Introduction

In October 1944, two months after the Liberation of Paris, François Lehideux was arrested by the French police and charged with ‘intelligence avec l’ennemi’ – with having collaborated with the Germans during the Occupation. A product of the elite École libre des sciences politiques with considerable experience in finance and industry, Lehideux had been at the centre of the Vichy regime’s economic policies, serving as commissioner for unemployment, delegate-general for national (industrial) equipment, and state secretary for industrial production. In each of these positions, he worked closely with the German occupation authorities. But it was Lehideux’s activities as the director of the professional organization for the French automobile industry, the Comité d’organisation de l’automobile et du cycle (COA), created in September 1940, that appeared the most damning. From 1940 to 1944, the automobile industry had worked overwhelmingly for the Germans, delivering some 85 per cent of its production to them. Collectively, French automobile companies had made a major contribution to Germany’s war effort, and as the industry’s political chief, Lehideux was deemed to be directly responsible.

Lehideux vigorously – and, ultimately, successfully – defended himself against the charge of collaboration. In 1946, he was released from prison and three years later the case against him was dismissed. As with many of those accused of collaboration, Lehideux pleaded a combination of patriotism and extenuating circumstances: he had defended France’s interests at a difficult time when choices were extremely limited. Lehideux, however, went much further in his defence. Rather than a collaborator, he insisted that he had been an active resister, citing several contacts with wartime resistance organizations. But the heart of Lehideux’s case rested on the claim that, under his guidance, the French automobile industry had systematically sabotaged the German war effort by deliberately under-producing. For evidence, Lehideux pointed not only to the considerable

gap between pre-war and wartime production levels for the industry as a whole, but also to concrete cases, most notably that of the Ford Motor Company’s French affiliate, Ford Société anonyme française (Ford SAF). According to Lehideux, the COA had worked with Ford SAF to ensure that it produced relatively little for the Wehrmacht during 1943–4, a critical period in which the Germans pressured the company to participate in a European-wide truck production programme. Ford SAF, in short, became a centre-piece of Lehideux’s defence against the accusation that he and the French automobile industry had collaborated with the Germans.

Lehideux’s defensive strategy draws attention to one subject of this book: Ford SAF and its wartime activities. As a majority-owned American company operating in France, Ford SAF found itself threatened from several sides during the Occupation, and especially after the United States entered the war in December 1941. In addition to the danger of expropriation by the Germans as an enemy-owned company, it had to contend with a Vichy regime engaged in a policy of state collaboration with the occupiers as well as with powerful business rivals, most notably Ford-Werke (Ford Germany), which appeared bent on taking it over. Yet despite this threatening situation, Ford SAF not only survived but thrived in occupied France. The company’s wartime profits were sizeable, larger indeed than many of its counterparts. More significantly, Ford SAF went from being a relatively minor player in the French automobile industry during the 1930s to a major one in 1945, almost on a par with the Big Three – Citroën, Peugeot and Renault. Reflecting this transformation, the post-Liberation French authorities would assign Ford SAF a prominent role in their plans for reorganizing the automobile industry.

That Ford SAF worked for the German occupiers, or even that overall it had a good war, is not particularly revealing. Much the same could be said for any number of companies in occupied France and Europe. World War II was a large-scale industrial conflict that, in all belligerent countries, drew a wide variety of businesses into its vortex. Some companies participated more willingly and profitably than others, but almost none could resist the war’s pull. In the case of France, Annie Lacroix-Riz recently castigated the automobile company Renault for producing considerable amounts of war matériel for the Germans, describing Louis Renault in

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particular as an enthusiastic collaborator. In response, Laurent Dingli downplayed the company’s contribution to the German war economy while also painting a more sympathetic portrait of its director. But for all the attention it attracted, the exchange between Lacroix-Riz and Dingli has generated more heat than light. The question is not whether French companies worked for the occupiers or not, since outright refusal was all but impossible; nor is it whether industrialists were villains or saints, as most were neither. Instead, the more interesting question concerns the conditions under which companies operated: how much room for manoeuvre they possessed; how they understood their interests; and what choices they made. It is in these terms that the claim to deliberate under-production is intriguing, suggesting as it does that Ford SAF had options beyond that of simply collaborating with the Germans. One purpose of this book is to explore these possible options.

In examining the activities of Ford SAF during the German occupation, this book draws on the burgeoning field of wartime business history. Much of this scholarship focuses on Nazi Germany, with scholars generally agreeing that German companies enjoyed some room for manoeuvre, even if they disagree on precisely how much. If companies had little choice but to work for the regime, the extent to which they did so could not simply be dictated. Their participation in the war effort was shaped by a complex and shifting array of incentives, constraints and calculations. As always, companies sought to make money and, more basically, to ensure their short-term and long-term survival and prosperity. At the same time, they faced new and considerable constraints, among them: massive

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matériel shortages; the danger of intervention by the authorities and rapidly changing and thus highly uncertain domestic and international environments. Companies had to consider all these factors, assessing as best they could their short-term and long-term interests.

To be sure, Nazi Germany was not Vichy France. The first was a nation engaged in a colossal war of racial and territorial conquest, the second a defeated country partially and then fully under foreign occupation. For all its desire to remake France, Vichy’s ambitions and scope for action paled beside those of the Nazi regime. Nevertheless, as Marcel Boldorf convincingly argues, the guiding principles of France’s economy under German occupation resembled those of Nazi Germany. In seeking to harness the productive capacity of French companies, the Germans generally favoured the use of incentives rather than coercion.7 Leaving aside the question of whether or not the economy of occupied France (or of Nazi Germany) can be described as capitalist, it is clear that French companies enjoyed some freedom in determining the conditions under which they worked for the Germans.

Questions remain, however: how much freedom did companies have and how did they use it? For answers, one needs to turn to concrete cases. In doing so, scholars can benefit from a wave of recent work on wartime France. Indeed, thanks in large part to Hervé Joly’s multi-year research project on ‘French firms during the Occupation’, the subject is now a well-established research field.8 Yet this does not mean that there is nothing left to say. Each company has its own story, and that of Ford SAF, as this book will show, contains more than its share of colourful personalities, gripping drama and even intrigue.

But there are other reasons for singling out Ford SAF. Unlike other companies in occupied France, it was not French – or at least not completely


and not always so. This situation could create complications, most obvi-
ously following the American entry into the war. As an American-owned
company located in a country (France) occupied by another country
(Germany) at war with the United States, Ford SAF faced risks that
French companies did not. Yet Ford SAF was also a member of the
French automobile industry, and as such could argue that it deserved to
be treated as any other French automobile company. Overall, Ford SAF
would deftly play on the ambiguity surrounding its identity and status. At
times, it presented itself as an American company and at other times as a
French company. In the context of wartime occupation, when the political
pressures to nationalize economies were arguably at their height, this
Janus-faced capability proved to be useful. It helped Ford SAF to exploit
the disagreements not only between the French and German authorities
but also within each national grouping. And this advantage would greatly
aid the company in its search for French as well as German allies.

Another distinguishing feature of Ford SAF was its membership in a
multinational business empire centred on Ford Dearborn (USA).
Although the Americans sought to keep a firm directing hand on the
various Ford affiliates, their ability to do so declined during the hyper-
nationalist 1930s before disappearing almost completely during the war.
Increasingly cut off from Dearborn, the Ford companies in Europe found
themselves in unchartered territory, with no centre to organize relations
between them. For Ford SAF, this became a pressing problem in the wake
of France’s defeat in 1940, when Ford-Werke set out to place the various
Ford companies in continental Europe under its direct control – an effort
that ran parallel to Nazi Germany’s more ambitious project of construct-
ing a territorial empire. As the largest Ford company in Europe after Ford-
Werke, Ford SAF was preoccupied to the point of obsession with the
expansionist aims of its German counterpart, and it would take the lead in
opposing them. But Ford SAF could not do so on its own; to safeguard the
company’s independence would require allies.

Together, Ford SAF’s American ownership and membership in the
Ford empire raised the political stakes involved in its wartime activities.
For neither the French nor the German authorities was Ford SAF simply
one company among many. Adding to Ford SAF’s distinctive situation
was its valuable productive capacity. At the end of the 1930s, the company
had begun to build a new factory at Poissy, just west of Paris, which would
be equipped with state-of-the art machinery, much of it coming from the
United States. By the time of France’s defeat in the summer of 1940 the
factory was almost finished. Poissy’s potential, together with the mystique
of the Ford brand, which conjured up images of modern assembly-lines
pumping out massive quantities of goods, ensured that Ford SAF would
attract the attention of the Germans from the beginning of the Occupation. The fact that Ford SAF principally produced trucks would further stoke the interest of the occupiers. For as the war lengthened and the Wehrmacht’s need for transport grew desperate, exploiting Ford SAF’s productive capacity became a priority for the German authorities.

For all these reasons, then, Ford SAF was a site of considerable interaction between various French, German and (to a lesser extent) American actors during the Occupation. This extensive interaction, in turn, makes the company’s wartime history a valuable instrument for exploring the second and larger subject of this book: the politics of industrial collaboration in occupied France. The chapters on the wartime years devote considerable space to the overall political and industrial situation, discussing in detail German and French policies. At first glance, this might seem excessive, distracting the reader’s attention from Ford SAF. Yet the space allotted is justified for two reasons. One is to provide the larger context for Ford SAF’s activities. The German occupation created a highly charged political environment, which makes it impossible to examine Ford SAF’s choices, calculations and decisions in isolation.

The second and more ambitious reason for expanding beyond a focus on Ford SAF is that it allows us to highlight some of the underlying dynamics at work in the industrial realm during 1940–4. Most scholars would probably agree that industrial collaboration was not simply a matter of German dictation but one of Franco-German negotiation, even if the two sides were not equal partners. More concretely, this meant that French companies had some say in working out the precise terms of their collaboration with the Germans. But the wartime history of Ford SAF suggests more than this – that the say of French companies actually increased over time. Helpful to understanding how this worked are what economists call ‘information asymmetries’. Despite several attempts, the occupation authorities failed to devise a system of oversight that would enable them to scrutinize the activities of French companies. Thus, from the start the Germans found themselves dependent on French companies, which were far better placed to know what they could or could not do, to make the efforts needed to maintain and even increase production. As the war dragged on and as France’s economic situation deteriorated, this information asymmetry widened, reinforcing the dependence of the Germans while increasing the ability of French companies to determine

9 For more on information asymmetries, see Inés Macho-Stadler and J. David Pérez-Castrillo, An Introduction to the Economics of Information: Incentives and Contracts (Oxford, 2001); and Adam Przeworski, States and Markets: A Primer in Political Economy (Cambridge, 2008), 69–75.
the extent of their efforts on behalf of the occupiers. During the course of
the Occupation, in short, the balance of power between the German
authorities and French companies shifted in the latter’s favour. This
simple but important dynamic influenced the policies of all the actors
concerned.

Collaboration and resistance

In exploring the politics of industrial collaboration, the book offers
new perspectives on several historiographical themes related to wartime
France. One theme is that of collaboration and resistance. Generally
speaking, historians are far less willing than before to use either term.
It is not that collaboration and resistance (or collaborators and resisters)
did not exist; rather it is because the terms fail to capture the complexity
of life under occupation. For this reason, Philippe Burrin’s concept
of ‘accommodation’ has proven attractive. According to Burrin,
most French men and women had little choice but to adapt to the
German occupation, a reality they could neither change nor completely
evade, even if they could sometimes influence the terms of adapta-
tion.10 Significantly, Burrin found it easy to apply his framework to
the industrial realm: French industrialists were neither committed
resisters nor collaborators but instead worked with (and for) the
Germans chiefly for lack of alternatives. Up to 1942 at least, it appeared
that Germany had won the war, and commonsense dictated the accept-
ance of this reality. After all, factories had to be run, profits made and
workers paid.11

Burrin’s argument that industrialists accommodated themselves to
the Occupation, however, has been challenged. In some ways, this is a
predictable result of further research. As case studies multiply, the con-
cept of accommodation becomes vulnerable to the same criticism of
catch-all terms such as collaboration and resistance: they lump together
a diverse variety of activities and intentions. Accordingly, in an influential
article François Marcot proposed a classification for the behaviour of
industrialists that went well beyond accommodation to include indiffer-
ence, reticence and opposition as well as resistance and collaboration.12

11 Ibid., 233–66.
12 François Marcot, ‘La direction de Peugeot sous l’Occupation: pétainisme, réticence,
opposition et résistance’, Mouvement social, 189 (1999), 27–46; also see his ‘Qu’est-ce
qu’un patron résistant?’ in Dard, Daumas and Marcot, eds., L’Occupation, l’État français
et les entreprises, 277–92.
Marcot explained that these categories were neither exclusive nor fixed but could be overlapping and changing, depending on the circumstances. The classification is certainly useful, and if Marcot had simply stopped here there would be little more to say. But he did not. Instead, examining the case of Peugeot he argued that the automobile company had systematically manifested ‘bad faith’ towards the Germans, doing all it could to hamper cooperation and even engaging in sabotage – or in what he termed a ‘deliberate strategy for the reduction (freinage) of production’. Casting his gaze more widely, Marcot suggested that industrialists should be seen not just as businessmen defending the interests of their firms but also as resisters moved by patriotism to thwart the occupier.13

Marcot’s argument concerning the sabotage of production in the French automobile industry has received growing support from scholars. In his recent study of Peugeot, Jean-Louis Loubet, the leading historian of the French automobile industry, describes various delays in fulfilling German orders, all of which, he maintains, were intentional. Echoing Lehideux’s post-Liberation defence, Loubet also points to the significant drop in output: in the nine months preceding France’s defeat, Peugeot produced almost 24,000 vehicles, but only 27,415 during the following four years of occupation. These figures, he tellingly remarks, ‘speak for themselves’.14 A similar argument has been made for Renault. Gilbert Hatry and Emmanuel Chadeau both contend that the company deliberately under-produced, though Hatry attributes this to Renault’s determination to develop vehicles for post-war markets while Chadeau invokes a general ‘weariness’ and a ‘je m’en foutisme’ that supposedly afflicted workers, cadres and directors alike. In his biography of Louis Renault, Laurent Dingli goes further, insisting that Renault and, indeed, all the major automobile companies embarked on a deliberate and sustained ‘policy of reduction’.15 Meanwhile, the argument of under-production has also

been applied to other sectors of the economy, among them the steel, electrical and aircraft industries.16

Interestingly, for all its popularity, the case for deliberate under-production has received little critical scrutiny. All too often, scholars appear to accept at face value the declarations of the automobile companies regarding their activities. Yet more scepticism is surely needed. Many of the claims originated in the immediate post-Vichy period, when industrialists as a group stood accused of collaboration. Barely one month after the Liberation of Paris, Renault began to rehearse the argument that it had consistently worked to reduce the quantity and quality of output for the Germans. The self-justificatory impetus of the exercise was obvious.17

Another cause for scepticism is that under-production is extremely difficult to demonstrate. For obvious reasons there is no smoking gun in the form of contemporary and clear-cut instructions. But a more basic problem is that the claim itself is often vague. Who are the principal actors involved: individual workers; groups of strategically placed workers; or the workforce as a whole? When does sabotage occur: before, during and/or after the manufacturing and assembly processes? Equally pertinent, the notable drop in wartime production cannot be attributed to a single factor. Growing shortages of manpower, raw matériels, semi-finished goods, energy and transport during 1940–4 created a new and profoundly different economic situation. Simply to compare production figures before and after 1940 is misleading, since even with the best of intentions no automobile company could have attained anything near its pre-war output during the Occupation.


Given the grounds for scepticism, it is tempting to reject entirely the argument of deliberate under-production. Yet this would be a mistake, for there are reasons to take the claim seriously. One of them is the changing nature of the war. If powerful incentives existed in 1940–2 for cooperating with the Germans, this was less so afterwards. As the possibility (and then likelihood) emerged that Germany would lose the war, companies were compelled to reconsider the short-term and long-term benefits of collaboration. Another and related reason concerns the state of France’s wartime economy. Here, some of the scholarship on the Stalinist Soviet Union is suggestive. The Soviet economy was in permanent crisis, a situation generated by a combination of urgent pressure to produce, unrealistic targets and shortages of various materials. To get anything done, companies were forced to go outside official channels to procure what they needed, engaging in endless rounds of negotiation with various authorities and suppliers – a process well-oiled by blat (influence and bribes). A premium, in short, was placed on resourcefulness. Although Vichy France was obviously not the Soviet Union, its economy suffered from mounting and debilitating handicaps, which meant that resourcefulness (or débrouillardise) became an element of increasing importance to economic activity. But because débrouillardise is difficult for outsiders to measure, companies in wartime France possessed considerable latitude in determining just how resourceful they would be. Indeed, as the overall economic situation worsened during the Occupation the room for manoeuvre of companies grew larger. In this situation, companies could in theory decide to produce less than they could.

But what happened in reality? The wartime history of Ford SAF provides an opportunity to assess the claim that French automobile companies deliberately under-produced. Using a variety of sources, The Politics of Industrial Collaboration weighs the evidence for and against under-production, attempting to distinguish what is plausible from what is not. The task is far from straightforward: much of the evidence is ambiguous and can be interpreted in more ways than one. Nevertheless, the book builds a circumstantial case that Ford SAF did under-produce, particularly in terms of its participation in the European-wide truck production programme during 1943–4. Yet, just as importantly, it