

MOBILITY INDUSTRY INSIGHTS

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In Mobility Industry Insights we will investigate and debate the issues that affect how people and goods are transported, how governments attempt to enable and restrict transport, how consumers decide which transport options they will use, and the methods being used to make mobility safer, more convenient, and more affordable for all. We will discuss and debate the issues, presenting multiple perspectives, and will solicit views from a variety of sources.

Should your political or social views determine which products you do or do not purchase—including your car?

Political consumerism refers to the 'use of the market as an arena for politics in order to change institutional or market practices found (by you) to be ethically, environmentally, or politically objectionable' or to reward companies for favorable practices.¹*

ABRIDGEMENT


Among the business moguls who were on the inauguration stage with the person being inaugurated in the United States Capitol Rotunda on the 20th of January 2025, Elon Musk had perhaps the most to gain and the most to lose. He gave the incoming President his wholehearted moral backing and a few hundred million dollars in financial support to help him win the election. His decision to accept the position of leader for the Department of Government Efficiency (D.O.G.E.) as a "special government employee" raises questions of conflict of interest on one hand and the impact of his absence from running his companies, principally Tesla, on the other. The designation allows him to work for the federal government without being a full-time employee or receiving a paycheck, but he is expected to deliver a few trillion dollars in savings by the end of June 2026, and it is already clear that Tesla needs his attention. The stock has lost close to 50% of its value since it peaked just following the election, and sales of new Teslas have collapsed in nearly every market, mainly due to Musk's DOGgEd approach to carrying out his D.O.G.E. assignment, and his commitment to the new president's agenda, which is anathema to the 50.2% of the voters who did not vote for the new president. People who would buy Teslas are boycotting the brand.

Boycotts, embargos, blockades, and tariff wars are nothing new. Boycotts are sometimes initiated by governments, but they are mostly carried out by citizens. In the case of Tesla, it is the citizens in many countries who have taken the initiative. Is it Musk or Tesla that is being boycotted, or is Musk/Tesla just an easier target for people who are really trying to voice their anger at the new United States administration and its leader? Will counter boycotts lead to the destruction of the global automobile market, or will Musk, Tesla, and the U.S. President ride out the initial storm, coming back stronger and greater than ever? Is there a lesson here for executives who try to sit simultaneously in the company executive suite and the government executive suite, that it is a gamble not worth taking, or that it is a good way to promote the brand?



¹ Stolle Dietlind, Micheletti Michele (2013) Political Consumerism: Global Responsibility in Action. New York: Cambridge University Press.

*Added by Editor.



Hardware stores report that over one million men bought one-quarter inch drills in one year. Not one of those million men wanted the drills. They wanted quarter inch holes in metal or wood.


Somerset, Pennsylvania newspaper in 1942

PRODUCT MARKETING MANTRA number one is: People don't buy products; they buy product benefits. For 'product benefits' you can substitute 'solutions' or 'promises' or 'results', but the meaning is the same. People don't buy a Mercedes-Benz. They buy what the Mercedes-Benz does, or should do, for them. Besides bringing along the luxury cachet of the brand to their driveway, house of worship or country club parking lot, or school drop-off point, it delivers the highest levels of safety, a superior driving experience, and a dependable resale value, all the result of famed German engineering. Audi, Porsche, and BMW share these traits, as well as the high price tags. Volkswagen, which owns Audi and 75% of Porsche, does not have the luxury label for its own models, but it does promote its German engineering as a selling point.

Sometimes, consumers believe that a product's benefits are outweighed by other factors, so they don't buy it. There was a time during and following the Second World War that the German pedigree was not an advantage, especially for those who were Jewish. One of my college professors as late as 1969 was still debating whether to continue to buy British cars, like Rover, which was affordable luxury when it ran, or to buy the car he really wanted, a Mercedes-Benz. He finally did buy a M-B, but he admitted it was a difficult decision. In the late 1980s, I was eating dinner in the restaurant of the hotel where I was staying in a town close to Chicago while on a consulting assignment. Two elderly women were sitting at a table next to mine, and after they talked about a recent visit to Israel by one of them, they talked about cars. The woman who had been to Israel said that she was very happy to see that Cadillac had finally made a lower-priced model, the Cimarron, so that her son, who, she explained, could not yet afford a Deville, Eldorado, or Fleetwood, didn't have to buy a BMW, which at the time was affordable semi-luxury. I was tempted to lean over and say that her son could save himself a lot of money if he bought a Chevy Cavalier instead. It was the same car. But I held my tongue.

Not purchasing a Mercedes-Benz, or any other German automotive brand, had nothing to do with the cars; it had to do with the country where the cars were made, and that country's leadership and the crimes against humanity that were perpetrated by them during the period between 1933 and 1945. It was not just German cars that were shunned, and not only for personal feelings, but for the feelings of others. Back in the '70s, a good friend was considering buying her first car. Her parents came from Texas to Boston for a visit, and I was invited to dinner with them. Her father, who fought in the Pacific Theater during World War II, told her that if she bought a Japanese brand he would disown her. I was driving an American Motors Jeep Cherokee at the time, for which he thanked me. "Buy American," he said. She ended up buying a Volvo. I later bought a Saab. My wife and I now each own a Toyota.

My father had a reason for not buying British, even though they were America's allies. He took part in the Battle of the Bulge in



1944 and spent the next year behind the front lines and in the Army of Occupation in Germany. He was more troubled by my purchase of a Ford Cortina, made in Britain, than when I bought my first car, a used VW Beetle. GIs who bivouacked in Britain for a few months before deploying to the continent, like my father, never forgave the British for how they treated the Americans. “We don’t need you Yanks to win this war,” they were told by soldiers and civilians alike. This might have been true, but the GIs definitely did not appreciate hearing it. They went where they were sent.

We are now living in a time when it seems every group protesting for or against a cause wants their own and other governments, financial institutions, universities, or all of the world’s citizens to do one of three things:

- **Do something**, such as signing a union contract, signing a global agreement on climate change, protecting local jobs;
- **Stop doing something**, such as investing in and aiding Israel, invading Ukraine, closing government aid programs; or
- **Punish someone or something** for what they did, are doing, or what we think they are going to do, such as running a government department that is firing workers (D.O.G.E.), being a part of a government that is intimidating other countries (like the U.S. is intimidating Panama, Denmark/Greenland, Canada), giving prizes to dissidents (like Chinese dissident, Liu Xiaobo, who was awarded the Nobel Peace Prize in 2010).

At the same time, governments are attempting to use their own ability to enable or choke off trade with other countries to accomplish political objectives, protect domestic industries, or simply to generate revenue. Governments want to use the financial weapon as a way to punish their adversaries, whether those adversaries are governments, institutions, or individuals, or reward their friends and allies.

Lessons from using weapons of mass financial destruction

What does history tell us about the benefits and drawbacks of weaponizing trade. Let’s start by defining the terms.

Boycott – the process or instance of engaging in a concerted refusal to have dealings with (a person, a store, an organization, a country, etc.) usually to express disapproval or to force acceptance of certain conditions. Most European countries are boycotting Russian oil and gas as punishment for its unprovoked invasion of Ukraine.

Etymology

In the 1870s, Irish farmers faced an agricultural crisis that threatened to result in a repeat of the terrible famine and mass evictions of the 1840s. Anticipating financial ruin, they formed a Land League to campaign against the rent increases and evictions landlords were imposing as a result of the crisis. When retired British army captain Charles Boycott, acting as an agent for an absentee landlord, tried to evict tenant farmers for refusing to pay their rent, he was ostracized by the League and community. His laborers and servants quit, and the crops in his care began to rot. Boycott’s fate was soon well known, and his name became a byword for that particular protest strategy, both as a verb and as a noun. Across

From Tax to Boycott to Revolution

The Townshend Acts were tax laws passed by the British Parliament in 1766 to raise money for covering the cost of administering the American Colonies. Charles Townshend, the Chancellor of the Exchequer at the time, gave his name and legacy to the laws. Mainly, they were levied to let the Colonies know who was in charge. They were also deemed necessary to cover the costs of the North American portion of the Seven Years War, after which France ceded its North American possessions east of the Mississippi River to Britain and Spain ceded Florida to Britain in exchange for the return of Havana and Manila. They taxed glass, lead, paints, paper, and, most importantly, tea. The Colonists protested. One protest, in Boston in 1770, led to what became known as the Boston Massacre, in which five Colonists were shot by British soldiers.



The Bloody Massacre, a 1770 engraving by Paul Revere depicting the Boston Massacre in Boston in March 1770

After the Massacre, most of the taxes were repealed, but the one on tea remained, and it was reinforced by the Tea Act of 1773. This led to the Boston Tea Party in 1773, and the rest is history.

the Atlantic three-quarters of a century later, boycotts such as the Montgomery bus boycott were pivotal components of the Civil Rights Movement in the United States.

2025 - Merriam-Webster.com

Any Tom, Dick, or Harriet can start a boycott. There are no licenses or permits required. Many of us have our own, private boycotts, like not using any social media or not buying clothes online.

Blockade - a restrictive measure designed to obstruct the commerce and communications of an unfriendly nation.

Etymology

German blockade may be derived from Italian *bloccato*, the past participle of the verb *bloccare* 'stringere con il blocco, privare di rifornimenti'. It seems much more likely however that the word was formed from German *bloquieren* (present-day *blockieren*), attested earlier and probably borrowed from French *blocquer*. The suffix *-ade/-ada* is a distinct borrowing from Romance sources.

2025 - Merriam-Webster.com


Embargo - An embargo is a trade restriction, typically adopted by a government, a group of countries, or an international organization as an economic sanction. Embargoes can bar all trade, or may apply only to some of it—for example, to arms imports. They are designed to punish the targeted country for its actions, and to deny it the means to carry out objectionable policies.

Etymology

English speakers got *embargo* – both the word and the concept, it seems – from the Spanish in the early 17th century. The word first referred specifically to a government order prohibiting commercial ships from entering or leaving that country's ports. (The Spanish word comes from *embargar*, "to bar.") By the middle of the 17th century *embargo* was being used more broadly to refer to any government order that limits trade in some way. Today, the word is applied more broadly still to refer to various prohibitions. Publishers, for example, often place an embargo on a book to prevent stores from selling it before its official release date.

2025 - Merriam-Webster.com

The United States established an arms embargo on Cuba in 1958. Following the seizing of U.S.-owned assets by the new Cuban regime in 1960, led by Fidel Castro, the U.S. established a total embargo on Cuban trade, which has, since then, prevented U.S. businesses from conducting trade or commerce with Cuban interests. During the 1963 Cuban Missile Crisis, when Soviet missiles were shown to be present in Cuba, the U.S. set up a full-scale blockade around Cuba to prevent further deployment of missiles to the island and force the dismantling and removal of those which were there. The blockade worked; the embargo remains in force, presumably because it has not worked.



Tariff - A tariff is a tax imposed by one country on the goods and services imported from another country to influence it, raise revenues, or protect competitive advantages.²

Etymology

The English term tariff derives from the French: tarif, lit. 'set price' which is itself a descendant of the Italian: tariffa, lit. 'mandated price; schedule of taxes and customs' which derives from Medieval Latin: tariffa, lit. 'set price'. This term was introduced to the Latin-speaking world through contact with the Turks and derives from the Ottoman Turkish Romanized: ta' rife, lit. 'list of prices; table of the rates of customs'.


2025 - Merriam-Webster.com

William McKinley was known as the 'Napoleon of Protection'. As a member of Congress running as a Republican, he drafted the Tariff Act of 1890, commonly called the McKinley Tariff. The tariff raised the average duties on imported goods to 49.5%. It was not received well by the public, who saw their prices rise as a result of the tariffs on incoming goods and markets for exports shrink as a result of tariffs charged by other nations on America's products. He lost his seat in the mid-term elections, and tariffs were reduced by newly-elected Democrats. He ran for and was elected as governor of Ohio in 1891. America went into a deep recession. McKinley was nominated as the Republican's presidential candidate in 1896, and he won, running on a return to high tariffs.

This was the big boom time in America, and the height of what was called 'The Gilded Age', when plutocrats like Mellon, Carnegie, and Rockefeller ruled the economy and pulled the political strings. The U.S. acquired Puerto Rico, Guam, and the Philippines as a result of the Spanish American War, and annexed the independent Republic of Hawaii. McKinley was assassinated during the first year of his second term, and his vice president, Theodore Roosevelt, took over. McKinley had a mountain in Alaska (which was bought from Russia in 1867 for \$7.2 million) named after him officially in 1917 that was renamed Denali in 2015 when Barack Obama was President. The current President has changed it back to Mount McKinley. He told us he would do that in his inaugural address on the 20th of January 2025.

In addition to "restoring names that honor American greatness," the incoming President of the United States in his inaugural address also made tariffs a centerpiece. He said: "Instead of taxing our citizens to enrich other countries, we will tariff and tax foreign countries to enrich our citizens. For this purpose, we are establishing the External Revenue Service to collect all tariffs, duties, and revenues. It will be massive amounts of money pouring into our treasury coming from foreign sources." It was just after making this statement that he introduced D.O.G.E. "The American dream will soon be back and thriving like never before to restore competence and effectiveness to our federal government. My

² <https://www.investopedia.com/terms/t/tariff.asp>



administration will establish the brand new Department of Government Efficiency.” Elon Musk, standing behind the President as he said these words, smiled broadly. Later, Mr. Musk made a speech behind a lectern with the President’s seal at a post-inaugural event in the Capital One Arena. It was at the end of that speech when he made a gesture, twice, which is one of the reasons that Tesla is being boycotted.³

There are two sides to the coin that is used to express a political view in a financial transaction,⁴ the buy side and the boycott side. Buy American (British, French, Chinese, etc.); buy local; support your local farmer (butcher, baker, candlestick maker). These are all calls to use your money to support a particular group of suppliers by buying their products. I remember boycotts more than I remember buy campaigns. Every time I hear the word Nestlé I think of the boycott of the company in the 1970s because of its marketing of baby formula as a substitute for mothers’ milk in underdeveloped countries. American children are taught that the Boston Tea Party in 1773 was the spark that ignited the calls for independence from the British. Tea was sold without tax in Britain, but it was taxed in American colonies. Unfair, said The Sons of Liberty, who counted Samuel Adams, John Hancock, Paul Revere, and Patrick Henry among its members. The Sons dressed up as Mohawk Indians (What was that all about?) and threw 342 chests of tea with a value in today’s money of \$1.7 million into the Boston Harbor at the start of their boycott of British tea.

I remember the Olympic boycotts in the 1980s. The United States and sixty other countries boycotted the 1980 Summer Olympics in Moscow over the Soviet Union’s invasion of Afghanistan, but the Soviet Union and thirteen of its client states turned around and boycotted the 1984 Summer Olympics in Los Angeles. Their official reason was “concerns for security, chauvinistic sentiments, and anti-Soviet hysteria being whipped up in the United States”. I especially recall the “spontaneous” boycott of French wines in 2003, which began when the French government refused to support a US-led effort to create a coalition of countries committed to invading Iraq with the purpose of destroying its “weapons of mass destruction”, and deposing Saddam Hussein. Another part of the boycott was to rename “french fries” to “freedom fries”.⁵


Do boycotts achieve their objectives often, rarely, or not at all?

There are two questions that I would like to address. First, do citizen-led initiatives to boycott products work, including those that are openly or secretly instigated by government? Second, does political pressure on consumers to boycott products work, without

³ There were claims and counterclaims about the gesture. Berlin-based Amadeu Antonio Foundation said that Musk had, in fact, made a ‘Hitler salute’ that would be deemed illegal in Germany. The Anti-Defamation League released a statement on X the day after the speech calling it an “awkward gesture in a moment of enthusiasm, not a Nazi salute”. Musk said, “Frankly, they need better dirty tricks. The “everyone is Hitler” attack is soooo tired.”

⁴ A transaction is a completed agreement between a buyer and a seller to exchange goods, services, or financial assets in return for money. (<https://www.investopedia.com/terms/t/transaction.asp>)

⁵ In 2003, ‘french fries’ were renamed ‘freedom fries’ on the U.S. Congress cafeteria menu. In 2006, the menu name was changed back to ‘french fries’.



trade embargos, blockades, and tariffs, ? A paper written on the effect of the boycott of French wine in 2003 based on research completed by the National Bureau of Economic Research, will help us to try to answer the first of the two questions.⁶ A Cambridge University Press paper on the government-initiated boycott of Japanese products, especially cars, will help us answer the second.⁷

The authors of the French wine report begin by stating that a boycott can have three effects. One, consumers can follow the recommendation for a boycott, leading to a decline in sales of the boycotted product. Two, consumers can ignore the boycott, so there would be no effect on sales. Three, consumers can express their opposition to the goal of the boycott and buy more of it, thereby increasing sales. This latter effect is what happened when Muslims called for a boycott of Danish products as a result of a Danish newspaper publishing cartoons of prophet Muhammad. In the name of freedom of speech, people bought more Danish products.

Rather than conducting a poll and asking the opinions of unrelated individuals whether they are or are not purchasing French wines (which had become by then, and continues to be today, the main way of evaluating the impacts of every type of action), the authors analyzed the data. They found that there was a slight decline in sales of French wines in the United States during the period of the boycott, from February 2003 through May 2003, but they investigated alternative reasons for the decline which had nothing to do with the boycott. They looked at the overall trend of sales of French wines over a period of years. They looked at historical peaks and troughs of French wine sales to determine at what point sales might best be measured. They analyzed the sales of 4,700 brands of French wine according to quantity, quantity share, and price. Data was gathered from scanners in high-volume supermarket chains in sixty-four major U.S. markets, and the data was collected during twenty-four-week blocks from September 10, 2001 through May 18, 2003. They did not include restaurant sales, and the supermarket-only approach left out states where wine sales are not allowed in supermarkets, like Pennsylvania.

What did they find? “There was actually no boycott effect.” They found that sales declined slightly for two reasons: 1) There was a cyclical peak during the Christmas holidays, and the boycott followed right after this peak, so sales normally decline at this time. 2) French wines had gradually been declining for some time due to competition from less expensive, good quality wines, like those from California and Australia. “French wines aren’t suffering even

⁶ The National Bureau of Economic Research (NBER) is a private, nonprofit organization that facilitates research on and analysis of major economic issues. It is nonpartisan and refrains from making policy recommendations, focusing instead on providing background studies and data that underlie decision-making in both the public and private sectors. The paper is “French Wine and the U.S. Boycott of 2003: Does Politics Really Affect Commerce?” Orley Ashenfelter, Stephen Ciccarella, and Howard J. Shatz NBER Working Paper No. 13258 - July 2007 (https://www.nber.org/system/files/working_papers/w13258/w13258.pdf#:~:text=In%20early%202003%2C%20France%20actively%20tried%20to%20thwart,in%20particular%2C%20rebounded%20through%20all%20forms%20of%20media)

⁷ Weiss, J.C., Barwick, P.J., Li, S., Wallace, J.L. (10 July 2023). Commercial Casualties: Political Boycotts and International Disputes. Journal of East Asian Studies. Cambridge University Press.

A "spontaneous" boycott started by Chinese consumers of Japanese products, particularly automobiles. This boycott hurt Chinese companies more than Japanese ones, argued Charles Riley of CNN Business at the time. Only 5% of cars sold in China are imported.

though some bottles have been dumped down the drain. And while some state legislatures threatened to boycott French-owned businesses, it lasted about as long as it took them to discover that French-owned companies in their own back yard provide thousands of jobs and products for their residents." The study plugged all the numbers to the formula below that was run for different conditions, and in all cases Post-Boycott Sales were either positive or unchanged.

Post-Boycott Sales = Original Sales + (Support Sales Gain - Boycott Sales Loss)

That's my island. No it isn't

A boycott that was caused by one government's action and another government's reaction began in September 2012 when Japan's government purchased three of the Senkaku Islands from their private owner. The islands have been controlled by Japan since 1895, except for the period from 1945 to 1972 when they were administered by the United States as part of the Ryukyu Islands. China began to question Japanese sovereignty over the islands in 1970 when oil was discovered. China claimed that the islands were part of its territory prior to the first Sino-Japanese War and should have been returned to it following WWII. Complicating the matter, Taiwan made the same claim.⁸

A "spontaneous" boycott started by Chinese consumers of Japanese products, particularly automobiles.⁹ Sales of Japanese cars fell in September by an average of 35%. Toyota's fell 48.9%. By October the average was down by 38.2%, and 12.3% for the entire year compared to 2011. By January 2013, Japan's Big Three carmakers, Toyota, Nissan, and Honda, were writing down sales and earnings figures for the previous years, and scaling back production in China. Toyota changed the name of its Chinese arm from Toyota China to China Toyota in the wake of the Senkaku Island dispute.

A question that Asian market watchers were asking was whether this action by consumers was really engineered by the government to continue a trend that had already started, which was to push Chinese consumers out of Japanese cars and into more Chinese brands. In 2012, Japanese auto factories, which were joint ventures with Chinese companies, accounted for close to half of all cars sold in China, and Japanese passenger vehicles represented almost half the cars on Chinese roads. Sales of Japanese cars peaked in 2008. Buyers of Japanese brands fell from 32% in 2009 to 24% in 2012. European brands rose during the same period from 24% to 35%. But this boycott hurt Chinese companies more than Japanese ones, argued Charles Riley of CNN Business at the time.¹⁰ "Most Japanese cars sold in China, and the parts used in their production, are built by Chinese workers in Chinese factories. When assembly is

⁸ The United States has stated on countless occasions that the Senkaku Islands belong to Japan. As late as the 24th of January 2021, the U.S. Secretary of Defense, Lloyd Austin, reaffirmed America's commitment to defend the Senkaku Islands and that this promise is covered by Article 5 of the U.S.-Japan security treaty.

⁹ Op.Cit. Weiss, et. al. The boycott of Japanese automobiles in 2012 was state supported.

¹⁰ Charles Riley. (October 11, 2012). Will China's auto boycott backfire? CNN Business. (https://money.cnn.com/2012/10/11/news/economy/japan-china-autos/index.html?section=money_autos).



complete, the cars are moved to dealerships often owned by Chinese and sold by Chinese salespeople. Fewer cars to build, move, and sell means less profit for the Chinese.” After an international tribunal ruled against China’s claims in the South China Sea in 2016, Chinese officials and state-affiliated media put and end to the boycott.

Boycotts are better than shooting at one another

In a 1933 study of Chinese boycotts, economist Charles Frederick Remer wrote: “If, as we hope, the accepted form of coercion is no longer to be war, the boycott in some form will, no doubt, find an important place.”¹¹ Boycotts succeed more often when they are supported by the state, and authoritarian states are more effective than democracies at using the boycott as a weapon because they are able to shape both political and economic behavior.

Will the Tesla boycott turn out to be a Tempest in a Teapot?

Tesla, Inc. (formerly Tesla Motors, Inc.), the darling of the American automobile industry, with a market capitalization that reached as high as its planetary exploration ambitions following the election of the candidate supported by Elon Musk, is now the object of a global boycott. Protest groups have been gathering outside Tesla showrooms urging prospective buyers to think of their own image of driving a car connected to the person who is firing government employees like he fired Twitter employees when he took over that company. Tesla’s January 2025 sales in Europe were one-half of what they were the year before, according to ACEA, the European Automobile Manufacturers’ Association. They were down 63% in France. In Germany, where sales of BEVs were up in February 30% compared to the previous year, Tesla was down 70%. Shipments in China were also down; the dropped 49%.

In Sweden, Tesla sales were down 42% in February, and it was reported that companies have stopped buying Teslas as company cars because they do not see commercial advantages for doing so, neither as promoting the companies’ good will nor receiving a return for them when it is time for them to be replaced. In California, Tesla’s largest market, its sales dropped 7.8% in the 4th quarter of 2024 and 11.4% for the entire year. The rich and famous, who prided themselves on being pro-BEV and Pro-gressive, are shedding their Teslas like they shed yesterday’s trends. On top of the drop in sales, police in the United States and many other countries around the world are investigating attacks on Tesla showrooms, charging stations, and on Tesla vehicles.

There are three reasons given for the boycott and the subsequent sudden and precipitous drop in sales: 1) Elon Musk’s close association to the President of the United States – who is not embraced warmly by the 50.2% of those Americans who voted for another candidate for President in the November 2024 elections, and is not at all popular among a very large percentage of European



The FBI has been investigating a number of incidents where Tesla charging stations and dealerships have been damaged, including fires in Las Vegas, Kansas City and Missouri.

¹¹ Op. Cit. Weiss, et. al.

citizens – and his leadership of D.O.G.E., which is gutting government offices, many of which make significant contributions to global welfare; 2) In Europe, Elon Musk’s outspoken support for the Alternative for Germany political party, a far-to-the-right political party, which was considered political meddling in Germany’s internal affairs; and 3) Elon Musk’s much-debated and heavily criticized gesture given during his post-inaugural speech.

Connecting the drop in sales solely to the boycott is being questioned in some quarters. Some analysts see more structural problems with Tesla and its vehicles. The resale value of Teslas is falling like a stone, and dealers are doing their best to avoid taking used Teslas in as trade-ins. Stories are now appearing in both the popular and automotive press about the questionable quality of Teslas. Teslas have gained a reputation in Europe for having the highest levels of annual inspection failures, close to 25% in Sweden. According to the Managing Director of Ynnor, one of Sweden’s largest company car companies, Teslas lack proper rust protection, they have strong motors but poor brakes, they have problems with wheel suspension, steering systems, and lighting systems. In Germany, the country’s car inspection organization, TÜV, says that the Tesla Model 3 is absolutely last on its inspection quality list.

Then there is the issue of competition. Tesla’s sales dropped in 2024 for the first time, down 1%. Build Your Dreams, commonly known as BYD, a Chinese company, has finally passed Tesla in sales, making Musk’s stated goal of selling 20 million cars annually by 2030 somewhat of a pipe dream. BYD has pushed the same buttons as Tesla to interest buyers, including lower prices and driverless mobility. There is one fly in the BYD ointment: they are not currently sold in the U.S., and the company has no plans to do so, given the current tariff and political climate.

It also does not give consumers a positive sign when Tesla’s board members, including chairperson, Robyn Denholm, Kimbal Musk, Elon’s brother, and two others sold \$100 million worth of shares as the stock price was collapsing during.¹²

The President of the United States went so far to support his major donor by turning the south lawn of the White House into a Tesla car sales lot, and promising to purchase one for his own garage. But if the connection to the President is one of the main reasons for the boycott, this gesture seems to be counter-productive. “I believe the controversy surrounding Elon and Tesla will persist for at least the next year,” Gene Munster, managing partner at Deepwater Management, said on Elon Musk’s platform X on March 11. He went on to say that once the ruckus died down, Tesla would come back strong because it is still “the best game in town”.

If past experience on the longevity of boycotts is a guide, unless governments get behind the Tesla actions and feed citizens’ flames with more fuel, it will peter out. In the U.S. market, the national



Who is selling what to whom? President Donald Trump, joined by White House Senior Advisor, Tesla and SpaceX CEO Elon Musk and his son X Æ A-Xii, on the South Lawn of the White House on March 11, 2025 which was turned into a temporary car sales lot. Below is a price sheet being held by the President.



¹² <https://abcnews.go.com/Business/tesla-board-members-executive-sell-off-100-million/story?id=119889047>

The U.S. President has yet again rocked the global market with his tariff plans. All foreign auto giants who sell cars in the U.S., but do not have manufacturing facilities there, will face 25% tariffs. The move is to protect America's automobile industry, which is vital to national security.

Another paradigm for the Cybertruck?



government is calling boycotts of Tesla “illegal”, although this is the pot calling the kettle black. I doubt this question is going to make it to the SCOTUS. During the week of 24 March, Tesla’s stock made a bit of a comeback, and the announcement of 25% tariffs on foreign-made cars by the President gave Tesla a boost since it is the one manufacturers that has close to zero foreign-made content.

BEBTs are signs that something needs to be fixed

Blockades, Embargos, Boycotts, and Tariffs are not needed in a world where there are ways to resolve political and commercial disputes, just like barricades and protests are not necessary in societies where citizens can air their complaints and concerns, and politicians listen. Imagine where the world would be today if the Townshend Acts had never been passed. Imagine if the United Nations had actually done its job in 2014 when Russia grabbed Crimea. Imagine if China had actually abided by the spirit of being part of the World Trade Organization after it became a member on December 2001 and did not force car companies into joint ventures with domestic companies in order to sell cars in the country, and charge high tariffs on imported brands. Just imagine.

So, should your political or social views determine which products you do or do not purchase—including your car? Even if you try, you will never be sure that you have not made the wrong choice when someone, some group, or some government decides to call a boycott on the country of origin or the manufacturer of your product. Tesla buyers were the darlings of the green new deal crowd in the U.S. and Europe. The rich and famous bought them, and the less rich and non-famous did so as well. Now those green new dealers, the rich, famous, and many—but not all—of the others are trying to unload their Teslas and won’t be seen driving one. German engineering and Japanese dependability benefitted Americans who bought cars made in those countries, but they probably never thought their government would put a 25% tax on the parts they need to keep them running. Even if you choose a domestic brand, many of the parts in those cars will be subject to tariffs because of the global nature of the automobile manufacturing process.

It is unlikely that the 49.8% of the people who voted for the government they now have in the U.S., and who have enough money to purchase a Tesla, will take part in the Tesla boycott. Maybe many of them will even choose to buy a Tesla instead of another brand because the opposition is boycotting them, just as the President promised to do. (Note: He did not own a Tesla before he made that commitment. Let’s see if he follows through with his promise.) Maybe Tesla will produce a special run of red-colored Teslas with M.A.G.A painted on the doors for its new group of customers. For the other 52%, Elon Musk is Darth Vader, and Teslas will remain the equivalent of his personal flagship, the Devastator.



About Michael L. Sena

Through my writing, speaking and client work, I have attempted to bring clarity to an often-opaque world of highly automated and connected vehicles. I have not just studied the technologies and analyzed the services. I have developed and implemented them and have worked to shape visions and followed through to delivering them. What drives me – why do what I do – is my desire to move the industry forward: to see accident statistics fall because of safety improvements related to advanced driver assistance systems; to see congestion on all roads reduced because of better traffic information and improved route selection; to see global emissions from transport eliminated because of designing the most fuel-efficient vehicles; and to see everyone who needs a ride get one.

I try to put vehicles into their context. It is not just roads; it is communities, large and small. Vehicles are tools, and people use these tools to make their lives and the lives of their family members easier, more enjoyable, and safer. Businesses and services use these tools to deliver what people need. Transport is intertwined with the environment in which it operates, and the two must be developed in concert.



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