

Mr. Ford's Page

ONE of the common habits people fall into is to explain everything by the term "business." We explain depression by saying that "business is bad." We explain far-reaching changes by saying that "business is undergoing a readjustment." We look hopefully toward the time "when business will pick up again."

The mistake is rather childlike, as if we should declare that the thermometer governs the weather. To be sure, the thermometer is "down" when it is cold, and "up" when it is warm, but the thermometer is acted upon by other forces, it does not act upon them.

Business is a barometer. It registers various conditions. But it is not the master-force in the world. It is a sign of life and creative activity; more than that, it is the sign that for the moment the interaction of all the social elements has reached a degree of harmony sufficient to give all men the happiness of being busy and the satisfaction of being supplied. So, when it happens that business is "down," like the thermometer, it does no good to put it "up" by artificial means. The thing to do is to change the general condition, whatever it may be, and business will reflect the result as surely as the mercury rises with the first mild days of spring.

Many other adjustments must occur before we get the "business adjustment" which people believe is the one thing necessary.

And these adjustments are now in process. That is a point we ought to bear in mind: *these adjustments are now going on.*

People often say "things are at a standstill." No, they are not. If we could see the whole economic process, not merely the one point where it makes contact with us as individuals in our jobs, we should see that nothing is at a standstill, but that everything is moving and changing—even now, when everything seems to be dull.

What we call "hard times" are economically the beginning of "good times." That is, a period of depression is not the tail end of the old era, it is the introductory period of a new era. Now, that idea is worth getting, for it shows us as by a light just how foolish we mortals are in the matters which most vitally affect us in our economic interests.

We think that this business slump is the end of the old period; *it is really the beginning of the new.* If we had been wise we would have recognized that the feverish prosperity of last spring and the preceding winter were the real "bad times" of which we should have been afraid. Wise men told the people that, but did anyone heed? Only a few. That feverish, flashy prosperity during which money was spent in fast and furious manner, and everybody was independent and felt that they could walk out of their job any time they wanted; that complete let-down of all common sense in expenditures and manufacture and labor—that comprised our hard times! But we did not know it.

That period had to end. That was the ruinous period. All the damage was done then. And when it did end, then readjustment immediately began. The slow-down and stoppage was the first sign of healthy recovery from the fever of irresponsible folly. The slow-down was not the disease; it was the convalescence. We were sick, sick, sick during what we thought was the heyday of our economic golden age; so sick, that in our delirium we mistook dangerous economic conditions for "prosperity."

Whatever disaster may be falling now is not a consequence of present conditions but of former conditions. From this time forward, indeed from the time the fever left us, the general economic condition has been on the mend.

When people are able to see that the time to be fearful is in

times of irresponsible prosperity, in the drunken revel of profiteering—then, we may hope for the prevention of periods of what we call "hard times." The only way you can eliminate the periods of convalescence is by eliminating the periods of illness. And the only way to eliminate economic illness is not to confuse it with economic convalescence, as the people have done for a century.

The whole matter is so intertwined that you cannot speak of it under such terms as "money," "business," "credit," or the like. These only represent a special angle of the general whole. The crucial readjustments that take place at times like this are not fiscal at all, but human. The whole secret of economic recovery is stated in human, and not banking terms.

When a crowded excursion ship is lurching too heavily on one side, threatening to capsize, what is the remedy? Readjustment of the burden. If all the people have rushed to the port side, have half of them return to the starboard side. This equalizes the burden. It is evenly distributed, and thus more easily carried.

Something like that has happened to the economic ship. Too many people crowded over to one side. The City constitutes but a small part of the world. The Manufactory constitutes only one part of the work of the world. Yet everybody wanted to crowd into the City, and to enter the Factory. And the result was that an artificial congestion arose, and we called the fever of that congestion by the delusive name of "prosperity." All sorts of unnatural things came out of it. Unnatural ideals of life. Unnatural exaggeration of the value of money. Unnatural disproportion between qualities of materials and the price asked for them. Unnatural notions of what constituted "a good standard of living." Unnatural waste of materials in cheap and gaudy "luxuries" which were only toys. The whole condition was unhealthy in the extreme, but because there was a hectic flush upon its features men thought it was the color of "economic health." It was the consuming fever of economic dissipation.

You see, therefore, what line some of the readjustments had to take. People had to do a lot of readjusting themselves. What is the meaning of the "For Rent" signs in our cities and the deflation of the rent profiteers' balloons? Simply this: people are readjusting the inequality of the population between country and city. Thousands of people are going back to the real country, which lies outside the cities.

The people who are now going back to the country are an advance guard.

The time is coming when if industry needs them it will go to the country and get them, erecting pleasant little workshops beside the local streams, and begin industry anew under natural conditions. It is natural for people to like industry, to want to work in industrial institutions; but it is unnatural that a million people should have to be packed in the narrow area of the City in order to gratify that desire.

We must not think, therefore, that those who are leaving the cities are the defeated ones. Not at all. Heaven forbid that our standard of success should ever be the present type of city life! Those who are going back are the vanguard of a new movement which will continue until a proper adjustment has been reached.

So, all these wholesome things are occurring now. The whole situation is mending fast. No one will doubt that the people are in a much more wholesome frame of mind than they were a year ago. And there can be no prosperity without this sound state of mind on the part of the people. The first essential of prosperity has therefore come back already: the fever has left the public mind.

HUMAN adjustments come before business adjustments. It is not business that makes life, but life that makes business. Don't get the cart before the horse when you are thinking about this sober period of "business depression." The remedy is not fiscal only, but human. Business is a barometer that registers the economic weather; it does not make the economic weather; people do that. This slow period is not the disease; it is the convalescence. The disease raged last spring and the preceding year, when everything was going ahead feverishly. People mistook the hectic flush of financial folly and human extravagance for the color of economic health. We were sick then. We are improving now. This is a preparatory period for a new era. It is not the sick dregs of an era slowly passing. The change began the moment the folly and fever stopped.