

What the Auto Really Meant

DO YOU REMEMBER how exactly one year after you bought your automobile the salesman would pounce upon you with an attractive "trade-in" proposition? It will be a long, long time before he bothers you again. War has done for him what you frequently were inclined to do. He has lost his job—the whole hundred thousand of him who made up the great American annual pest.

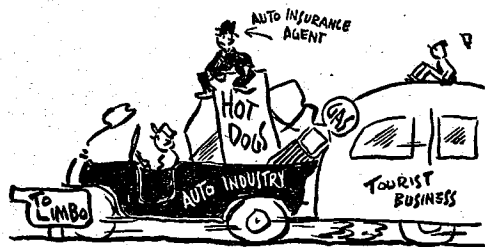
Furthermore, some 450,000 auto workers were laid off temporarily when the government had to decree that the mountains of metal and rubber that went into pleasure cars and commercial trucks should now be diverted to tanks, army motor vehicles and airplanes. About 400,000 persons em-

out, and in due time the values underneath the once noisy "juke" box and once busy gasoline station will vanish with their customers.

Municipal bonds secured by highway tolls have already dropped; bonds of the New York Port Authority (two tunnels and a bridge that cross the Hudson River) immediately fell five points in anticipation of the auto's decline. What about the value of city lots adjacent to these unused vehicular conveniences, and the acres that line the deserted highways?

Those who worship statistics will have plenty to prove that every decline in production causes unemployment, that every increase in production raises land values.

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ployed by 44,000 dealers would have to find other jobs, and in due time related industries, those which supply glass, upholstery, accessories and gasoline station equipment, as well as hot dog stands and roadhouses, will feel the effects of the change.

There will be employment for the workers in armament production when conversion of the plants is effected. Those engaged in the purely service industries that grew up around the massive automobile industry, like insurance companies and filling stations, face a difficult readjustment.

But what will happen to the argument often heard during the depressive 1930's that the "automobile is to blame"? Perhaps the war-born incident will serve as a lesson in economics during the post-war era, and will point up the stupidity of the over-productionists.

Perhaps the people will remember that the nearly 29,000,000 passenger cars which once roamed American highways actually resulted in employment, and that the "simpler life" of pedestrianism and cycling made for fewer jobs. Perhaps machinery is not the cause of poverty.

One hopes, too, that another effect of the auto's disappearance will bring home a vital economic principle: namely the decline in the value of land fed by the limousine and the flivver. Many an equity in the sumptuous sales rooms will be wiped