

The Fall from Glory of the U.S. Auto Industry

By Theodore "Ted" Houben

The following is a story about a conversation I had some time ago with a woman friend faced with the dilemma of which new car to buy. These are just some of my thoughts and impressions about that conversation and how her predicament eventually turned into mine.



Several months ago, a co-worker, a woman, was faced with an odd situation. She asked me why her husband wouldn't let her buy an American automobile. Her husband wanted a Japanese automobile, a Honda Accord instead. She said another co-worker, an ET (electronic technician) had recommended an American automobile to her, the Ford Fusion and told her it was a very good car. He even brought her brochures that described the car, explaining to her, more or less on an everyday basis, or whenever he saw her, how Ford has since come a long way in improving the quality of their cars from the days of yore of her husband's memories. As such, the Fusion was now the right choice for the two of them to make. He even suggested her husband test drive the Fusion to see how he might like it.

I saw the woman's dilemma a bit differently. Perhaps her husband's experience with American cars was quite dramatically different from that of many other people, I offered as a note of insight to the woman. And whatever that experience was, I told her, might have impacted him in such a negative way to have shaped his current attitude toward buying an American car. Therefore his dissatisfaction of American cars might be more deeply embedded than any reasonable person would expect. Furthermore, I said, the Honda Accord might be a good car for them, too. So the two of them, I said to her, probably would not go wrong if they made this choice instead of the Ford Fusion.

"Might be," and "probably" were the two terms the woman picked up on right away when I finished talking with her. And she replied with, "So, you really don't know, do you?"

I sighed and said, "Yeah. I guess you're right."

She chose to listen to the ET and became convinced the Ford Fusion was an American car to buy. When she went home eagerly, excited to tell her husband the news about a high-quality American car, she got a rude awakening from him instead. It was his response to her “good news.” He threw a tantrum and told her in quite clear terms, “We’re a Honda family. We don’t buy Fords. We only drive Hondas. We’re getting a Honda Accord.”

Yes, her husband was right, I thought to myself. The Honda Accord is probably a better car. And I could have recommended this car to her and gone on at legitimate lengths about its reliability, resale value, its conscientiously-built construction, ad infinitum. But when she had told me about her rude awakening, I didn’t do that.

Instead in consolation, I told her afterward, the Ford Fusion was not a bad car, although I would never own one (my personal opinion of the Ford Motor Company as being the most morally corrupt car company in the world, prevented me from making that recommendation). But maybe, I told her, she should look at the Honda Accord again with her husband to see if she might like it, too. Then make a judgment on which car to buy. It was by most people’s measure, a good car and it would make both her and her husband happy.

She was open-minded, I thought. She would come up with a reasonable conclusion on which car to buy. And she would make the correct choice.

When she talked with me again some three or four weeks later, she confirmed my suspicion about her open-mindedness and told me which car she bought.

She had looked at the Honda Accord, she told me. And she ended up loving it. “Wow, we bought the V6 Honda Accord!” she said. “It’s so powerful and so quiet!” She was truly impressed. She thanked me for having been helpful to her and then went about her business telling all the other people she knew about her new car purchase. She was quite elated. And even now she talks glowingly about the car.

I felt happy for her that she had chosen a good car. But oddly, I did not feel happy for myself. Maybe the fact that she had gotten the Honda Accord was not the best thing in this world to have happened. I felt ambivalent, because more than likely, twenty years ago my recommendation of a Japanese car would have been different, quite the opposite.

Thinking back to this whole story though, and how it eventually played out, I thought in retrospect, what really should I have told this co-worker instead that I didn’t say back then, which would have made me feel less uncomfortable about recommending a Japanese car to her? Should I have said, “Well, your husband’s reaction is what it is, and maybe you should just listen to him.” That would have been a “cop-out,” because it would still implicitly be endorsing a Japanese car. And I didn’t answer that way.

I instead had made the recommendation for her to buy this Japanese car. This did feel strange and awkward to me. I didn’t feel happy, too, helping this woman reach a decision to buy a car her husband wanted in the first place. It was not about her husband. I had nothing against her husband. I didn’t even know him. But in some respects, my advice left a bitter taste in my mouth. I felt a certain shame

in recommending another country's car over our own quite capable cars. I still feel that way. I wanted to feel proud of our American car industry, and wished I could have recommended an American car. But looking over the automotive landscape of automobiles currently lining the streets of many American cities, I felt a certain shame, too. There seemed to be more quality cars from overseas than from our own native soil. To realistically believe otherwise would have put me in severe denial.

What I should have explained to her I realized, if I had a little more time, was why the American Automobile Industry, mostly deservedly, came upon having to bear such a bad reputation for nearly these last forty years of producing bad cars and how in the process of that transition of becoming a "bad" car industry, her husband might have been caught in the process and been stung by the American auto industry's metamorphosis of a good car industry to a bad one by actually having bought an American car. And now, her husband was merely reacting to that effect.

I should have told her too, that the bad quality of American cars hadn't always been that way. I should have explained how at one time, the American Auto Industry was the envy of the entire world. The cars produced here were the choice vehicles of the moneyed people throughout the world. How now tragically, through a series of mishaps, past legal actions (its ramifications), some political activity, serious world actions and to a great extent, recalcitrance of the U.S. automobile manufacturers to adapt to change, the American automobile industry had become its worst enemy by actually producing "bad" automobiles. This result, I should have told her, would lead to the U.S. auto industry becoming stigmatized with the reputation of building cheaply made automobiles, cars that eventually ended up being critically panned by auto enthusiasts and critics alike as both technologically backwards and behind the times in comparison to its foreign competitors.

But, really, I knew she did not want to hear that either, which is most likely why I did not tell her that. In the final tally, I believe she wanted me to psychoanalyze her husband's motives and then explain to her why her husband had such a negative reaction to American cars. This was all in the hopes, I suppose, of me filling her head with enough information to counter her husband's arguments and for her then to be persuasive enough to convince her husband to consider buying an American car.

It would have been a good cause, were the quality of American cars there. But alas, it wasn't there. And what lay at the heart of this need to rebuild the U.S. car companies' reputations was why they had lost its image of quality in the first place.

What happened to the U.S. car industry that led to such an inglorious demise? And why was the U.S. Auto Industry back to square one in comparison to other automobiles throughout the world?

1. When Performance was King

When I grew up and became of driving age in the mid-1970s, one of the cars I owned was a Chrysler Plymouth Duster 340. Japanese cars were not the cars many of the younger people wanted to drive, I among them. Toyota had their Coronas (typical 0-60 mph in 17 seconds, quarter mile times in 19 – 22

second range), Nissan had their Datsun-badged 240Zs (typical 0-60 mph times of 8.5 to 9 seconds; quarter mile times in the 16.5 to 17.5 second range), and Honda had their little CVCC-configured Honda Accords (0-60 mph in typically 14 seconds and quarter mile times in the low 20 seconds). These all were cars that were both too small and too slow for many of us American drivers of the day. The so-called more desirable vehicles were the high performance Mustangs (Shelby and Boss), Camaros (mainly the Z28 iteration), Pontiac Trans Ams, the Dodge and Plymouth Hemi cars (although it was rare ever to see them on the street) and the various other high performance cars the American car industry was producing those days. Performance was the name of the game in the late 60s and early 70s. And in America, where the U.S. auto industry ruled the roost, the big three had no problem providing these high horsepower cars to the American public. Generally speaking too, whatever car was available, whether it be Mustang or Torino from Ford, Camaro or Impala from Chevrolet, or Charger or Dart from Dodge, there was always a high performance version of that car available. Each year, too, saw more and more powerful iterations of each car being produced. It was an exciting time for the American car market, and automobile enthusiasts relished the period as the golden age of the "muscle-car." "What great cars would come next?" we thought. To the automobile aficionado all seemed more than "right" in car land.

Then something happened. Seemingly overnight. Something, seemingly inexplicable, was happening to the high performance car landscape. The trend of higher performance cars stopped. Moreover during the period of 1971 to 1976, the high performance cars were being systematically detuned. It seemed clearly a step in the wrong direction. Yet, we saw it. It was written in car magazines, the reality of that dark world settling in: lower horsepower numbers were being advertised for each and every car, from one year to the next. The powerful engines we had so grown accustomed to seeing were disappearing and being replaced by much less powerful motors (thus their speed and quickness, as well as their desirability diminished).

At first it was hard to understand why Detroit (the then home of the big three auto manufacturers: General Motors, Ford and Chrysler) would make their high performance cars even less powerful than before. There was a horsepower war going on. It had been going on since the early sixties. Didn't they know that? The trend was to increase advertised horsepower from year to year, just to get a "one-up" on the competition, not the other way around. "What were they doing to us?" we thought. What was going on, and what weren't they telling us? What was going on and what they weren't telling us, it turned out would be morbidly foreboding.

On the national level an alarming trend had taken hold: the number of people killed on the national highways was at all-time highs. The numbers spoke for themselves:

In 1967, 50,724 deaths occurred on our national highways. In 1968, 52,525 deaths occurred. In 1969, 53,543 deaths occurred. In 1970, 52,627 deaths occurred. In 1971, 52,542 deaths occurred. Then in the year 1972, an all time high of 54,589 deaths had been reported as a result of automobile accidents on our national highways (That is equivalent to 260 people per million. Compare that to the current 108 people per million being killed on the national highways today.). That number incidentally, would in the future never be equaled or surpassed. What the National Traffic and Safety Board (a precursor to

NHTSA – National Highway Traffic Safety Administration) had been aware of, and what the general public and auto insurers at large had to come to grips with was that a high percentage of these fatal accidents involved automobiles driven beyond their limitations. These were in cars commonly described as “sports cars.” (“sports car” is a commonly accepted though erroneous, generic term to describe any automobile that had a high horsepower to car weight ratio). To the insurance companies, any car with an advertised horsepower rating of over 200 would end up being classified as a “sports car.” This led to the so-called sports cars being subjected to much higher insurance premiums because their accident rates were much higher, more so than your typically lower-rated horsepower vehicles, which alas, by empirical logic, were involved in fewer accidents. With the higher insurance premium albatross attached to the ownership of “sports cars,” many people had a harder time being able to afford these cars. They shied away from these cars since the insurance premiums made the cost of ownership prohibitive.

The response the provided to the around with the by under-rating the example the 1970 horsepower rating but actually put out Chrysler 426 Hemi advertised at 425

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big three automakers initially insurance rate hikes was to play advertised horsepower figures actual horsepower number (for L88 Corvette had an advertised of 435 bhp [brake-horsepower] closer to 550 horsepower; the had their horsepower rating when the engines actually put

out closer to 500 horsepower). But, this “secret,” of auto manufacturers having played with the numbers would not be kept. Soon this information spread to enthusiast channels. Then it spread to auto publications. Then it didn't take much longer for the insurance companies to catch on, too. When this happened, accordingly, the insurance companies adjusted their premiums to match the actual reality – not the advertised reality. When the car companies finally caught on that the insurance companies knew their little secret, the car manufacturers had to start detuning their cars. The only performance these cars would have was what was painted on their fenders, such as R/T SS or Cobra, which were the emblems of the day.

Soon 1973 rolled around. That year something else was happening. Big cars were falling out of favor. Chevrolet saw most of their cars, including Camaros and Chevelles still occupying their original spaces at dealer car lots. Ford saw pretty much the same thing with their Mustangs and Torinos. They weren't moving off the dealer lots like they had done before. And Chrysler, who had already phased out their 426 hemi and 340 small block engines, saw most of their big cars, now with underpowered motors, remaining on dealer lots, even while the new model year cars were coming in. For the big three, this was a major problem. Cars not being sold meant money not being made.

The big three figured they would wait it out. They had time. They had money. Deep within their hearts, too, laid the notion that this malaise, of people not buying full-sized cars, would only be temporary. After all, they thought, it was they who determined which cars America would buy. Soon enough, even without high horsepower muscle cars to sell, they felt certain the car-buying public would

be back to their car lots, ready to buy their full-size cars all over again, just like they had always done; and just like that the American auto industry would be back on its feet again.

But, this time they would be wrong.

Alas, and unfortunately, there was something else in the mix that said more profoundly that this "full-size car resurgence" was not going to happen. You might even say that the writing was on the wall, in national newspapers throughout the country, or at least on TV screens throughout the country.

There was a war going on in the Middle East. The date was October 6, 1973 when a war of aggression was launched by Egypt and Syria against the state of Israel, in an attempt to regain land lost during the 6-day war of 1967 that had taken place with these countries. It was a "surprise" war of sorts for Israel, although many of the Arab states that then comprised OPEC (Organization of the Petroleum Exporting Countries) had given indications that a war was impending (the decision of the 1971 President Nixon Administration to pull out of the Bretton Woods Accord, which pulled the U.S. off the Gold Standard, had also led to the remark by the OAPC [Organization of Arab Petroleum Exporting Countries] leaders of the time that they would use "Oil as a Weapon."). The U.S. response to the war in the Middle East was to help Israel. What that help entailed was the US-coined "Operation Nickel Grass." It was the name given by the Nixon administration to the operation that secretly resupplied all military armaments lost by Israel to Egypt and Syria during this "Yom Kippur" war, with armaments "sneaked" in by the United States. It was to have been a covert operation.

Right from the start though, it wasn't. It immediately caught the attention of several formerly U.S.-friendly countries neighboring Israel, who refused to allow U.S. aircrafts to land on their airfields, to either refuel or bring supplies into Israel. The U.S. airlift of supplies, ostensibly to help Israel maintain its sovereignty, ended up costing the U.S. more than the 2.2 billion dollars they had originally earmarked for the effort. OPEC, in response, realizing the United States efforts to help Israel were massive and detrimental, decided to make good on its threat of withholding oil from the United States. And on the date of October 17, 1973, they did just that. The oil supply to the US was cut off. This led eventually to a huge spike in oil prices in the U.S. due to the impending shortage.

Fuel became more and more scarce to the point at times of fully 20% of all gasoline stations closing down with no fuel available, which caused the price of gasoline in the United States to skyrocket. Fuel rationing went into effect. Cars with either odd or even license plate numbers were allowed to fuel only according to their plate-number designation (Odd numbered license plates could fill up only on odd numbered days, and even numbered license plates could fill up only on even numbered days).

No longer in the land of plenty was fuel readily available. The auto-driving public became upset. They re-thought their priorities. And when it came time for them to consider any future auto purchases, they said, in not so many words, that they'd had enough of the U.S.'s gas-guzzling cars and would choose to buy a different type of car, a smaller automobile. The movement that had already been in force by the US car-buying public to move away from the purchase of full-size automobiles was now taking grander proportions. What this rethinking by the American public had done, figuratively, was put another nail in the coffin of U.S. car manufacturers' world market dominance.

2. Health Concerns:

What came next as another major annoyance to U.S. car manufacturers, which had already begun its journey as early as 1972, was the U.S. government mandate to require all gasoline sold for passenger vehicles, to eventually contain no lead (Tetraethyl lead prolongs the burn cycle of gasoline in engines, reducing the instances of uncontrolled instantaneous ignition inside the engine. Unfortunately, it also is a neurotoxin that causes elevated blood pressure, and other cardiovascular conditions in adults). Since adding lead to the fuel had the effect as well, of improving the octane rating of gasoline (lessening an engine's tendency to knock: [read as "uncontrolled burn"]), which allowed a car's engine to run at a higher compression ratios. Lower taking it out meant a drop in compression ratios. Lower horsepower. And effectively, for that time, it further led to the death of the U.S. high performance car market.



With the high performance "halo" cars now gone and only full-size automobiles to sell, three were yet put into another quandary when in 1979 another major crisis happened overseas. In the country of Iran, the Shah leader. Oil production in Iran stopped completely, due to the upheaval in the government. Then a war broke out between Iran-Iraq in 1980, which cause oil production in Iraq to stop as well.

Panic about the cessation of oil production in these two countries caused an immediate sharp rise in prices in the United States. This caused the American public to reconsider their priorities. Big cars were no longer seen as attractive. And people were not buying as many big cars as they used to do. The realization came to the U.S. auto makers that the market in which they had been dominant for so long was now in the process of vanishing. Even more perplexing was the prospect that this market was not coming back (It should be pointed out however, that Chrysler and Ford believed it would come back). If this prospect were to be realized (which it eventually would), then only too few full-sized cars would be sold, making profitability questionable. The question for the car manufacturers then would become, should they take their chances and just wait it out for as long as they could and hope the full-size car market would return? Or should they just hedge their bets right now and jump in head first into the "small-car" market, and hope to enjoy some of the current market share which the American buying public was now entering into buying?

3. The Small Car market:

For General Motors, their decision was to do the latter. They were going to enter the small-car market. The fruits of that decision was an automobile called the Chevrolet Vega, which, in retrospect

could metaphorically be called a “camel,” (a “horse” designed by a committee) designed by a General Motors’ corporate committee, to be sold through its Chevrolet division.

The Vega it would turn out, would have very little to do with Chevrolet other than to bear its name on its car body. The car was designed by General Motors to be sold as a Chevrolet. The President of the Chevrolet Division, John Z. DeLorean, was tasked with the job of selling the vehicle, despite the objections of many Chevrolet engineers who did not want to be associated with selling a non-Chevrolet, which they thought in many ways to be inferior to their own cars. Still, despite the objections and the associated bickering among the engineers at Chevrolet, John DeLorean sold the Vega and managed to sell the car rather well (at a rate of about 285,000 units per year in its seven year existence), at the price point and weight point of 2,000 dollars and 2000 pounds, respectively, that he and GM had initially targeted as a mandate for being competitive.

Marketing-wise, John DeLorean might have been heralded as some kind of genius for selling these cars at the target GM established, since the vehicle in its original presentation was both far above the market MSRP of \$2000 and car weight of 2000 pounds. But, how he brought both of these factors down to make the car competitive put his whole reputation into question.

In DeLorean’s effort to achieve the goals of lower price and weight, sacrifices were made to the car. The tendency for these cars to rust (thin sheet metal improperly primed) was exacerbated by DeLorean’s decision to remove the car’s inner fender liners (saving weight). Many standard appointments within the car were taken out to save both weight and cost, giving the interior a Spartan and cheap look. Outside the car, in its engine bay, the radiator was reduced in size (which caused overheating). The all new aluminum engine block was fitted with a cast iron intake manifold which was heavier than the block itself (this caused the notorious “engine shake” that plagued virtually every Vega car to run off of GM’s Lordstown assembly line). Then the lords of GM, to make sure they turned an expected profit, sped up their Lordstown assembly line while reducing their work force, which led GM to accusing its workers of sabotage, by producing cars with both shoddy work and parts missing. This built up to a strong division of opinion between management and labor, which eventually led to GM workers calling a wildcat strike, closing down the plant and costing General Motors more than \$150 million dollars in lost revenue. The strike would eventually be settled, but the debacle known as the Chevrolet Vega would continue further for seven more years, after which time, GM would finally reach the decision to discontinue the car’s production.

The cars that followed the Vega from General Motors however unfortunately, proved very little better. Cars like the Citation, the Cadillac Cimarron, the Chevette, the Oldsmobile Diesels, the Lumina, the Sprint, would further tarnish GM’s precarious reputation and bring down even more their pride and salability of its vehicles. To use the word “quality” meaningfully in the same sentence with any of these cars would have been an exercise in futility.

Ford Motor Company also opted to bring to market a small-car variant. That vehicle was called the Pinto. Although not as attractively styled as GM’s Vega, the Ford Pinto, like the Vega, brought with it a whole host of problems that would in future, diminish the reputation of the car company.

In terms of sales, the car sold well. Ford sold more Pintos than GM sold Vegas. (And as far as sales are concerned, you don't fix what's not broken). But, even though the Ford Pinto would become one of Ford's most successful vehicles ever, its Pandora's Box of problems would erode Ford's image quality further down than what was first apparent.

The reason were simple. The fuel tank was mounted to the rear of the vehicle, behind the rear axle, which was not uncommon in most American vehicles (save for Chryslers, which mounted its fuel tanks above the rear axle). But, in the Ford Pinto, unlike other American cars with rear-mounted fuel tanks, there was no reinforcing structure between the car's fuel tank and its rear panel. This physical reality of a structural absence led to a higher possibility of an explosion occurring from impact to the fuel tank when struck from behind by another vehicle. Also, in the event of a rear end collision, the Pinto had a design flaw, of which Ford was glaringly aware, whereby the car would have a tendency to "buckle," like an accordion. This would cause the doors to jam and be irreversibly crumpled in place, preventing any occupants from exiting through the car's doors. As for fuel tank vulnerability, Ford admitted in several internal memos that the bumper on the Pinto was "ornamental." Ford had known too, throughout all its testing and development of the Pinto since its inception in 1967, that there was a possibility of fuel tank explosions in the Pinto. With all this information Ford had been aware of throughout the car's ten year existence, that it was essentially a death trap on wheels, Ford, by appearances did not seem to care, as they blamed both driver incompetence and poor road conditions for accidents in which their cars were involved. Furthermore, the future models of the Pinto's design, particularly the 1973 and 1974 models (when Ford decided to construct the Pinto's hatchback entirely of glass: glass has virtually zero ductility) made the fuel tanks even more vulnerable to explosions, should the car get rear-ended from another vehicle.

For Ford Motor Company, the consumer's knowledge of this design flaw became a public relations nightmare. The car too, would bring to mainstream conversation, the vernacular term "costs and benefits analysis," which Ford had applied in a negative way to the cost of implementing a safety design to a vehicle, the Pinto, which they did not do, compared to the cost of a human life.

Using figures provided by the NHTSA (such as the cost of a human life in reference to deferred future earnings, hospital costs and pain and suffering costs) Ford valued the cost of failing to provide a safety enhancement (\$137 million) higher than the cost of human life (\$49.5 million: arrived at by Ford's estimate of only 180 lives being saved). The "Ford Pinto Memo," as it became known within the auto industry, ironically had dealt with something else altogether different and had in reality nothing to do with the Ford Pinto, since it involved vehicle rollover accidents (The memo had been used by Ford to seek an exemption from safety standards that had been mandated by the NHTSA.) For the press at large, it did not matter. It was used by them and various other publications as legitimate criticism of a car company that maintained a corporate culture of valuing profits over human life. This reputation Ford gained would have to be lived down by Ford for many years to come.

For Chrysler, there was no development of a small car. Instead Chrysler decided to "wait-it-out," until the public's "fascination" with the small car faded. When, in the late seventies, Chrysler's dealer lots stayed filled with unsold full-sized Chryslers, the realization came to them, seemingly suddenly, that the

public's fascination with the small car wasn't going to end anytime soon. Chrysler had gambled. Chrysler lost. With very few cars sold, and profits not being made, Chrysler faced the real prospect of going into bankruptcy. On top of that, another problem surfaced at Chrysler: their most popular offerings, the Dodge Aspen and the Plymouth Volare (considered F-body cars, which were replacements for Chrysler's wildly popular A-bodied Dodge Dart and Plymouth Valiant) were rusting out, and rusting out badly. Every single F-body car sold by Chrysler in 1976 and 1977 ended up being recalled. The cost to Chrysler would be close to \$100 million. Then in 1979, Chrysler CEO Lee Iacocca, realizing more clearly that very little movement of cars was taking place on his dealer lots and recalls were costing Chrysler Corporation millions of dollars in repair work, took the unprecedented step of going to Congress and begging for intervention to save Chrysler from bankruptcy.

In reality, it was already too late. Chrysler was bankrupt. They had already renegotiated its debts with creditors (Chrysler was paying back 30 cents on the dollar on some of these debts) and had restructured most of its organization (including laying-off nearly half its workforce, and renegotiating the remaining employees' pay to slightly more than half of their previous wages). But Chrysler was still failing like a terminally ill hospital patient, on the brink of non-existence. For them, there seemed no way out. And from Congress, Chrysler did finally get approval for a \$1.5 billion loan guarantee (Congress did not loan the money to Chrysler, but rather guaranteed its creditors that the loan would be paid back) which would give them enough breathing room to at least initiate a resurgence.

The fruit of that loan guarantee in the guise of automobiles being produced, was the Chrysler K-car (more specifically, initially, the Dodge Aries, Plymouth Reliant, Chrysler LeBaron and Dodge 400). This, though a starting point, sadly would be the best Chrysler had to offer.

For their time though, K-cars were not bad cars. They also were not good cars. When compared to the Honda Accords and Toyota Camrys of the day, they were considerably clumsier, less refined, and several years behind, technologically speaking. Styling-wise, these cars reminded most people of nothing more than three boxes piled on top of each other to make what resembled a car. Moreover, what this signaled for Chrysler, in a moribund way, which they finally had to come to grips with, was the end of an era, which they had savored and hoped would one day come back. In the minds of the Chrysler corporate culture, the reality which they had to accept, was that the large car market was now officially gone. From this date forward the grieving that took place at Chrysler for that lost period of automotive history would have to give way to acceptance. There would be no more Dodge Challengers, Plymouth Cudas, GTXs, or Dodge Chargers in its immediate future. Those days were gone and would be gone for at least 25 years to come (the rebadged cars of today that hoped to emulate the past cars really don't capture the spirit of the original cars). At this point, what lay forward in Chrysler's future was the K-car and all of its subsequent variants (think Dodge Shadow, Plymouth Sundance and yes, even the Chrysler Mini-vans).

Chrysler would eventually build a small car (the Dodge Neon comes to mind), with Chrysler's involvement in the small car market coming several years later than both GM's and Ford's offerings. But, what all three car companies would share in common, was that during the era in which these cars

were produced, the American cars were in whole, significantly inferior to the offerings from the two major Japanese car companies, Honda and Toyota.

4. Hitting Bottom:

It seems almost impossible to fathom, if not for retrospect, that from literally such great wealth these three car companies possessed, they could finally produce only such inferior cars as General Motors with their Vega, Ford with their Pinto and Chrysler with their K-cars.

That these three models, the visionary products of American ingenuity at work, from such high-moneyed companies, would fail so miserably at a time they needed to succeed would prove unacceptable and unfortunate. In the interim years, one would think with lessons learned from these failures, that the quality of the cars would have gotten better. But, it hadn't. The three car companies were still stumbling in the dark. The basic simplistic thoughts behind the creation of these failed automobiles apparently still lived on in the short term ahead. The mindset at General Motors had become to "down-size" everything, and they ended up creating 7/8 scale models of all their full-size vehicles. For Chrysler, its money and its future were to build every car upon the same platform: the K-car platform. At Ford, the thinking was to bask in the greatness (?) of the Pinto, (never mind any safety issues) then build their most beloved car of all time off the Pinto platform (remember the Mustang II?).

And now it is 2013. The car GM brings to the table to compete with the high volume sales of Toyota's Camry and Honda's Accord is the Chevrolet Malibu, a car which no one is raving about. The car Chrysler brings to the high volume sales market is a Fiat-badged, Dodge Dart, which exists as a Dodge because Chrysler is no longer viable, existing only as a majority owned subsidiary of the Italian Fiat Group. And for Ford, their competitive car is the Fusion, a re-badged Ford of Germany, Mondeo.

The mindset of Detroit car-builders, just before the inglorious transformation of automobile supremacy took place, was to build the car they wanted to build; the consumer and the rest of the world be damned. Take it or leave it. That was their thinking. When the subsequent events of traffic safety, fuel embargoes, recessions, and gas prices came into effect, the Detroit car companies realized, in some respects, too late, that their very existence depended upon their ability to build smaller, more competitive cars. In some respects, they did succeed. They built smaller cars. But, in many other respects, they failed.

The Ford Fusion is Ford's current entry into the "quality" car market. The American automotive press is more or less ecstatic about the vehicle. The Wall Street Journal raves the Fusion is "best in class." And all this advertising (make no mistake, this is "advertising" being passed off as news) has helped Ford regain some of its quality image back to what it had been before the Pinto debacle. But, for Ford now, despite all the chest-pounding and peacock-strutting they may do, there is always another less flattering side that comes out, one which by way of real news, says Ford is still behind its foreign competitors in creating quality cars. This leaves Ford and its Fusion rightfully further behind in its claim to being "best in class."

A lawsuit had claimed that the Ford Fusion Hybrid's EPA rated 47 miles per gallon was not attainable. Albeit far from it, that a maximum of 37 MPG rating was more realistic and was what most Fusion car owners were getting in real world driving. An ECU software upgrade and specific advertising that focused more on the Fusion 2.0 liter Hybrid, which is rated at 47 MPG, did create more credibility and moved the car's fuel economy upward, but still short of the EPA estimate of 47 MPG. (It should be noted that the EPA, Environmental Protection Agency, does not test every car sold in America for gas mileage data. That task of rating MPGs is generally left to each car's manufacturer, to provide "good-faith" estimates of the car's mileage.) This bad publicity, however factual it may or may not have been, created skepticism in the consumer's eye of Ford's claim to being "best in class." The new CVT (continuously-variable-transmission) Ford had installed in its Fusion, one that refused to "kick-down" when trying to pass another vehicle, also had eroded the "best in class" image Ford wanted conveyed (an explanation of the differences between conventional automatic transmissions and CVTs would have been helpful to Ford's prospective car owners). The engine roaring unexpectedly when the car's transmission finally did kick-down, another related problem, seemed an almost anti-climactic afterthought of "what else could go wrong?" The "Eco-Boost" engine ("Eco-Boost" is Ford's technology of direct-injection into each cylinder of a car's engine by way of cylinder-located fuel injectors. The fuel atomization process is completely eliminated.) had the problem, too, in some cases, of "dying" when the accelerator pedal was pushed quickly to the floor. This also was "software-related."

These problems, unfortunately, were ones that have occurred only recently and had left many observers wondering if Ford, or for that matter, any other U.S. carmaker could build a competent, competitive car. In the future, hopefully new problems will be properly addressed before any cars are released to an unsuspecting public. For now though, this is what we're stuck with.

5. Are We There Yet?

The fall from glory for the big three U.S. automakers was hard and sudden. The responses the big three automakers gave to the automotive world's mandate for a smaller car were both half-hearted and insincere. Since the time of the Chevy Vegas, Ford Pintos and Chrysler K-cars, smaller cars that superficially filled that public mandate, the mindset of the American car-buying consumer changed from needing a small, fuel efficient automobile to a mindset that valued better built and more reliable cars.

Such cars as the Toyota Camry, the Honda Accord and Subaru Impreza were becoming more valued and prized than the domestic cars. And for good reason. They were being driven on a nearly daily basis, with its owner not having to worry about whether they wouldn't start each morning. That sentiment can't be said about American cars. Moreover, these cars were lasting a long time. They were still being driven on our highways for well over 100,000 miles (which had been the U.S. car industry's standard of longevity), with even some Toyotas going well over the 300,000 mile mark. The U.S. car industry has a lot of catching up to do. But for them, the pursuit becomes one of trying to catch a fast moving target. From this attitude and perspective then, the return to glory for the American auto industry may have to be put on hold, perhaps indefinitely.

6. Hindsight:

In retrospect, it's now easier to see why the American auto industry took such a plunge. When traffic-related deaths were at an all-time high, the U.S. car industry blamed the driver and road conditions, not the car. When the price of fuel began climbing higher and higher, the U.S. auto industry ignored the fact as merely a "glitch on the radar screen" and kept building larger cars believing the market would return. When the "writing on the wall" said the big three needed a smaller car to compete for market share, the entries by General Motors, Ford and Chrysler were more akin to something a third world country would put out on the market than what a U.S. car company would. And finally, when quality counted, none of the big three was able to create an honest goodness quality car. Even now, both Ford and GM had to go to Germany to develop a car that possessed some technical savvy, such as the aforementioned infamous Ford Fusion, which is a thinly disguised Ford of Germany, Mondeo; and the Cadillac ATS, which is a poorly executed attempt at replicating the BMW 3-Series. For Chrysler, sadly, their entry for a high quality car attaining market share is a Fiat called the Dodge Dart: The car designed by Italians imported from Italy.

When I had told my friend that her choice of the Honda Accord, one she made with her husband's blessing, was the right one technically that was the right thing to do. She was happy. But in retrospect, did that really matter when I still felt something terrible inside me for having recommended the car?

Having said that, I felt my recommendation of the Honda Accord was a betrayal against a U.S. auto industry that I had held in such high regard for so many years. More poignantly, I had in fact committed a traitorous act, going against my most heartfelt feelings of wanting the United States to have come out with a better car. But, since it hadn't, what else could I do? There was no better car from a U.S. manufacturer.

It was bittersweet.

When I think back to that conversation, I realized there was another thing I should have thought of doing that would have extricated me from this whole dilemma of guilt about my recommendation. That would have been to just keep my mouth shut. Just, say nothing either way. "I don't know." That would have left my feelings intact, and given me more time to think about other things.

"Silence is golden." Isn't that what they say? Hindsight is everything.

The following resources were used in the research of this article:

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