

## AUTOMOBILE SALES AND THE PANIC

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Far better is it in these days to be preachers of prosperity than howlers of calamity. Confidence, faith and courage move the world; distrust, unbelief and timidity throttle action in its inception. The psychic side of industry is a subject little considered, but there is no question that the sanguine American temperament is a basic cause for our marvelous productive power. We have boundless natural resources and the highest developed institutions of freedom, but we also have a nation of men imbued with the spirit that conquers. It is the energy of hope, not the inertia of despair that furnishes the key-note of our national life.

Still there are some among us who are social hypochondriacs. Their minds dwell on social ills, diagnosing symptoms of disease where few or none exist, and their voices have acquired a habit of direful prophecy. These are the men without faith, to whom the future is always dark and fearful. Often cheerful enough in the ordinary ways of life, in their capacity as independent American citizens they are confirmed misanthropes. For them I know of but one cure that might prove efficacious and that is the Christian Science treatment of mental suggestion. For, as Shakespeare has somewhere said, the earth is a heaven or hell as thinking makes it so. President Taft has recently been applying a little of this thought cure. He has been telling the country that prosperity is not merely on the way but is actually here. The social hypochondriacs may be inclined to ascribe his announcement to political license which may make some kinds of romancing pardonable, but facts do not support their contention.

In the automobile industry about which I am requested to write there has been no such word as panic. It may at first seem hardly fair to cite this industry as proof of general good times, but I think on consideration it will be seen that there is much that can be said on this line. In 1909 there were 100,000 automobiles manufactured and sold, and in 1910 there will be 200,000 manu-

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factured and sold. This is a remarkable increase. This means that two or three hundred million dollars were put into automobiles just when it was supposed the country was on the ragged edge of bankruptcy. Was it reckless folly or were the times better than some believed? I am inclined to think that it was not such a bad panic after all, that in fact as a nation we were more scared than hurt.

It must be remembered that prosperity and depression are relative terms, that what may be regarded as good times in one decade may be set down as bad times in another. There were no soup houses or Coxe armies in our late experience. There was no overproduction of manufactured goods, no unsalable surplus of farm products. Neither was there anything else organically the matter with the country—no war, pestilence or famine. The let-up in activity was principally to be attributed to psychological reasons, to a wave of conservatism or caution which was partially a natural reaction from extraordinary activity and partially the result of distrust because of over-speculation, strained credit and the demagogical crusade against the railroads and other corporations. Liquidation has cleared the skies, the public enemies of capital have taken to the woods and the tariff is laid on the shelf. The basic conditions being good and there being no longer grounds for distrust we have but to make up our minds that prosperity is here again to have it in fuller swing than ever before.

The sale of so many automobiles proves that there is a wide diffusion of wealth in this country and that there are hundreds of thousands who are not satisfied with anything less than the best that is going. The American people must move fast, and the automobile is a popular and useful means to that end. If it were merely an extravagant luxury the automobile industry would represent a colossal and unpardonable social waste. But under the standards of the twentieth century it is a necessity. The ox cart gave place to the horse vehicle, and the horse vehicle must be relegated to antiquity by the motor car. Some one has said that the inventions that have most profoundly affected the development of civilization, aside from that of the alphabet, have been those of transportation. Steam and electricity have been performing their part in annihilating space, and now they are to be supplemented by the gasoline motor. The latter is destined to conquer the earth

and air for men. With it every man may be his own distance annihilator—the twentieth century ideal. As it heightens man's pleasure and as its utility is of a higher order than the vehicles it displaces, the motor car, despite its cost, must be set down as a necessity of the times. Some burden may be felt because of the current revolution from horse to motor transit, but the transformation once completed the world will be the gainer by it.

The automobile industry was born before the panic, it flourished undismayed through the panic and it will wax mightily now that the panic is over. This year the manufacturers could not keep up with the demand although their factories underwent marvelous expansion, and next year additional millions will flow into the industry and additional thousands of men will find a new employment. The continued expansion of the automobile industry shows that the hard times were not so hard as they might have been, and now that the worst is over there can be no doubt that it will contribute its share to the rising flood of new prosperity.