

Those Single Taxers

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By WILLIAM FEATHER

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TO GET attention for what follows, I feel impelled to say that the late John C. Lincoln was a rich man. In the last half of his 93 years of life (1866-1959) he was a multi-millionaire.

Making money in industrial, real estate and mining operations seemed to be an avocation for him, as golf or cards might be for other men. His main object in life from 1910 to the day of his death was the promotion of what is commonly called Single Tax, which may be a misnomer. What Lincoln stood for was elimination of taxes on production, buildings, homes, factories, earnings and consumer goods.

The one tax, the only tax, the single tax would be on land values. The tax on land would absorb all the profit in land ownership, thereby compelling owners to use land at its highest potential, or abandon it to others who would put it into productive use.

Lincoln thought that land reflected and absorbed so much of the gain from invention, education, science and population that it—the tax on land values—should pay the whole cost of government.

In succeeding paragraphs I will let others present the theory which was so ably and eloquently expounded by Henry

George in his book called "Progress and Poverty," published in 1879. Lincoln and Henry George devoutly believed in untaxed free enterprise under the capitalistic system. The man who produced was to be encouraged; the man who took gain without producing—the land owner and speculator—was to be taxed out of all profit.

In short, full taxation of land values might be described as an answer to socialism. It would fortify private enterprise while retaining for the public values produced by the community as distinguished from gains by individual effort.

From 1910 until his death, Lincoln contributed generously to the cause. To the Lincoln Foundation, which was set up in 1947, he gave \$3,000,000 in his lifetime. To this, by the terms of his will, another \$3,000,000 will be added. So far as I know he never asked anyone else to contribute even a cent.

Among the enterprises from which his fortune was derived are the Lincoln Electric Co. (of which his brother James F. Lincoln is chairman) and the Universal Wire Spring Co. (recently sold), both of Cleveland, and the Bagdad Copper Corp. of Arizona. Other sources of his wealth were in real estate. He owned or had large interests in Wade Park Manor, Moreland Courts in Shaker Heights, Hotel Auditorium, Bulkley Building, Camelback Inn in Arizona and Lincoln Tower in Columbus.

In such investments and speculations in real estate it often seemed to me he must have taken sardonic delight in collecting the huge gains which he publicly condemned. He was proving to himself and others that there was big money in well-located sites.

Lincoln's biographers, Raymond Moley and the late John W. Love, say that Lincoln first heard of Single Tax in 1889 when Henry George spoke in Cleveland. He was prompted to read "Progress and Poverty" three times. Tom L. Johnson, mayor of Cleveland from 1901-9, was an enthusiastic Georgian. He made active converts of Lincoln and such men as Peter Witt, E. W. Doty, David Gibson, Newton D. Baker, Edmund Vance Cooke, Horace Carr, Henry P. Boynton and John D. Fackler (who later renounced the doctrine).

Gibson in 1913 began publication of a four-page weekly magazine called The Ground Hog, of which I was editor dur-

ing the last two years of its four-year existence. In those years I lived for Single Tax.

When the first World War came, nobody had interest in anything but victory. The Ground Hog discontinued publication, and I turned to other interests, as did almost everyone else in Cleveland and elsewhere. Since then, so it seems to me, the theory of land value taxation might have died except for Lincoln. He was determined that what he thought was right and moral should prevail, and so while others slept and were mute, he was awake and talking.

In 1957 he asked me to become a member of the board of the Lincoln Foundation. I had been inactive in the cause for 40 years, but his earnestness at our two meetings in his suite in the Wade Park Manor led me to accept the invitation. I had not met the other directors except William H. Bemis, the Cleveland lawyer, and David C. Lincoln, another Cleveland man, a son of the founder, who is president of the Foundation. Raymond Moley, a former Cleveland, and Bemis were old friends of mine. Moley has been advisor of the Foundation's activities since 1951.

Currently the Foundation is financing studies of taxation by professionals in universities and research institutions. Among these are the University of Chicago, University of Southern California, Claremont College, University of Virginia, New York University, and Management Service Associates, Inc. We are assembling facts about land values, taxes, slums, suburbia, farm lands, speculation, and private profits. The board is objective in all this.

When Henry George wrote and when Lincoln was a young man, the total budgets of the nation, states, and cities were insignificant by comparison with today's expenditure for welfare and defense. To expect to finance these costs with a Single Tax would be ridiculous. On the other hand, to load the burden on producers and consumers is absurd and cruel.



John C. Lincoln

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Lincoln used violent language in describing the profits of speculative land-owners. He called their capital gains 'legal stealing.'

Last summer, House & Home, Inc., magazine for the building industry, published a special issue in which Lincoln's views were confirmed.

House & Home said:

"Land, say the homebuilders, is our most critical problem. Despite the millions of miles of open countryside in the U.S., inflated land costs threaten to price good housing out of the market. Since 1950 land prices have soared anywhere from 100% to 3,760%. In Orange County, Calif., land priced at \$2,000 an acre in 1952 now costs \$32,000. Prices like these are danger signals."

Again:

"Unimproved land differs from any other kind of private property. So said Moses, Spinoza, Locke, Blackstone, Adam Smith, Tom Paine, Jefferson, J. A. Froude, John Stuart Mill, Lincoln, Herbert Spencer, Tolstoi, Henry George, Sun Yat-Sen, Irving Fisher."

And again:

"Today's taxes make misuse of land more profitable than good use. They harness the profit motive backwards, give land speculation a better tax break than any other business and by abetting speculation, abet suburban sprawl. Slums are subsidized by undertaxation, developments penalized by overtaxation. Speculators are subsidized by public improvements for private profit. Thus the only way to prevent land-price inflation is to tax land more heavily."

My own thought is that the heavy taxation of land values, and the easing of the burden of taxation on improvements such as houses and bathrooms, are far from dead. Unfortunately a vacant lot or a huge acreage of unused suburban land doesn't look like a proper

source of taxes, whereas a skyscraper or a hotel or a factory seems to be an ideal source of revenue. To reverse this kind of thinking was Lincoln's goal and is the goal of the Lincoln Foundation.

Speaking for myself again, I can honestly say that total absorption by the public of land values seems to be the one procedure that will elevate the lot of the common man. After reading "Progress and Poverty" in my early 20s, I read "Das Kapital" by Karl Marx and small books by Peter Kropotkin.

I was looking for something that would erase the poverty and degradation that upset and infuriated me when I was a newspaper reporter, observing the worst side of life in a big city.

It seemed to me that Henry George's formula was so superior to Marx's that I could plunk for capitalism without apology. This I have done in all I have ever written.

If the editor has the space, I should like to conclude with this short quotation from an exposition of land-value taxation by Winston Churchill, which appeared in House & Home last August:

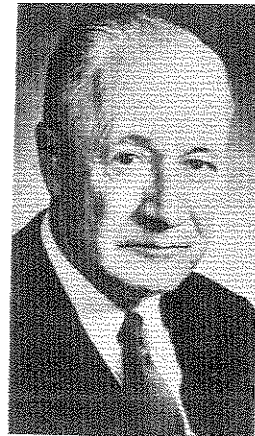
"A portion, in some cases the whole, of every benefit which is laboriously acquired by the community increases the land value and finds its way automatically into the landlord's pocket. If there is a rise in wages, rents are able to move forward, because the workers can afford to pay a little more.

"If the opening of a new railway or a new tramway, or the institution of an improved service or a lowering of fares,

or of a new invention, or any other public convenience affords a benefit to the workers in any particular district, it becomes easier for them to live, and therefore the landlord and the ground landlord, one on top of the other, are able to charge them more for the privilege of living there.

"Some years ago in London there was a toll bar on a bridge across the Thames, and all the working people who lived on the south side of the river had to pay a daily toll of one penny for going and returning from their work. The spectacle of these poor people thus mulcted of so large a proportion of their earnings appealed to the public conscience, and agitation was set on foot, municipal authorities were roused, and at the cost of the rate payers the bridge was freed and the toll removed.

"All those people who used the bridge were saved sixpence a week, but within a very short time rents on the south side of the river were found to have risen about sixpence a week, or the amount of the toll which had been remitted!"



William Feather, the author of this article, is editor of the William Feather magazine, widely-read and admired publication of the printing company he founded and which bears his name. Here Mr. Feather becomes an active Single Taxer again after 40 years' inactivity in the cause.