In 1928, with the Wall Street Crash and the start of the Great Depression only a year away, prospects for the Ford Motor Company still looked rosy. Henry Ford's celebrated Model T had been a major success. His firm's new Model A was just around the corner and had already received 700 000 orders. But there were flies in the ointment. Market competition from newer car manufacturers with lower production costs was denting sales and squeezing profits. The wages of Ford's mass assembly line workers could not be slashed because they were the essential purchasers of the vehicles they produced. Suppliers of key motor components, particularly the big rubber companies of Firestone, Goodyear and General, would not discount their prices. Thus, although Ford's factories continued to expand, allowing him to maintain his status as the world's richest man at the pinnacle of his wealth and power, lowering the vehicle production costs was becoming a preoccupation. Yet, the rising demand for rubber after the First World War continually frustrated Ford's plans.

The car magnate's preoccupation became an obsession when the prospect of an Anglo-Dutch rubber cartel threatened to force his cars to run on ever more expensive tyres. Already famous for cutting corners on a grand scale, Henry Ford hit on a spectacularly ambitious solution to his need for a massive supply of cheap latex. This was to have Ford cars fitted with Ford tyres. The riveting story of Ford's ecometric solution is told, for the first time, in this engrossing book by Greg Grandin, a New York University historian of Latin America. As a history of colossal delusion and misguided economic and social aspiration, it is rivalled surely only by fiction, bringing to mind Aldous Huxley's Brave new world and Joseph Conrad's Heart of darkness and Nostromo.

Attended to by fawning and mostly ignorant advisers who usually muddled through by telling their willful boss what he wanted to hear, Henry Ford turned his acquisitive gaze upon Brazil. If the rubber tree, Hevea brasiliensis, originated there, then was the Amazonian rainforest not the obvious spot to establish a massive Ford plantation? The harvest from millions of rubber trees would resolve the raw material worries of Michigan's production lines. So, by 1928, the Ford Motor Company had acquired an enormous land concession on a tributary of the Amazon, a plot of about 9200 square kilometres, or roughly the size of a mid-range US state such as Tennessee. Burly Ford men floated in to build a South American 'El Dorado' that was expected to yield a fat dividend in tyres, floor mats and windscreen wiper blades.

From an exhaustive study of Ford company records, Grandin reveals that, in all of this 'press-on' American eagerness, there was an extraordinary disregard of one very obvious and crucially important factor – scientific knowledge of rubber cultivation. Astoundingly, Ford management made no effort to consult botanists, agronomists or experienced commercial rubber growers. Had they done so, they would have discovered why plantation rubber flourished in South-East Asia rather than in its native Amazonia. One significant reason for its success in the Malay States, for example, was the absence of natural tree pests.

Brazil, however, was a cornucopia of caterpillars. In their natural jungle distribution – scattered single trees with kilometres between them – pests would nibble but not become a destructive rampage. But bunching trees together in the Fordlandia plantation spelled disaster. The merging canopies of mature trees signalled an open season for regiments of voracious caterpillars. In one of this book's many vivid episodes, over a thousand Brazilian workers fanned out across the plantation in a futile effort to combat a particularly acute infestation. They collected 250 000 caterpillars for squashing, but did little to check the blight. Rubber trees that endured in the wilds of the jungle could not be farmed in the way, and on the scale, envisaged by Henry Ford. Doomed from the outset, the plantation limped on until 1945, when Ford's grandson, Henry Ford II, sensibly gave up, withdrawing Fordlandia's expatriate American workers and managers virtually overnight. So ended the saga of what the author calls 'this forgotten jungle city'.

But as Grandin's rich and complex historical narrative reveals, Ford's ambitions for the Fordlandia project went far beyond jungle clearance for mass agricultural production. Drawing on numerous Ford biographies to craft a forceful portrait of this book’s central character, Grandin depicts Ford as 'a very distinctive' capitalist 'megalomaniac'. Gripped by a fanciful utopianism, Ford was ultimately 'more interested in cultivating people than products'. Arguably it was rather a case of treating people as if they were goods, but, in his account of this dream of Amazonian consumption, the author has a point. The Fordlandia project was also about taming the jungle, sanitising the Amazon River Basin and creating a 'Middle America' company town and a model industrial community.

In a crusade to export an idealised American way of life, pre-fabricated bungalows designed in Michigan were shipped in, along with white picket fences. Their inhabitants were prescribed manicured lawns, a golf course, a community hall for wholesome square-dancing, based on Ford's own dance manual ('no bodily contact except for the thumb') and a milk bar diet of shakes and waffles. When they were having a break from constantly re-planting rubber trees, expatriate workers and their families could compete for a 'Best Home Garden' prize. Local labourers, enticed from surrounding forests and more distant villages by the promise of high wages, helped to build the roads and worked the fields and lumber mill of Ford's plantation compound.
Grandin’s account of this is not only rich in observation but often hilarious. A man of austere habits and semi-mystical beliefs, Henry Ford was not only a low-fat, high-fibre, missionary tycoon – he also hated cows. So, just as Fordlandia was promoted as a growing Latin-American Arcadia, the food of the future was the soybean. There was no room for hamburgers in the plantation’s canteen. Instead, its Ford-endorsed nutritional universe consisted of soya cakes and soya-based waffles. But, by 1930, the settlement’s carnivores had had enough and a major food riot tipped the settlement into an orgy of destructive violence. It did recover, but, by then, the writing was already on the wall.

Reading as a great parable of bullish wrong-headedness, the story within Fordlandia is one of a powerful industrialist whose reach exceeded his grasp. The unpredictable, inhospitable and suffocatingly lush environment of the Amazon would ‘not submit’ to Ford’s plans for a utopian working community regulated by time clocks and living on a diet of soya. A rickety, organisational mess, the rubber settlement crumbled into a tropical ‘shanty-town’ that became ‘a sweltering, disease-ridden hellhole’, with many expatriates succumbing to malaria and yellow fever. Burning off the surrounding jungle blanketed the area in smoke and ash, while the use of metal and asbestos-roofing turned houses into sweaty ‘nightmares’ that fried their occupants. Turning their backs on ice-cream parlours, the frustrated and demoralised company employees hit the bottle, while their equally disenchanted managers embezzled large sums of money, stashing away dollars in hollowed-out tree trunks. With bars and brothels springing up in the 1930s, venereal disease swept through the compound. Labour relations were no less toxic, with knife-fights between local and expatriate workers and periodic uprisings against conditions frequently endangering overall safety.

Grandin’s mordant account of the life of Henry Ford’s rainforest experiment is that of a fiasco on an epic scale, squandering lives and millions of dollars in materials and cash. Inevitably, the blind imposition of American corporate paternalism on the people and the ecological system of the Amazon region was an invitation for disaster. In its trenchant exposure of misguided capitalist idealism, this absorbing volume is a salutary lesson for the blundering multinationals of the 21st century, not least those currently chewing up the rainforests. The author’s poignant finale includes a number of ageing local memories of Fordlandia, which still hope that the touch of Henry Ford will one day return to revive a rubbery dream. However, we learn that Ford never visited Brazil himself, but was content to leave the site of his jungle delusions far out of sight.