
Taxes à la Marx and George

Socialists, who seem to agree among them that "taxation should be in accordance with ability to pay," make no distinction between earned and unearned income. It is misleading to say that "a man's wage is equal in value to that which he has produced." In our complex society, no man produces anything alone. All who contribute, from the point of extraction of natural resources to the finished product, should be compensated in accordance with the value of the goods and services in the open market.

Lincoln's statement that things produced by labor "of right belong to those whose labor produced them" refers to the reward to labor applied to the land, as opposed to the extraction of any part of wages for the use of the land.

Since the earth is the birthright of all mankind, the rent of land belongs to the people, and should be taken by government for equitable distribution, as in public facilities and services. Wages and interest should be distributed in accordance with the value of goods and services under competition in the open market.

The proposal of Henry George was to use the existing machinery of taxation to take more of the rent of land for public uses, and to reduce or eliminate the burden of taxation now imposed upon the worker and his capital. The issue is between Marxism and Georgism, whether we are to be slaves or free men.

(Excerpted from a "Letter to the Editor" by Julian Hickok, published in the Philadelphia Enquirer.)
