

## CSR and Ford Motors "Pinto"

It was the 1960's and the Ford Motor company had been under difficult competition from its Japanese and German rivals who were flooding the small-car market. Ford needed to react and react fast if they intended to compete in the small car market, so Ford hastily pushed out the Ford Pinto, which till this day was one of the car manufacturer's darkest hours. Ford's drive for money and its disrespect for human life and safety caused one of the biggest disasters in the automotive industry.

The Pinto was designed so hastily that the car was produced in 25 months versus the usual 43 months it usually takes to properly produce a car. This is not where the problem took place; the problem actually took place before the actual production of the car itself. Ford had designed the car with the gas tank dangerously close to the back of the car. The problem with this design was that during rear crash tests the tank would often explode into flames and if the victim was trapped in the car at the time of the accident, there was a definite possibility of the driver being burned alive. Ford had a patent on another gas tank design that would not explode on impact, but this problem was discovered when all the assembly line equipment was all configured and ready to go and the replacement tank would raise the cost of the Pinto. This left Ford with a moral dilemma. The extra cost to Ford to install the safer gas tank was about \$11.00 a Pinto, which would add up to an estimate of 121 million dollars. With these numbers in hand Ford did a cost-benefit analysis and came to the conclusion that they would rather pay for the law suits, which were predicted at 50 million dollars, than actually make the change to the car, which would have cost 121 million dollars. Here Ford is saying that profit trumps human life and proceeded to produce the dangerous car. Studies have shown that the Pinto could have actually been a safe car if Ford decided to move the gas tank up above the rear axle, but the reason why Ford was reluctant to do this, was because of trunk space. Ford and the other companies had been competing for trunk space in their vehicles, so Ford made the decision that trunk space was more important than human life and decided not to change it. Ford had another option, instead of replacing the fuel tank which would cost the company \$11.00 per car, Goodyear introduced a rubber fuel bladder that could have been inserted into the fuel tank and would have prevented the fires. This option would have only cost Ford about \$5.00 per Pinto, but Ford once again valued the dollar more than human life and decided against the fix. During the time of the Pinto, more than 9000 people had burned to death and Ford had leaked about 10 million unsafe cars onto the market.

This example truly shows how important CSR is in business. If CSR had a larger presence in the time of the Pinto, there would probably be a good chance that the necessary repairs and changes would have been made and innocent lives would have been saved because of it. If it was not for the presence of growing CSR values in today's

society we could potentially have many more Pinto incidences on our hands. CSR does not just protect the environment or make sure fair wages are paid to employees, but in some circumstances it can save lives.

**Sources:**

**Design Defect on the Ford Pinto Gas Tank:** <http://www.fordpinto.com/blowup.htm>

**Wikipedia: Ford Pinto:** [http://en.wikipedia.org/wiki/Ford\\_Pinto](http://en.wikipedia.org/wiki/Ford_Pinto)

**1971 Ford Pinto:**

[http://www.time.com/time/specials/2007/article/0,28804,1658545\\_1658498\\_1657866,00.html](http://www.time.com/time/specials/2007/article/0,28804,1658545_1658498_1657866,00.html)

**Ford Pinto Fuel-fed fires:** <http://www.autosafety.org/article.php?did=522&scid=8>