

A Ghost's Memoir: The Making of Alfred P. Sloan's *My Years with General Motors*. By John McDonald. Cambridge, Mass.: MIT Press, 2002. 220 pp. Cloth, \$24.95. ISBN 0-262-13410-1.

Reviewed by Daniel Nelson

In 1949 *Fortune* writer John McDonald asked Alfred P. Sloan, chairman of General Motors, to help him prepare an article on GM's diesel engine operations. Sloan agreed to cooperate. Fifteen years later, they published Sloan's memoir, *My Years at General Motors*, one of the most influential business books of all time. *A Ghost's Memoir* is McDonald's story of their unusual partnership and his battle to prevent GM from suppressing the manuscript. McDonald portrays himself as the victim in a populist drama: the little man, committed to the truth, confronting the soulless corporation or, more accurately, the soulless lawyers who represented the corporation. In fact, his experiences were not markedly different from those of many professional historians who have undertaken commissioned histories, with one significant distinction: his attorneys (like GM's) were among the most prominent lawyers of the day, his bosses at Time-Life were among the most prominent figures in contemporary journalism, Sloan was the preeminent corporate executive of that time, and McDonald himself was a highly regarded writer.

After that initial meeting in 1949, McDonald and Sloan gradually became collaborators. The elderly Sloan did not have the patience or talent for popular writing, and McDonald sensed the possibility of an unusual story. After numerous delays they decided to work together on an article, then a book, and finally, a semischolarly treatise on the history of General Motors, based on Sloan's recollections, interviews, and archival research. (In 1956 they hired Alfred D. Chandler Jr., a young MIT instructor, as their research assistant.) They emphasized the 1920s, when Sloan's ideas on product development and marketing reshaped the industry and sealed GM's victory over Ford and the other automakers. Completing the manuscript in late 1958, they sent it for comment to various GM executives, who responded with enthusiasm. Several months later, however, Sloan suddenly stopped publication (as he had a right to do) at the request of

GM's outside lawyers, who insisted that the book would lead to an antitrust suit and "destroy" GM. This unexpected development launched a four-year battle between McDonald and the lawyers that included McDonald's suit against GM, filed in 1962.

The bulk of *A Ghost's Memoir* is devoted to the suit, McDonald's relations with the lawyers, and their tactics and maneuvers. I found two facets of the story particularly compelling. The first is its portrayal of an aloof and enigmatic Sloan, who, despite feelings of friendship for McDonald and interest in telling his story, remained strangely uninvolved. McDonald attributes this behavior to a cold, detached personality (Sloan was "not a very social person. . . . Mr. Sloan did not engage much in the small talk that others in high places did" [pp. 25 and 27]), and an aversion to conflict. But this explanation is hardly persuasive. Presumably Sloan, the great corporate problem solver, could have resolved this situation, perhaps with a phone call. Instead he left McDonald to fight his own battles, at one point offering a generous cash gift, apparently in contrition, but then allowing his lawyers to reduce the amount and attach various conditions to it. Is this the portrait of a cynical bureaucrat or a befuddled old man?

The other notable feature of the conflict, about which McDonald is anything but ambiguous, is the sneakiness and duplicity of GM's lawyers, especially Maurice T. (Tex) Moore, who served simultaneously as a partner in the company's outside law firm, as corporate counsel to Time-Life, McDonald's employer, and as Sloan's personal attorney. Once Moore and his associates decided that the manuscript was a threat, and that McDonald was an obstacle, they tried to intimidate and punish him. Exploiting Moore's influence at Time-Life, they had him demoted and ostracized. While not exactly powerless, McDonald knew that his career at *Fortune* was in jeopardy and would almost certainly end if he persisted and did not win the suit.

McDonald asks repeatedly why GM cared about the book, since it did not include revelations about current operations. His conclusion is that the lawyers simply assumed that Sloan's story would call attention to the corporation's past and prod the government to move against it. GM's lawyers often accused McDonald of "shaking the tree," of trying to extract money from GM, but if McDonald is right, it was surely the lawyers who were shaking the tree with doomsday scenarios, delays, and procedural disputes.

Finally, with the suit bogged down in legal maneuvering, McDonald decided to go back through the manuscript and remove or obscure the handful of statements that might even indirectly interest the Justice Department. This action, coupled with the intervention of Frederic Donner, the GM chairman, who was undoubtedly tired of the whole episode, broke the stalemate and led to the publication of the revised manuscript in 1964. (McDonald does not mention that Chandler's *Strategy and Structure* appeared in 1962 and covered much the same ground, though it did not cite the possibly offending documents.) The book was an immediate best seller.

McDonald, whose career revived after 1964, apparently had no intention of telling his story publicly until 1990, when *Fortune* published an essay by Peter Drucker that was to be a new introduction to *My Years at General Motors*. McDonald was offended that he was not consulted and that Drucker, who was unaware of the dispute, had written a largely fanciful account of the book's origins. He completed *A Ghost's Memoir* shortly before his death in 1998.

McDonald's legacy is a fascinating, largely unflattering, glimpse of the mid-century business elite.

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