ROGER W. BABSON
Founder of Babson Institute
FORECAST

Business is bound to be better during the next few years. Real estate will be active; stock market prices will be firm; retail sales will break previous records; while the Babsonchart will develop a black area above the normal line.

As to whether unemployment will for many years be brought back to normal, I am not sure. The employment problem fundamentally is a spiritual rather than a statistical problem. Theoretically new industries should come along to take up the slack produced by automatic machinery; but in the interim I fear trouble.

There is no sign that the various groups — employers, union labor, farmers, politicians, veterans, elderly people, etc. — have yet given up trying to get something for nothing. They still think that “social security” can come through legislation.

The nation must realize that only as more is produced, is there more to divide; while only as character is developed, will there be a more equal division. The chances are, however, that it will take another severe depression for the voters to learn this fact.

This means that you young men will live to see very much worse times than have yet been witnessed. Only those of you with character, health, intelligence and courage will survive. Rich fathers and safe deposit boxes will be unable to save you.

Wise are you who keep away from big cities. Cast your lot with the rural communities. Become allied with small but useful industries. Be independent and self sustaining so far as possible. Avoid relying on a rope of sand.

Civilization is its own worst enemy in giving too much emphasis to “profits”, without a clear idea of what profits really consist. Some day the American people are coming to their senses and revolt. They may turn against their faithless political leaders, but my hunch is that they may turn against those now engaged in certain forms of advertising, merchandizing and financing. Be sure that you are not found in this group.

No, I am not pessimistic. The world has always been getting better, and always will. But we progress only as we learn through struggle and punishment. The “easy way” means deterioration. The very fact that you are to have trouble makes me very optimistic for your grandchildren.

ROGER W. BABSON
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