problem - attempts to unify the identity,
demands, and actions of the Tea Party and establishment Republicans are made more difficult by
the vast differences between how each faction approaches a given issue. If the groups in
institution B cannot be unified, they cannot draw unified attention from administrations over
time, across party, and in different situations, making institutionalized speech impossible.

Second, institution B must be capable of providing some kind of support to a presidential
administration that administrations conceivably need. This is necessary because presidential time
and resources are limited. Incumbents cannot address every interest group, every constituency, or
every industry, even though some might try. To the degree that an event is planned and the audience knowable, the administration selects those events and audiences that are relevant to an issue or have something to offer the success of that issue. A president might gather a group of immigrant families to attend a press conference on immigration reform, for example. During an election, a candidate might give stump speeches about the economy at a factory, then highlight education during a stump speech at a local school, and so on. The candidate courts the votes and donations from factory workers, teachers, and parents, in those cases. Even while governing, as Brendan Doherty and Sidney Blumenthal have separately argued, contemporary presidents are permanently campaigning, and address groups (or craft policies) with the resultant electoral and financial support from that constituency in mind.880

Groups that have nothing significant to offer incumbents or administrations are unlikely to be the subject of enough attention to result in institutionalized speech. For example, the homeless communities in the “BosNYWash” megalopolis, the connected metropolitan areas of Boston, New York City, Philadelphia, Baltimore, and Washington D.C., are similar enough in situation and composition to be united into a group, but have nothing to offer an incumbent or presidential hopeful. Certainly some points might be scored by crafting programs to help the homeless, but speeches about such programs are addressed to the citizens in those communities that are assumed to vote and to have money to donate. The homeless community in the region is an invisible audience, if an audience at all, because its ability to return the favor of attention with support is limited or nonexistent. For institutionalized speech to occur, institution B must be a united group that has, over time, either money or votes or both that could be used to support politicians or causes. The best case scenario would be one where institution B was a group(s)

that had something to offer to politicians from both major parties and third parties - a target institution with bipartisan appeal and support to offer is most likely to receive consistent, bipartisan attention.

Third, administrations within the presidency must regularly address institution B in attempts to gain support, and that regularity must include incumbents from both major parties over time. Just because the second condition is met, that an institution has something to offer, does not mean that administrations regularly seek that support by addressing that institution. The lack of attention could result from a lack of awareness that the group has any support to offer, from a belief that such support is insignificant or less significant than that of other groups, or from a general aversion to some aspect of that institution or its practices and products. For example, the sex industry in the United States is substantially large enough to merit presidential attention. The U.S. sex toy industry recently topped $15 billion in sales, while the strip club industry is reportedly worth at least $6 billion. It is difficult to pin down the size of the U.S. pornography industry, but Playboy Enterprises, which controls Playboy, one of many dozens of pornographic magazines, is reportedly still worth $135 million. If more complete numbers were available, it is easy to imagine that the U.S. sex industry, including toys, strip clubs, and pornography, is worth $25-30 billion or more per year, comparable to the roughly $22 billion

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884 Note that this would only include the legal, taxable, sex industry as run by legal businesses in the United States, not illegal prostitution or sex trafficking.
U.S. video game market. That is big business, and thus the sex industry represents a constituency with voting and financial power that should merit it some presidential attention. Yet presidents do not speak to the sex industry as a constituency, at least not in favorable terms. Addressing the sex industry in the United States might not appear “presidential,” infuriate more conservative members of one’s base, or damage a carefully crafted moral image. For whatever reason, presidents have not paid much public attention to an industry that would be capable of providing the kind of support we might expect would warrant attention. For institutionalized speech to occur it is not enough to have support that administrations want; administrations must also be willing to address the group in an attempt to attain it.

Fourth, institution B must have a longstanding history that presidents can choose to reference when that institution is addressed or discussed. Relationships such as those that might result in institutionalized speech do not happen overnight and cannot happen between relatively new entities. Institutionalized speech does not manifest in the first address, but in the twentieth, thirtieth, or fortieth addresses to the same institution. The target institution needs a long history. Institutionalized speech needs time to develop, because the target must have some kind of deep past in order for the other to be able to construct narratives utilizing that past. That past must be distant enough that a rhetor in the present is able to force the absence of certain aspects of it - something that might be rejected quickly if that forced absence is recent enough that it is widely remembered.

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886 According to searches of the American Presidency Project, presidential addresses that referenced some aspect of the sex industry were almost always tied to the illegal variants of the industry, issue specific and in opposition, either to child pornography, prostitution, obscenity, or sex trafficking.
It is conceivable that we might consider a case such as the presidency and its relationship with internet companies in Silicon Valley. Here we would have a group of constituencies that could be united in speech, with a substantially large pool of electoral and financial support, which have been the subject of extensive political address in recent years. Yet using institutionalized speech in that case will have limited explanatory power because the latter institution is too young. Its history, if we focus on the internet and not computing in general (and we can safely say that the culture of internet companies is not the same as the culture of hardware companies from the 1960s through the 1980s), stretches back to the mid-1990s, across only three presidencies. At present, institutionalized speech could be in the formation stages between the presidency and Silicon Valley, but has not yet reached maturity.

Fifth, there should be at least the potential that institution B could need some kind of aid that an administration would be capable of providing. This is potentially the least important of the five features that can produce institutional speech, in that it is so open-ended that it will almost always be true (there is almost always something that an administration could do for a constituency at some point). Still, it is worth including here, because an institution’s needs might never align with an administration’s abilities to respond to those needs. If the target institution has the potential to need some kind of aid, and that aid is within the reach of what a presidential administration could provide, there is the potential that such aid would be extended. If so, such aid would need to be justified. In these instances we see a given administration referencing the identity it helped craft for the target institution, including to the past, for something that would help justify aid, whether economic or symbolic.

In cases where needs and abilities to provide do not align, no justification for aid is necessary because none could be provided. Without such justification, the kind of entrenchment
of identities in the face of need that concretizes institutional speech can never occur. For example, a local constituency that has few votes but substantial money it could potentially donate might be a regular target of presidential attention, even attention across party lines over time. Yet if that group has only local concerns, an incumbent might prefer to leave resolving them to officials at the state level. Even if the president intervened, it would be intervention behind the scenes - the local nature of the concern and a request for something not clearly under presidential control would mean that no public action would be appropriate and thus no public justification necessary. The best case for institutionalized speech is a target industry or group that can be rescued from some threat through administrative action, action which would then need to be justified, and likely justified by drawing on the identity and past of the target group.

There are five features of a target institution, then, that are necessary for the formation of institutional speech. First, institution B must be a single entity or a group of entities that can be united into a single entity. Second, institution B must be capable of providing some kind of support to a presidential administration that the administrations conceivably need. Third, administrations within the presidency must regularly address institution B in attempts to gain said support. Fourth, institution B must have a longstanding history that the incumbent can choose to reference when that institution is addressed or discussed. Fifth, there should be at least the potential that institution B could need some kind of aid that an administration would be capable of providing.

In the case of the domestic auto industry, each of these features was fulfilled. Presidents were increasingly able to unify the unionized workers and the management in the auto companies into “the auto industry,” a single entity that could be addressed over time. The auto industry was also large enough that it represented a sizeable electoral group and a vast potential
pool of monetary support, both of which candidates or incumbents might court. In addition, the split but united nature of the industry appealed to both major parties over time. The third requirement was also clearly met; presidents have addressed or discussed the auto industry thousands of times over the last century, many of which were certainly attempts to gain or maintain support. The auto industry also has a deep past, stretching over a century in the same American city: Detroit. Finally, the auto industry has, over the last sixty years, needed and received all manner of presidential and congressional aid which in many cases was justified publicly using its own identity and past.

6.2.2 Stages of Institutionalized Speech

If a given target institution, a given case, is determined to have met the core requirements that would allow for institutionalized speech to develop, the next step is to determine whether and how that case follows the stage progression of institutionalized speech. That progression is as follows: identity formation, regulation, and intervention, although the edges of each stage can be blurred and are not mutually exclusive. After the intervention stage has begun, a fourth indefinite length and final stage begins: legacy. In each stage, certain events lead to certain administrative actions, and if progressed through, the relationship between the presidency and the target institution reaches the final stage where legacies provide resources and constraints that shape, or determine, that relationship into the future.

The first stage is identity formation. During this stage, which may last decades, the target institution develops (or has shaped for it) an identity. It might begin as a fractured range of groups with no claim to notoriety, but as a corollary of gaining the means to support politicians, whether by money, votes, or both, incumbents begin to pay attention to it. With that attention comes presidential courting of said support, and in order to court support, praise. In order to gain
the most support from fractured groups, the president might attempt to rhetorically unify them. A given president would survey the available history and identity of the group in order to look for praiseworthy moments or acts, necessitating some sanitizing of the available history, expunging the blameworthy to craft the most positive view of the group. By the end of this stage, presidents would have adopted a list of praiseworthy moments or acts, deployable at will as part of a speech going public, or going local, when a political situation called for an appeal for support from the target. An examination of this stage would investigate the history of the target institution and compare that to the ways that presidents used it. Particular attention should be paid to whether and how a given president repurposed or sanitized that past to craft a praiseworthy narrative and help shape a praiseworthy identity for the target institution.

The second stage is intervention. Some impetus prompts an incumbent to direct or oversee the creation of new institutional bonds between government and the target institution. This might be, as in the case of the auto industry, a social movement calling for regulation that leads to the passage of new legislation or the creation of mechanisms in the executive branch. Oversight, accountability measures, safety standards, ethics guidelines, and official recommendations might arise from or lead to establishment of new Departments, Bureaus, Offices, Task Forces, Czars, and so on. The second stage is inevitable in the developing relationship between any target institution that attains a certain size and the presidency; eventually, some bureaucratic mechanism will be called for and instituted. Not only is it inevitable, this stage is also crucial to institutionalized speech because it is as this point that presidents, having praised the target institution in order to gain support, must choose how to institute the mechanisms under their control and explain the implementation of the new mechanisms to the target institution and the American public.
In choosing how to institute the new mechanisms, the administration will almost certainly be approached by the target institution with suggestions (or demands), based on the very importance that fueled the praiseworthy identity presidents developed for the target institution in the first stage. So presidents would have to determine whether and how to incorporate the target institutions’ wishes in the new mechanisms. Next, the incumbent would need to justify the mechanisms, whether as strong as demanded by the impetus group/situation or as weak as requested by the target institution.

Many possible cases of institutionalized speech will not progress past this stage because the incumbent chooses to sacrifice some future support from the target institution in exchange for a preferred strong stance on the new mechanisms, such as in the case of a contemporary environmentalist Democrat sacrificing potential support from union factory worker Democrats in exchange for desired tough legislation that might cause cutbacks or layoffs at the factory, but limit pollution. Yet in some cases, the incumbent values continued support from the target institution enough to attempt two things: concede something to the target institution in the crafting of the new mechanism, and refashion the issue and justification of action in ways that perpetuate the praiseworthy narrative for the target institution.

The result, by the end of the second stage, is a target institution that has been the subject of criticism and new bureaucratic mechanisms, but which president(s) have defended, reinforcing the praiseworthy identity. An examination of cases at this stage would investigate how administrations responded to calls for new mechanisms involving the target institution and on the ways that the incumbent justified such action. Particular attention should be paid to how presidents refashioned the issue to continue the praiseworthy narrative and how they justified an action in ways that addressed the impetus groups and the target institution.
The third stage is intervention, when administrations intervene on behalf of the target institution. Whereas an impetus group like environmentalists might call for tougher emissions standards, leading to second stage mechanisms and subsequent explanation, the interventions that characterize the third stage are substantially more serious. These are substantial threats to the very survival of the target institution. Companies at risk of bankruptcy or insolvency, domestic producers under siege from foreign competitors, industries at risk of obsolescence, advocacy groups at risk of irrelevance, associations made illegal by recent legislation or judicial decision - the intervention stage is characterized by a serious threat that can only be resolved by significant government action.

If the incumbent determines that the value of the support from the target institution is worth the battle, an intervention happens: a bailout, a tariff, an infusion of modernization funding, and so on. If intervention is chosen, justification happens, and the incumbent is likely to draw on the same praiseworthy history and identity as during less serious calls for regulation. Yet the seriousness of the situation concretizes the relationship, the target institution owes its survival to the intervention, while the incumbent has now declared the target institution worth rescuing. Note also that intervention need not be a single event. In the case of the domestic auto industry, the third stage included the Carter-Reagan interventions and the Bush-Obama interventions, separated by decades but similar in seriousness, level of response, and forms of justification. When we examine a case at this stage we investigate the level of threat and the administrative response, paying attention to how the incumbent justified the intervention.

Target institutions that are lucky enough to have been rescued from a third stage threat move into the fourth stage of institutionalized speech: legacy. At this stage, the target institution has spent decades being praised by administrations in attempts to secure its support, developing a
praiseworthy and sanitized identity. When external groups or situations called for some kind of regulation of the target institution, administrations defended it, even as they worked with it to craft mutually agreeable middle grounds, then fashioned those into something palatable for the public. When under serious threat, administrations rescued the target institution, justifying that action through reference to the very praiseworthy history and identity that their predecessors helped to shape and bring to national attention. By the fourth stage then, administrations have, across time and political party, praised, defended, and rescued the target institution. That target institution has become “special,” exceptional, worth saving, sanctioned in presidential speech.

The legacy stage is the indefinite length of aftermath: how the incumbent and those in the future will need to contend with the legacies of decades of institutionalized speech. Each new call for regulation or serious threat cannot be considered in isolation, but rather against the history of past administrations standing with the target institution in those situations. Each perfunctory stump speech during each election cycle might address that target institution, and if so, might rely on the same praiseworthy identity and history. The legacy stage is characterized by the resources and constraints produced by the long history, especially by predecessor choices to stand behind the target institution in the regulation and intervention stages.

6.2.3 Further Cases of Institutionalized Speech

At this point some of the explanatory power of institutionalized speech becomes clear. There are a number of contemporary interest groups, coalitions, industries, companies, and other target institutions that receive significant attention and aid from the presidency, many of which have received such from a number of presidencies across time and party. Institutionalized speech is one possible explanation for why some of these groups have developed the relationships they appear to have with the presidency, rather than with a given president. It also helps us understand
why some target institutions continue to receive so much praise when, setting aside presidential claims, those same institutions are increasingly irrelevant, obsolete, in decline, only propped up by government largesse. Institutionalized speech also, of course, has implications for how we theorize the presidency and presidential speech, which I consider soon. For now, institutionalized speech can help us understand why some groups have confusing, otherwise unexplained relationships and are so frequently the subject of what might seem undeserved praise.

It is worthwhile to consider some other cases where institutionalized speech might have such explanatory or predictive power. As noted, the auto industry fits the features of institutionalized speech, which it should since those features arose from the auto industry case as a determinative example. The auto industry progressed through the stages as explained, again, unsurprising. Yet I have also discussed institutions that would likely not fit. A factory in the 1800s, the homeless community, the sex industry, the internet industry, a local group of wealthy donors, and workers ignored by an environmentalist all would all not work; for various reasons, each could not be the subject of institutionalized speech. Yet there are other cases like the auto industry that could fit these features and follow the stages, thus, at least potentially, becoming the subject of longstanding institutionalized speech and the resulting legacy stage of resources and constraints. I will briefly consider one of these: the American farmer.

American farmers are one possible case where institutionalized speech might be in effect. The American farmer fits the requirements of a target institution: it is possible to rhetorically unite farmers into a single group that can be addressed or described, that group has, at least since the middle of the last century, had the means to support presidents or presidential candidates,887

887 “American farmers” includes the many small farms owned by families that vote and also the big farmers: corporate owned mega-farms, which have orders of magnitude fewer votes but more money to spend in politics. The American political system, and especially the Senate, also provides more relative power per person to citizens in rural, farming-dependent states in the Great Plains, by sheer virtue of the ratio of Senators to population.
and presidents have addressed farmers and farmers’ interests, often in attains to gain that support. When addressed, even contemporary farmers benefit from the praiseworthy mythos of the American farmer, which dates at least as far back as Thomas Jefferson and the concept of the yeoman farmer, and includes deeply seeded ideas about the frontier. It is also obvious that the American farmer has had need of support in the past; farming, like manufacturing, is often at the mercy of broad economic forces the individual farmer can neither anticipate nor control. If we were to closely examine the history of the relationship between the American farmer as a target institution and the presidency, it appears that it would follow the same stage progression as the auto industry.

The first stage would include the period of American history roughly from at least Jefferson up through Franklin Roosevelt and the New Deal. During that first stage, the American farmer acted, and was addressed, in ways that helped to establish a praiseworthy identity and history - imbued with elements of, for example, Jefferson’s yeoman. The second stage of institutionalized speech between the American farmer and the presidency likely began with Franklin Roosevelt’s Agricultural Adjustment Act and continued through Truman’s National School Lunch Act, Eisenhower’s Soil Bank Act, and Johnson’s Food Stamp Act. These laws created mechanisms that regulated things like what would be done with surplus produce or created limits on planting and harvesting in order to control production and thereby price. In each

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889 Turner, The Significance of the Frontier in American History, Dorsey, We Are All Americans, Pure and Simple: Theodore Roosevelt and the Myth of Americanism
890 For more on these and other executive or legislative actions related to agriculture, see: William P. Browne, Cultivating Congress: Constituents, Issues, and Interests in Agricultural Policymaking (Lawrence, KS: University Press of Kansas, 1995).
of these acts, concessions were provided to the farmers in exchange, and presidents referenced the importance and symbolic value of farming and farmers upon announcing the programs. ⁸⁹¹

Mechanization and modernization in the 1960s and 1970s prompted rapid shifts from family owned small farms to larger community operated farms and corporate mega-farms. This serious threat to the individual farmer marks the third stage. Interestingly, it was in the best interests of the nation to increase efficiency and volume of food production so larger mega-farms were actually desirable. This has not meant that small farmers were abandoned though; even though only a fraction of a percent of the American population works full time on a farm, individual and mega-farms continue to receive generous subsidies that make survival and profit possible, and presidents continue to reference the mythos of American farmers as established over a century earlier. ⁸⁹² Although there is certainly a lot of nuance that is left unconsidered in this brief treatment, there is enough reason to think that applying institutionalized speech might prove useful. It might help us understand why the relationship between the presidency and American farmers evolved in the way that it has.

There are probably other cases that would benefit from consideration as institutionalized speech. The relationship between the presidency and the financial industry is one possibility that might be a tough case, considering the ease with which a president can demonize that group or scapegoat that group during recessions. The air travel industry is another possibly interesting case, which, like the auto industry, underwent significant government intervention late in its history. In any new case, we must first query whether the target institution meets the five preconditions. Next, we must closely examine the history of the relationship between the target

⁸⁹¹ See, for example, Roosevelt, "Fireside Chat, 9-6-1936."
institution and the presidency, paying particular attention to the rhetorical moves that an
individual president makes at each stage. In full institutionalized speech, the result would be a
complex fourth stage relationship rich with rhetorical legacies providing resources and
constraints that shape the relationship and presidential action. There are likely many cases that
might benefit from the explanatory and predictive power of institutionalized speech. The next
section moves away from the cases we might apply it to and, instead, situates institutionalized
speech back in the context of the theoretical conversations that inspired it.

6.3 Implications of Institutionalized Speech

In this final section, I consider what institutionalized speech might offer to the theoretical
conversations from which it arose. In order, I consider implications for presidential rhetoric,
epideictic rhetoric, the rhetorical presidency, rhetorical history, collective identity, collective
memory, and circulation. On each issue, I highlight any opportunities for future research or
general observations that might be of value as we continue investigating those issues.

First, let me begin this section by talking about presidential rhetoric. Obviously, it
matters. It does things. It constitutes groups. It frames debates. It defines issues and terms. It
does not always work, or work as planned, but presidents speak based on the knowledge that it
can have effects, even if results do not always live up to those expectations. This dissertation
does not challenge any of these claims, accepted by most scholars of presidential rhetoric and
many political scientists. Rather, the myriad rhetorical sleight-of-hand maneuvers that formed
the bricks of the identity construction and relationship maintenance, covered in the preceding
chapters, further confirm that presidents try, and sometimes succeed, in doing things with words.

Institutionalized speech contributes something new to theorizing about presidential
rhetoric by demonstrating the importance of otherwise undervalued campaign stump speeches.
What I have described as perfunctory praise, the laudatory comments either absently added to a speech introduction or strategically selected with purpose in mind, have consequences. Relegating these niceties to “mere rhetoric” status does a disservice to our understanding of whether and how presidential rhetoric accomplishes things in the world. Certainly, not every offhand “It is so good to be in Phoenix, with real, hardworking Americans...” matters, or matters equally. Some praise matters less than others. Institutionalized speech includes such praise only to the extent that it is repeated over time, ignores or erases the negative, is echoed by representatives of both major parties, and contributes to a collective identity for a definable and politically useful constituency. In those cases, where the requirements and stages are met, every bit of praise matters, in that each contributes to a whole repeated over time by presidents across party lines. The offhand remarks become rhetorical resources and constraints, they coalesce and concretize into rhetorical legacies, ultimately shaping relationships between institutions and potentially shaping or determining action. This perfunctory praise matters, as all presidential rhetoric might, and as such it should be the subject of more intense investigation.

Second, much of what I have referred to as campaign praise might be differently understood as epideictic rhetoric. The earliest versions of the present work actually featured the concept of epideictic as a genre and discussed “embedded epideictic” hidden within other forms of speech. I have abandoned such an approach as unhelpful. The present work has not featured a lengthy analysis of the history of theorizing about epideictic because the kind of praise I observed is best understood as occurring within deliberative speeches - not necessarily embedded or hidden within them, but rather added to them in ways where such additions are expected and commonplace. Campaign stump speeches are not epideictic, least not in the sense that Aristotle
understood it. These speeches include praise and blame, *encomium*, but are not necessarily driven by the concerns associated with that genre. Yet that does not mean that the *encomium* is unimportant. I agree with Stuckey’s argument that the border between epideictic and deliberative rhetoric is not always clear, that the two are not always mutually exclusive, and that we should not discount the possibility that deliberative speech is infused with meaningful epideictic, or vice versa. If this dissertation contributes to the discussion of epideictic, then, it does so by presenting an inverted affirmation of Stuckey’s case. Rather than locating important deliberative appeals in an epideictic address, as with the *Challenger* speech, I detailed the importance of epideictic appeals in deliberative address. These appeals matter, but they matter most when they are considered cumulatively.

To the extent that I have investigated praise and blame, some of that investigation has incorporated Perelman & Olbrechts-Tyteca’s position that argumentation aims at gaining the adherence of the audience. For Perelman & Olbrechts-Tyteca, adherence to a value or set of values is the goal. For my purposes, institutionalized speech demonstrates how praise and blame can engender adherence to an identity and what kinds of repercussions necessarily follow. This is in line with Condit’s argument that epideictic creates and maintains communities. I have shown how presidents helped to shape and maintain the domestic auto industry unified identity, and how the careful erasure of certain blameworthy aspects of the past allowed for the creation of a positive, praiseworthy history, and thus identity. This identity, symbolically valuable to the group it described and politically useful to the presidents that deployed it, is made possible only

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894 Mary E. Stuckey, *Slipping the Surly Bonds: Reagan's Challenger Address* (College Station: Texas A&M University Press, 2006).
through the infusion of deliberative speech with recurrent patterns of praise and blame.

Institutionalized speech demonstrates that not only do epideictic appeals gain adherence to values or maintain communities, they can also build relationships between communities, which I have referred to as institutions. Over time, what lasts in a community are its core values, history, customs, and so on. The same is true, I think, for the relationships between institutions. Long after the incumbent president and current leadership of domestic auto makers are replaced, for example, the relationship between the institutions that outlast the individuals might look much the same. Epideictic appeals helped to forge that relationship and maintain it over time, much the same way as Condit argued they do within groups. Our scholarship should continue to investigate epideictic, but especially is cases where the rhetorical work being done by offhand epideictic appeals seems unclear, situated as they are in an otherwise clearly deliberative address.

Third, there are certain implications from the present work for our understanding of the rhetorical presidency. As discussed in the introduction, the body of work on the rhetorical presidency has claimed, for example, that political situations and communications technologies have, over time, led to a marked rise in presidential attempts to speak to the American people. More recently, this has also meant that presidents generally speak more frequently and about less significant content. Whether an incumbent chooses to go public or go local, staying private is apparently less frequently a viable option, at least on its own.

If we think about the rhetorical presidency in terms of going public, that would mean we accept that presidents speak to the American people more frequently. More frequent speech in general means more frequent perfunctory praise to the addressed groups. For institutionalized speech, this might mean that the number of potential cases is rapidly rising. Groups unattended to might be gaining more attention, and more addresses in general means more attention to core
groups in a political base. If the number of possible cases of relationships between the presidency and other institutions (as defined here) is on the rise, then one of two outcomes is likely. On one hand, more cases might mean that the individual presidency-target institution relationship matters less over time, as the single case is drowned out by the others. On the other hand, a series of hyperactive presidents might be able to maintain an increasing number of institutional relationships, thanks to advances in social media and digital streaming technology, for example, which enable the individual president to shift time and space. If this is the case, then rather than a decline in the importance of institutional relationships, the future may be characterized by increasing commitments and accreting rhetorical legacies until the weight tips the scale, leading to a catastrophic collapse of those commitments and the political support that came with them.

If we think about the rhetorical presidency in terms of going local, the same possible futures exist: gradual value erosion of individual institutional relationships or a strengthening of the same until an overwhelmed administration causes a catastrophic break. Yet if the rhetorical presidency is increasingly about going local rather than going public, we might see a series of administrations increasingly addressing groups on an ad hoc basis while maintaining ties with the most powerful groups in the base. For example, a future Democratic incumbent might reach out to organizations interested in protecting civil liberties when a domestic surveillance issue is in the national conversation, but that president would maintain continued address to and seek continued support from labor unions.

In this logic, the issue determines the group of the day to address, but work is also put into framing the issue of the day for the key constituencies. If this is the case, then institutionalized speech becomes crucial to our understanding of twenty-first century politics and the rhetorical presidency. The longstanding relationships between the presidency and a small set
of institutions, those that meet the conditions and have progressed through the stages listed here, will be the springboard from which modern presidents then leap out to issue-specific groups as needed. Those institutional connections will become stronger, the relationships more valuable, and therefore, the rhetorical legacies more prominent.

Fourth, it is worth mentioning the value of history to scholarship of this sort. This dissertation covered roughly one hundred and twenty years of history. That history is important. In a sense, this work is not a historical piece, in that its chief aim is not to illuminate history, but rather to solve a contemporary rhetorical puzzle, an attempt to explain presidents praising a for-profit industry they are rescuing from disaster. Yet in a second sense, this work is necessarily a historical piece. It is necessarily historical because the rhetorical puzzle can only be solved through an extensive examination of history. The contemporary relationship between the presidency and the domestic auto industry did not arise overnight, nor should our attempt to understand it focus only on the contemporary moment. Of course, no rhetorician worth citing ignores the historical context that informs a rhetorical act; likewise all studies of the presidency as an institution must not ignore history. No incumbent leads (or fails to) in a vacuum, but rather operates from within the context of the moment and with the resources and constraints of predecessors. So, while the dissertation is not primarily historical, it is necessarily historical.

The present work is, to my mind, a piece of rhetorical history, in the sense that David Zarefsky described it, as a historical study of rhetorical practice. The history is crucial primarily as a means for understanding how rhetorical practice was shaped by its time and, in

turn, may have shaped time, in the sense that it shaped events and those events changed history. On the former, I have demonstrated how a number of presidents were pressed into statements and rhetorical strategies due to the necessities of the moment. On the latter, some of those rhetorical maneuvers, including, for example, Kennedy’s use of arsenal of democracy or Nixon’s economic centrality argument, proved to have real staying power and shaped governance for decades. In addition, institutionalized speech suggests that off-hand remarks, positive introductions in stump speeches, perfunctory campaign praise speech, can accumulate, snowball, and over time, shape history. History, and a lot of it, was very much part of the process of demonstrating institutionalized speech throughout its evolution in the auto industry case.

Fifth, this dissertation has engaged at length with ideas about collective identities, yet research on the presidency has tended to fixate on presidents’ attempts or abilities to shape national identities. Institutionalized speech, at its center, is about presidential attempts to shape sub-national identities in hopes of connecting to and securing the support of a constituency. The work here demonstrates that presidents can and do shape sub-national identities; presidents have helped to shape the identity of the domestic auto industry by selectively narrating its past. This should serve as encouragement to scholars to locate other ways that presidents shape sub-national identities in attempts to secure political support. In addition, such scholarship should consider whether and how presidents are able to resolve the tensions between shaping sub-national identities for political purposes while at the same time serving in an office meant to represent all Americans.

Sixth, my consideration of collective identity has necessarily included consideration of collective memory and collective forgetting. Institutionalized speech affirms that not only is the presidency an important or the most important national site for the formation of collective
memory, the presidency is also an important or the most important national site for the
determination of collective forgetting. Presidents, in choosing what is worth remembering of our
past, also tell us what does not matter, is not worth remembering, or it is time to forget. The first
definer, national storyteller, chief arbiter of national identity, and the interpreter-in-chief, the
president is also the chief arbiter of our national amnesia. A critical approach to rhetoric or an
activist moralist approach to history might see this as a net negative, but at least in the case of
sub-national groups that form institutional relationships with the presidency, this dissertation
demonstrates that presidential forgetting is real and common in attempts to gain political support.

In addition to naming the presidency the site of the arbitration of our national amnesia,
we should also see in institutionalized speech an affirmation of the positive role that certain
amnesias might play. As Marouf Hasian Jr. argued, memory and forgetting operate together in a
recursive relationship; both are necessary, and at times, forgetting a certain event might be more
important than a broader project of maintaining complete and historically accurate public
memory. In the case of the domestic auto industry, it was necessary for presidents to try to
rhetorically unify labor and management in the auto factories, keeping them divided and
antagonistic would erode the warrants for praise connected to middle class advancement and
achievements in workplace conditions. Although it is not fair to say that the two sides have
substantial mutual trust in their counterparts, the industry as we know it would not exist today
without such unification. Justification for the major public rescue interventions under Carter,
Bush, and Obama included both the economic importance of the companies and the vast number
of working-class union jobs that might be saved. Presidents had to forget, for themselves in

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899 As argued in: Parry-Giles and Parry-Giles, "Collective Memory, Political Nostalgia, and the Rhetorical
Presidency: Bill Clinton's Commemoration of the March on Washington, August 28, 1998."
900 Marouf Hasian, Jr., "Collective Amnesias: The Rudolph Kastner Trial and Holocaust Consciousness in Israel,
deciding to intervene and on behalf of the nation in justifying such intervention, the violent struggles between the groups, in order to be able to unify the groups rhetorically as one worthy of praise and therefore worthy, later, of rescue. While certain amnesias might be offensive and damaging, some others might actually work to the best interests of the broader public.

It is also worth noting that while the presidency is a site of memory and forgetting, history itself is pliable, not plastic. We cannot make history into whatever we want it to be, although a skilled rhetor can shape that history a great deal. Pushing an interpretation too far runs the risk that it will be countered publicly by an alienated, offended, or silenced group. In the case of the domestic auto industry this has not appeared to be an issue; an exceptional industry often criticized for thinking itself too exceptional had little issue with an exceptional version of its history as narrated by a series of presidents. Yet in other possible cases of institutionalized speech this might prove to be a complicating factor. Presidents have to be cautious of the limits of history and avoid reshaping it so much so as to prompt pushback. It might be worth looking for cases, with this possibility in mind, so that we can better understand what happens when presidents define a sub-national group in ways that are hotly contested.

Seventh, the concept of institutionalized speech connects to ongoing discussions about circulation. The fragmentation thesis, as it has come to be known, refers to the idea that texts do not only have traditional persuasive power in the sense of one speaker, one audience, one room, one night. Rather, texts are fragmented, circulated, repurposed, satirized, and so on, with the individual fragment taking on whole new directions, potentially dramatically different ones than

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intended by the speaker.\textsuperscript{902} This phenomenon is of the utmost importance to scholars studying the presidency and presidents, who must explain complex issues at length while contemporary technology, attention spans, and media norms lead to increasing fragmentation.\textsuperscript{903}

The circulation argument and the likelihood that speeches become fragmented mean that institutionalized speech might be a historical feature of our current time, rather than an inherent result of the ways that the presidency forms relationships with other institutions. In other words, if fragmentation has accelerated with digital technologies over the past two decades, than it follows that it may continue to do so. If that is the case, then long held institutional relationships may no longer begin, in that the fragmented version of the formative speeches overtakes the complete version, with the legislative bullet points overshadowing the innocuous (but as I have shown powerful over time) epideictic appeals. If this turns out to be true, existing institutional relationships might survive but new ones will not progress through the necessary stages to rhetorical legacies of the strength and import predicted by institutionalized speech.

Still, it is possible that in some cases the fragmentation of speeches might make institutionalized speech actually more likely to form and last between institutions. At the very least, it is likely that fragmentation is helping to solidify and extend the institutionalized relationship between the presidency and the domestic auto industry. For example, Obama’s statement that “We cannot, we must not, we will not let our auto industry simply vanish,” delivered with characteristic cadence and gravity, is a perfect sound bite that encapsulates Obama’s version of the institutional relationship. “Cannot, must not, will not” includes wisps of


\textsuperscript{903} For a discussion of the importance of circulation to work on the presidency, see: Mary E. Stuckey, "Rethinking the Rhetorical Presidency and Presidential Rhetoric," \textit{Review of Communication} 10 (2010).
the obligation to intervene and the government guarantee of success that Obama used in justification of his intervention in the industry. A perfect sound bite, recorded on audio and available on Youtube, this statement will not soon vanish from collective memory. It may never be erased from the memory and the identity of the auto industry. As a potential rhetorical legacy, all a future GM CEO must do in Congress or the Oval Office in order to improve the chances of securing further government aid is to play that sound bite. So, in a sense, fragments might actually strengthen institutional relationships formed in institutionalized speech, in that those fragments are easily transmissible proof of said relationship, a signature and confirmation that, in our digital world, is impossible to erase or forget completely.

This dissertation has affirmed that presidential rhetoric matters, which most us already knew, but I have also demonstrated a new way that it matters. Of course, more needs to be done. Further full length cases will determine whether institutionalized speech is, in fact, a broader phenomenon that explains how the presidency interacts with other institutions over time, or if it is a coincidental feature of the curious relationship between the presidency and the domestic auto industry. If the former is true, and I obviously think that it is, we need to pay more attention to the perfunctory campaign praise that is the grain of sand around which the pearl of institutionalized speech forms. Somewhere in the United States right now, President Obama may be forging a new relationship with a constituency that will, like that with the auto industry, prove to last a century or more. Rhetorical legacies will come to shape those interactions and eventually, shape or determine material actions. Somewhere in the United States right now, you can hear institutionalized speech beginning:

“Thank you. No, no, sit down. Thank you everyone! Thank you for having me. I love coming here. It is so good to be back here, in a place where...”
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