

Georgist Burns

Aging tax activists insist that a \$40 million foundation fulfill its promise to advance the ideals of 19th-century social reformer Henry George
By Tony Ortega

Once a month, health permitting, the 12 aging members of Arizonans for Economic Justice gather to talk strategy at Wayne Wuerz's place in Casa Grande. There's passionate talk about taxes, land and politics, but the main topic of conversation is the fortune of the late John C. Lincoln, and what his son, Phoenix philanthropist David C. Lincoln, is doing with it.

Like John C. Lincoln, the AEJ members are "Georgists"—believers in tax policy espoused by Henry George, an obscure 19th-century social reformer who advocated only one form of taxation, a tax on land.

The AEJ contends that John C. Lincoln created the Lincoln Foundation nearly 50 years ago expressly to promote George's beliefs, but that the foundation at times does exactly the opposite.



John C. Lincoln with Barry Goldwater shortly before Lincoln's death.

Since 1992, the AEJ has pressured David C. Lincoln to use the funds of the Lincoln Foundation in a way its original benefactor intended: Foundation officials insist that's exactly what they're doing.

But the AEJ has gone so far as to ask the state attorney general to intervene, a move that might preface an AEJ civil lawsuit against the foundation.

John C. Lincoln, a prominent inventor and businessman who helped promote the Valley's snowbird phenomenon in the Thirties, is remembered primarily for his gifts to the Phoenix hospital that bears his name. But he also had a fervent interest in Henry George.

The Georgist movement has lost considerable momentum since George dropped dead in 1890 while campaigning to become New York City's mayor. But his radical ideas about abolishing all but one source of taxation spawned a peculiar strain of free-market utopianism that persists in small pockets across the country.

John C. Lincoln established his foundation in 1946. The articles of incorporation identify the foundation's mission: to "teach, expound and propagate the ideas of Henry George."

Today, David C. Lincoln oversees the foundation, and how he runs it infuriates Max Flechner, 83.

Flechner, a New York native, has two bookcases in his Peoria apartment. One entire shelf is devoted to Henry George, including two copies of George's 600-page opus *Progress and Poverty*, and a hefty concordance. A Menorah and other personal items resting on the shelf give it the appearance of a shrine.

"Apparently, the people at the Lincoln Foundation don't know a damn thing about Henry George," says Flechner, who has spent decades promoting Georgism.

"If we apply the land-value tax," says Flechner, "there wouldn't be any problem with the deficit. There'd be plenty of dough."

Flechner graduated from high school in the depths of the Depression and struggled to get a decent job for six years before being recruited for an evening class at the Henry George School in New York. He emerged a true believer.

Gifts to the Henry George schools were one of the Lincoln Foundation's first activities. But after John C. Lincoln's death in 1959, his son David became president of the foundation and dis-

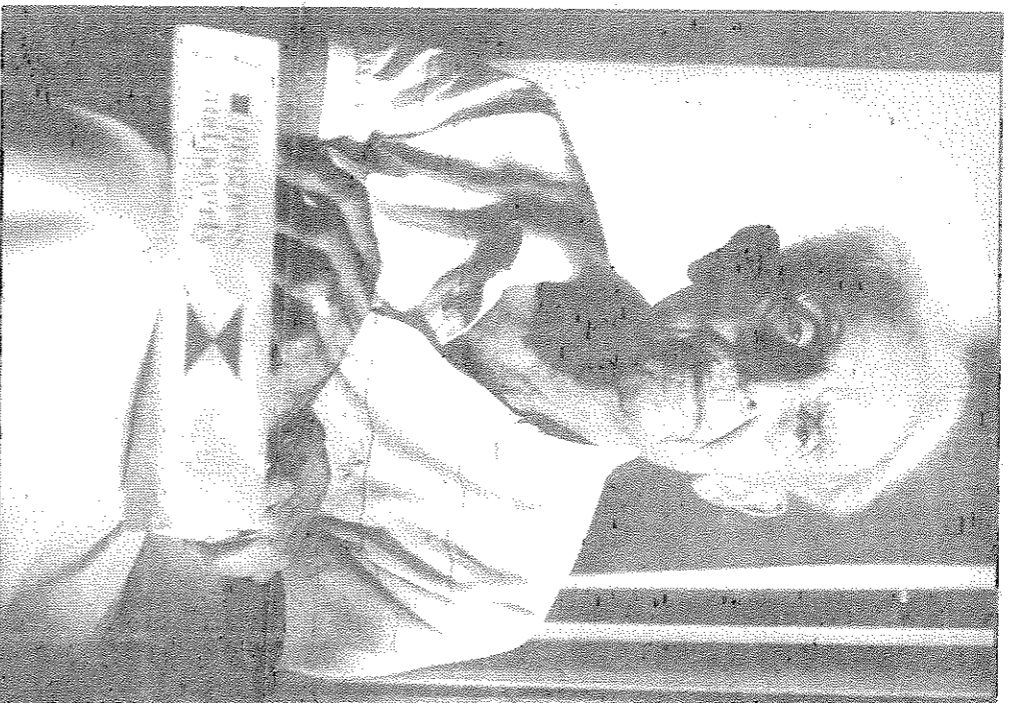
continued the donations. The schools' Georgist zeal put him off, he says, and he looked for another way to fulfill the foundation's charter. In 1974, he created the Lincoln Institute of Land Policy in Cambridge, Massachusetts.

"The conservative think tank works closely with the nearby Harvard campus, holding seminars, publishing papers and generally making itself available to academic, political and business leaders. The Lincoln Foundation provides 80 percent of the institute's funding—\$4 million in 1994. A smaller grant—\$157,500 last year—goes to the Claremont Graduate School in California.

"We are not supposed to be a lobbying group," David C. Lincoln says. "We're an educational institute. We're a school. We're supposed to teach, expound and propagate the ideas of Henry George as set forth in his book *Progress and Poverty*, and we think we do. But if you just teach Henry George and nothing else, then you aren't educating people well."

Flechner dismisses claims that money is being spent the way John C. Lincoln intended. "They do it in a superficial way," says Flechner. "They are not driven. I don't know if they have ever read *Progress and Poverty*, which is a thing of literature."

AEJ president David Simmons, a Tucson resident, adds, "Obviously, David Lincoln does not believe in the ideas of Henry George. You know the idea of the radical parents who have conservative children and vice versa? I think David is embarrassed about his father's views or something. When



AEJ member Max Flechner, with a volume of Henry George's *Progress and Poverty*.

he took over the foundation, he seemed to care more about academic respectability than teaching Henry George. The Lincoln Institute has long ago abandoned the posture of being an advocate of Henry George's land-tax policy."

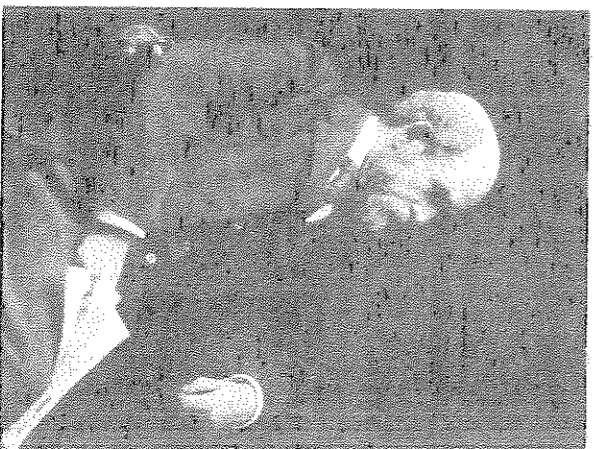
Instead, Simmons claims, the Institute of Land Policy has published material that not only fails to further Georgism, but contains such heresies as calling for the raising of sales taxes.

In its petition to the attorney general, the AEJ suggests several ways that the foundation could reform itself.

"We don't want any of their money for ourselves, let me make that clear," says Simmons. "We'd rather see it used in ways that it hasn't before, such as in television, radio and the Internet, for example."

For Georgists, the timing is critical. Moribund for decades, their movement has gained renewed interest with the Cold War's end. After the turn of the century, Henry George steadily decreased in popularity as Karl Marx's ideas caught fire in much of the underdeveloped world. With the collapse of Soviet communism, the Georgists smell an opportunity.

"This could change history," says Stan Sapiro, a Los Angeles man who may be foremost among the nation's estimated 1,000 active Georgists. "The Lincoln Institute could be sending Georgists to Russia, Estonia and other places where socialism has been defeated."



Social reformer Henry George

attorney general. They know they're dismissed as cranks, but they don't care.

"I'm 83 and I'm still fighting. I won't give up until I go elsewhere," Flechner says, employing a euphemism about one of life's two inevitabilities.

For Max Flechner, "elsewhere" undoubtedly has no taxes. ☐

Sapiro, a retired lawyer, is unrelenting in his campaign to reform the Lincoln Foundation.

His numerous letters to David C. Lincoln and threats of a lawsuit won him a meeting in Phoenix in June 1992. Sapiro invited a number of Arizona Georgists to attend, and the AEJ was born.

"I'm probably not as zealous a Georgist as Stan," concedes David C. Lincoln, who says he favors a reduction in taxes on business and a greater reliance on taxation of land. He suspects that the more extreme, utopian version of George's single tax could never sustain a modern society.

"George said that [a single tax] would be sufficient to fund the government," Lincoln says. "Maybe in his time it would have. But it would be inadequate to do that now. If the government collapses, we're all in deep shit."

Levering White, assistant president of the Lincoln Institute of Land Policy, says he is aware of the Georgists' demands, which he believes are impractical. "If we were to espouse only one point of view, we wouldn't be of much assistance to policy officials," White says. "Our mission is to study and teach land policy, including land use and taxation, and Georgist topics fall in that category. The Arizonans for Economic Justice would like Henry George to be our sole mission, but that's not what we see as the charter of the institute."

Unlike the Lincoln Foundation which funds it, the Lincoln Institute of Land Policy makes no mention of Henry George in its articles of incorporation. And the articles that define the Lincoln Foundation's mission have been amended numerous times since its creation almost 50 years ago. These changes, say the Arizonans for Economic Justice, prove that David C. Lincoln has gradually spurned his father's legacy.

Dan Mazmanian, director of the Claremont Graduate School's Center for Politics and Economics, says that the Georgists have simply forgotten how broad Henry George's interests were.

"There's a fascinating paper which came out recently on Henry George's intellectual history. The Georgists have forgotten this history because they focus on one narrow aspect of his writings," Mazmanian says.

The Arizonans for Economic Justice have gotten no response from the attorney general.

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