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The Torch Is Yours

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A SOUND knowledge of political economy is not easily acquired. It takes time and study to grasp the relationship between such principles as Ricardo's law of rent and Henry,

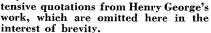
George's law of wages.

I read *Progress and Poverty* and *Protection and Free Trade* by Henry George some 70 years ago. In those days oratory was in flower. We were twice blessed; first, by a number of inspiring speakers in the United States, and second by a public which still attended meetings. We organized great gatherings to hear great orators, but we gradually learned that informed political economists are not made by speeches only.

Long, long ago there were pirates on the Rhine — picturesque robbers who wore bandana kerchiefs and carried cutlasses in their teeth. They were the cloak and dagger men of those days, and they preyed on commerce as it passed up and down the river.

One pirate devised a system of plunder more effective than cutting throats. He let it be known that those traders might pass his castle fortress with a whole skin providing they called at his castle wicket and paid his fees. He thus established the first toll gate on the Rhine, and so profitable did his business become that others followed his example. By the 12th century there

This address by Canadian Senator Roebuck at the annual graduation banquet in Toronto on May 8th included ex-



The program was enjoyed by over 200 guests who heard telephone greetings from HGS directors in Detroit, Montreal, San Francisco and New York amplified by the public address system.

were 19 toll gates, and by the end of the 14th century no fewer than 64.

By this time, however, the exactions of the parasites were so great that they offset the advantages of river transport, and the traders again carried their merchandise on their backs along the banks as they had done before boats were invented. In consequence, business slumped, and there was unemployment — they called it a commercial depression. The reason for the slump was, of course, beyond the comprehension of common people. However, knowing professors of political economy informed the public that lack of education on the part of clerks and oarsmen was the cause.

Looking back over the centuries one may wonder why the victims of the iniquitous system so long submitted to its injustice. Why did they not com-

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bine to rout out the parasites? The answer is that the persons of influence were too busy figuring out how they themselves might turn a cottage into a castle and so obtain a toll gate of their own.

Nothing remains of the buccaneering barons of those good old times but the castles on the Rhine that still delight tourists. As the barons went down, land values went up. Harbor dues replaced dagger blackmail - the owners of wharves collected in rents what the robber barons formerly took in fees, and the economic results were

pretty much the same.

The River Rhine is not the only place where improvements in transportation at the expense of the many have enhanced land values to the benefit of the few. A classic example is the Bloor Street viaduct in Toronto. Before that excellent bridge was opened for traffic the increase in land values in the vicinity were greater in aggregate than the cost of the bridge. Yet we picked the pockets of house-

holders, and actually at that time entered the pay envelopes of workers, to pay the construction cost while landowners pocketed the financial benefit.

The Toronto subway is another example of faulty municipal accounting which allows a few, by the increase of land values, to pocket the benefits at the expense of the many.

I have told the story of the robber barons to illustrate one reason why the fruits of our tree of knowledge are so long delayed. The right of the community to land values created by the community is obvious, but impatient reformers who want things to move faster, should remember the case of the toll gates on the Rhine, and the ambitions they aroused in others for a toll gate of their own.

It is not for us to demand success. It is honor enough for us to deserve it. But to me ultimate success is assured, as we veterans of the movement pass the torch to younger minds having mastered the fundamentals taught in our Henry George School

of Social Science.

"Be strong and very courageous." That is what the Lord said to Joshua.

ANNUAL HGS CONFERENCE

It will be a reasonably-priced conference this year, July 14-18, at the Asilomar Hotel in Pacific Grove, California. The "conference package," including meals and lodging from Wednesday to Sunday may be obtained at rates from about \$40 to \$60, depending on accommodations.

Besides discussions on school affairs, there will be panel discussions on economics and reports of progress. Especially welcome will be full information on the California Homeowners Association.

Programs will be mailed to HGN subscribers. Meanwhile for further information and reservations, write to Robert Tideman, Henry George School, 833 Market Street, San Francisco, Calif. 94103.