

The Oregonian

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Millions for Single Tax

In this day of higher and higher income taxes, sales taxes and property taxes, one does not hear much about the single tax. But, now that the bulk of the estate of the late multimillionaire John C. Lincoln, founder of the Lincoln Electric Co., has been bequeathed to a foundation for its promotion, the views of Henry George are likely to become more widely discussed.

Henry George, an impecunious sailor and former clerk, sailed from Philadelphia in December, 1857, for Oregon, where he had heard good wages were paid. But he didn't make it all the way to this then about-to-be state. He stopped off in California, took up printing and newspaper writing and, sensing injustice in the growth in land values with growth of population, while "the men who work it must pay more for the privilege," developed his thesis that land alone should be subject to taxation.

George expounded his theories at great length, in pamphlets, books and on the lecture platform. He visited many parts of the world and in some areas his theories were adopted to greater or lesser degree. He died in 1897 while running for mayor of New York.

The Encyclopedia Britannica gives a concise summary of the single tax theory:

"The fundamental doctrine underlying the proposal was that all men are equally entitled to use of the land. As, however, the management of the land by the state was impossible in practice, and as it was impossible to divide it into equal parcels, or into parcels of equal productivity, the road to justice was to leave the land in private ownership, and to appropriate the 'economic rent,' thus leaving the owners the value of their own improvements. Economic rent, being a social surplus, the community as a whole, through its seizure, would receive justice, while individual enterprise would not be fettered. Universal free trade and free competition were postulated as parts of the doctrine. Private property other than land was to be sacred as never before, for it was to go scot free of all taxation. The millionaire manufacturer was to pay no more taxes than his poorest clerk."

Anyone who pays taxes on land now, even though the larger part of the burden is borne by other forms of taxation, will realize that the government soon would own all the land under such a system. And, as the Encyclopedia Britannica points out, the entire economic rent of land in city and country would defray only a small fraction of the cost of central and local governments in advanced nations of this era.

Mr. Lincoln's bequest may increase talk about the single tax, as the foundation spends his millions to promote it, but multiple taxes will continue to take their big bites out of the incomes and substance of rich and poor alike.