

CHAPTER III.

THE PRESENT SITUATION.—DISTRIBUTION OF
PROPERTY BY CLASSES.

THAT the cities to-day, like the Southern States a generation ago, are the centres of extreme poverty as well as of extreme wealth, is a matter of common observation. But to determine the extent to which the wealth of the cities is the wealth of the few, and the wealth of the country the wealth of the many, demands a careful investigation into the distribution of property by classes. Very few such investigations have been made. Nevertheless, those that have been made agree marvelously in the results reached; and we do not in this country have to fight our way to the truth, against the misrepresentations of statesmen and economists.

The first of these investigations to which attention should be called, is that made by the Massachusetts Labor Bureau, and published in its report for 1873. This investigation did not include the cities of the State, but did cover more than half of its population, as many good-sized manufacturing and

Absence
of
Conflicting
Testimony.

Massachu-
setts Tax
Returns.
1873.

suburban towns were still without city charters. The number of families in these towns was approximately 160,000 as against 140,000 in the cities. The aggregate amount of taxable property in these towns was \$534,000,000 as against 1,163,000,000 in the cities. In other words, the average amount of taxable property returned in these towns was less than half the average in the cities of the State. The number of persons paying taxes upon property was nearly four-fifths the whole number of families resident. Among those paying such taxes, however, four-fifths held less than one-fifth of the property, while one-fiftieth held nearly as much property as all the remainder. The classification was as follows: —

AMOUNT OF TAX.	NO. OF TAX-PAYERS.	AVERAGE AMT. OF PROPERTY.	AGGREGATE AMT. OF PROPERTY.
Under \$50 .	81,574	\$ 1,079.97	\$ 88,098,000
\$50 to \$300 .	20,750	7,008.59	145,428,000
Over \$300 ¹ .	2,226	95,718.39	213,069,000

It is greatly to be regretted that the retirement of General Oliver, the head of the Massachusetts Labor Bureau, in 1873, was followed by the abandonment of his plan to make a similar classifica-

¹ It needs to be stated that the average tax rate was \$1.43 per hundred, so that those taxed on more than \$300 included practically all who were assessed upon more than \$21,000. In Massachusetts, real estate is assessed at its ordinary selling value. The table published in the text is the commissioner's corrected table, from which the returns for several towns are excluded because of obvious errors. These exclusions made no appreciable change in the proportions.

tion of tax-payers in the cities. The contrast would doubtless have been a sharp one. Twenty years later the assessing department of the city of Boston made a return which showed that the whole number of property tax-payers was less than one-fifth the number of families residing in Boston. For the same year the list of property owners taxed more than \$1,000 showed them to possess more than half the taxable property.

The next¹ important investigation to be consid-

¹ With the investigations made by the Michigan Labor Bureau, and published in the Reports for 1883 and 1892, it is unnecessary to detain the general reader. The earlier Michigan investigation was partisan on the side of radicalism. The conclusion reached that "one two-hundredth" of the population owned sixty per cent of the real estate was only obtained by selecting such counties as would include the city of Detroit in one part of the State, and one of the great mining companies in another part. The distribution of real estate in the agricultural districts did not differ materially from that shown by the federal census of 1850. The later Michigan investigation, covering only the city of Detroit, seems to have taken the number of real-estate owners by districts so small as to involve constant repetition of the same names. An aggregate of thirty-two thousand real-estate owners was reached among the forty-two thousand families resident in the city. Judging from the federal census of home ownership, the real number of real-estate owners did not exceed twenty thousand, for very few families own real estate who do not own their homes. (In Boston and New York the number of real-estate owners barely exceeds the number of home owners.) The reported thirty-two thousand were divided as follows:—

VALUE OF HOLDINGS.	NUMBER OF OWNERS.	AGGREGATE VALUES.
Under \$3,000	25,720	\$28,800,000.
\$3,000 to \$30,000	5,594	43,600,000.
\$30,000 and over	613	63,600,000.
	31,927	\$136,000,000.

ered is that made by the department of mortgages of the federal census, under the direction of Mr. George K. Holmes. No other country has carried through so intelligently or so honestly an investigation throwing so much light upon the present distribution of wealth. The number of farm and home owners for the entire country can be set forth in a single paragraph, or even in an eight-line table:—

The Federal
Census of
Home
Ownership.

	NUMBER.	
	<i>Owned.</i>	<i>Rented.</i>
Homes in Cities above 100,000	444,879	1,503,955
Homes in Cities from 8,000 to 100,000	629,092	1,120,487
Homes outside such Cities	1,849,700	2,374,860
Farms	3,142,746	1,624,433
	<u>6,066,417</u>	<u>6,623,735</u>

	PERCENTAGES.	
	<i>Owned.</i>	<i>Rented.</i>
Homes in Cities above 100,000	22.83	77.17
Homes in Cities from 8,000 to 100,000	35.96	64.04
Homes outside such Cities	43.78	56.22
Farms	65.92	34.08
Average	47.80	52.20

In other words, nearly half the families in America own the real estate they occupy. The proportion of owners, furthermore, is more than twice as great upon the farms, where the average wealth is least, as in the cities, where the average wealth is greatest. The wide distribution of property which is the characteristic of America, as distinguished from England, is only characteristic of her smaller

towns and her farming-districts. There, and there alone, can the middle classes become dominant in our political life; because there, and there alone, are the middle classes dominant in our industrial life.¹

But the census investigation did not stop here. The values of all mortgaged farms and homes were ascertained and classified; and from the mass of material thus obtained, Mr. George K. Holmes, the head of the department, has prepared a table setting forth the probable distribution of the entire wealth of the nation. The fact that Mr. Holmes is not a partisan, either of conservatism or radicalism, gives to his estimates an unwonted value. Though they have already been published in the *Political Science Quarterly* and in the *Journal of the Royal Statistical Society*, a brief summary is here adjoined:—

MR. HOLMES'S TABLE.

	FAMILIES.	WEALTH.
1. Tenants of Farms and Homes . .	7,871,099	\$ 2,837,049,500
2. Owners of Mortgaged Farms and Homes worth less than \$5,000 .	1,483,356	2,614,955,764
3. Owners of Free Farms and Homes worth less than \$5,000 . . .	3,078,077	10,946,616,952
4. Owners of Farms and Homes worth \$5,000 or over	1,257,620	48,600,000,000

¹ It is perhaps worth noting that in England the relative distribution of wealth in city and country is exactly the reverse; and for that reason chiefly has English liberalism been stronger in the cities. The concentration of wealth and the dominance of conservatism are inseparable.

In other words, one-tenth of the families hold about three times as much property as the other nine-tenths.

The writer was led to similar conclusions by an entirely different line of investigation. In 1892 the New York legislature passed an Act¹ requiring the surrogates to keep a public record of all estates brought under their jurisdiction, whether real or personal, with the estimated value of each.²

The
Surrogate
Court
Records in
New York.

The year following, the writer, who was lecturing upon this general subject in the School of Political Science of Columbia College, secured from the clerks of the Surrogate Courts in various parts of the State copies of these records for the three months ending December, 1892. These months were selected because during their progress no great estate was admitted to probate in New York City; and therefore a normal, or even a minimum, concentration was likely to be shown. The co-operation received from public officials was most

¹ "An Act in relation to taxable transfers of property." Approved April 30th. ("Laws of New York," 1892, chap. 399, pp. 814-822.)

² Among the assets included as personalty are included: "Goods, wares, merchandise, utensils, furniture, cattle, provisions (moneys unpaid on contracts for the lease of land), and every other species of property not hereafter specified." (Section 2713, as amended in 1893.) The exemptions permitted in the matter of books, clothing, furniture, and the like, were trivial, though they might have an aggregate value of a thousand dollars in the case of a wealthy family.

gratifying; and in the end returns were received from a majority of the counties in the State, — counties containing an aggregate population of more than five million.

The returns received from New York City were as follows: —

ESTATES.	NO.	VALUE.		AGGREGATE.
		REAL.	PERSONAL.	
\$50,000 and over . . .	53	\$4,471,900	\$7,965,611	\$12,437,511
\$50,000 to \$5,000 . . .	212	1,660,833	1,867,480	3,538,313
Under \$5,000 . . .	704	40,967	549,205	590,172
	969	\$6,173,700	\$10,382,296	\$16,555,996

The first important question to be determined was the approximate number of the property-owning classes. During these three months, twenty-five hundred men over twenty-five years of age died. If they owned any registered personalty, even the smallest account in a savings-bank, their estates had to pass through the Surrogate's Court before reaching the heirs. Yet the whole number of estates entered was less than one thousand, and the whole number of estates left by "males" was barely six hundred. In other words, only about one-fourth of the men who died left any property whatever, except their clothing and household furniture.¹ In the country at large the

¹ For the entire year 1893, more exact statistics can be given. The number of estates (testate and intestate) admitted to probate was 4,892. Of these, 62½ per cent, or 3,047, belonged to men. 12,079 men over twenty-five died during the year. (Report of the New York Board of Health for 1893.)

number of men over twenty-five is identical with the number of families. In New York City, however, this is not the case. This city contains a vast population of unmarried men, — immigrants from other countries and other parts of our own country. The proportion of propertyless families is therefore somewhat less than the proportion of propertyless men. If the death rate was normal during the period covered, the returns indicated about one hundred and ten thousand property-owning families.¹ The whole number of families in the city was three hundred and thirty thousand. In other words, two-thirds of the families are, in a strict sense of the word, propertyless.

This conclusion, though it is that which common observation has forced upon every one familiar with the East side of New York, shows how utterly fallacious is the savings-bank argument, so frequently employed by conservative statesmen and economists. In New York City the number of savings-bank accounts is nearly twice as great as the number of families. Generally speaking, every savings-bank account must pass through the Surrogate Court on the death of its owner.²

The
Savings-
Bank
Fallacy.

¹ In this calculation the official figures for the entire year 1893 are followed.

² There are joint accounts and trust accounts which do not, and also, in some banks, certain small accounts are paid over to the undertakers without the action of the Surrogate.

Yet two-thirds of the families not only possess no savings-bank account, but no registered property of any description. The conclusions reached by the Massachusetts Labor Bureau under General Oliver are incontrovertible. Great as are the benefits conferred by the savings-banks upon the more thrifty wage-earners, the bulk of deposits belong to a comparatively small class of well-to-do citizens.¹

Respecting the distribution of wealth among the propertied classes, the return for New York City showed that the small estates outnumbered the

¹ See the Reports of the Massachusetts Labor Bureau for 1872 and 1873. The conclusions especially indorsed are the following (Report, 1873, p. 228): 1. That persons not wage-laborers are depositors to at least one-half the total amount deposited. 2. That, as a rule, wage-labor deposits average under \$50 at one time. 3. That manufacturers, traders, and lawyers use these banks instead of banks of deposit. 4. That capitalists, persons living on their incomes, use these banks to escape taxation and the care necessitated by other investments.

The deposits made (at one time) in ninety savings-banks were classified as follows:—

	NUMBER.	AGGREGATE.
Deposits under \$50 at one time . . .	167,601	\$3,375,379
Deposits between \$50 and \$300 at one time	70,002	8,587,877
Deposits over \$300 at one time . . .	16,426	11,973,256

These Massachusetts reports speak of certain men making deposits in all parts of the State, and others who deposit a good many thousand dollars at a time in a single bank, depositing \$900 to themselves individually, and then as much more to themselves as trustees for each member of their family, and for A, B, C, D, etc., in succession. In Baltimore, Md., also, where the number of savings-bank deposits exceeds the number of families, the probate records show that two-thirds of the families possess no registered personalty. See Appendix IX.

medium and large ones as much as the more scholarly opponents of social reform would have us believe. The ratio was nearly three to one in favor of the estates less than \$5,000. But in value, all of these smaller estates combined represented but four per cent of the property, while the comparatively few estates exceeding \$50,000 were three times as valuable as all the remainder.

The principal criticism brought against these conclusions when first published¹ was based on the shortness of the period covered. This criticism would have been valid, had it not come from a conservative, and had not the three months selected been taken with a view to avoid an exaggerated statement of the present concentration of property. Partly to meet this criticism, and partly to determine the normal number of great estates admitted to probate, the investigation was continued so as to cover a period of two years. The records for the first three months had demonstrated — what, indeed, was inevitable — that the average value of the estates less than \$50,000 was the same from month to month.² To

¹ See *The Outlook*, Feb. 10, 1894.

² NEW YORK CITY.

Surrogate Court Record, October, November, and December, 1892.

ESTATES.	OCTOBER, 1892.		NOVEMBER, 1892.		DECEMBER, 1892.	
	NO.	VALUE.	NO.	VALUE.	NO.	VALUE.
\$50,000 and over .	12	\$3,441,000	20	\$3,239,250	21	\$5,757,261
\$50,000 to \$5,000 .	77	1,346,069	82	1,293,173	53	899,071
Under \$5,000 . .	262	184,037	251	205,516	191	200,619

determine their aggregate value it was only necessary to know their number. For the larger estates the value of each had to be ascertained. The record ran as follows:—

Surrogate Court Record, New York City, during the Two Years, October, 1892 — September, 1894.

	ESTATES OVER \$50,000.		ESTATES UNDER \$50,000.	
	NO.	VALUE.	NO.	VALUE.
1892 (Oct., Nov., Dec.),	53	\$12,437,511	916	\$4,128,485
1893 (Jan., Feb., Mar.),	78	97,358,411 ¹	1,254	5,668,080 ²
(Apr., May, June),	96	24,023,039	1,325	5,989,005 ²
(July, Aug., Sept.),	61	10,343,850	971	4,388,920 ²
(Oct., Nov., Dec.),	91	21,279,528	1,021	4,614,920 ²
1894 (Jan., Feb., Mar.),	83	15,966,561	1,211	5,473,720 ²
(Apr., May, June),	95	14,857,015	1,119	5,057,880 ²
(July, Aug., Sept.),	74	13,787,023	881	3,982,120 ²
TOTAL . . .	631	\$210,052,938	8,698	\$39,303,130 ²

The estates over \$50,000 were divided into realty and personalty, as follows:—

Realty,	\$48,056,562
Personalty,	\$161,996,376

The results reached were briefly as follows: Including the Gould estate, which was entered during this period, the properties over \$50,000 aggregated five times as much as those smaller than that sum. Excluding this estate, the large properties aggregated three and a half times as much as the smaller ones.³

¹ The Gould estate was entered during this quarter. Realty, \$2,000,000; personalty, \$70,000,000.

² Estimated.

³ The latter method is the fairer; for even in New York City,

The numbers of the possessors of the large estates was but six per cent of the property owners, and represented but two per cent of the heads of families dying during these two years. The concentration of wealth in New York City, therefore, follows substantially the same lines as the concentration of wealth throughout Great Britain.

New York City, however, does not represent the country at large, nor even the great cities of the country. The real estate within it is more valuable than all the real estate in New England, excluding the city of Boston, and more valuable than all the real estate in the eight commonwealths between the Potomac and Texas, excluding nothing. An abnormal concentration of both wealth and poverty is everywhere known to exist within its borders. Brooklyn is more fairly representative of the large cities throughout the country. For Brooklyn, the records showed relatively three times as many owners of real estate, and a con-

Summary
for
Brooklyn.

and even in a two-years' record, such an estate as Mr. Gould's is exceptional. In an eight-year's record such an estate would be normal.

Foreign statisticians have a disposition to exaggerate the size of the great fortunes in America. Even so sensible a statistician as M. de Foville follows Leroy-Beaulieu in quoting for whatever it may be worth M. de Varigny's estimate respecting the wealth of our richest citizens. It ran as follows: J. Gould, \$275,000,000; J. W. Mackay, \$250,000,000; C. Vanderbilt, \$125,000,000; J. P. Jones, \$100,000,000.

siderable increase in the value of the smaller holdings. Nevertheless, even in Brooklyn the estates worth over \$50,000 contained over twice as much property as all the remainder; while the aggregate holdings of the middle and poorer classes — those owning less than \$5,000 — was but seven per cent of the total.¹

When we turn, however, to the distinctively agricultural counties, there is the sharpest kind of a contrast in the records. Unfortunately there are comparatively few such counties in New York State, and the Surrogates' records in many of these are most incomplete. Where every one knows to whom real estate belongs, it is not so essential that estates containing only realty shall pass through the Probate Court in order that the title of the heirs may be unquestioned. Furthermore, in some of these counties it was found that no statement had been required of the value of the realty in the

Summary for
Farming
Counties.

¹ The figures for Kings County ran as follows: —

	NUMBER.	REALTY.	PERSONALTY.	TOTAL.
\$50,000 and over . . .	27	\$2,872,100	\$4,101,000	\$6,973,100
\$50,000 to \$5,000 . . .	147	1,029,250	1,070,080	2,099,330
Under \$5,000	336	135,330	376,700	512,030
	<u>510</u>	<u>\$4,036,680</u>	<u>\$5,547,780</u>	<u>\$9,584,460</u>

The marked distinction between the New York and Brooklyn records was, that the latter showed comparatively few estates containing only personalty. The records indicated that 20 per cent of the families in New York, and 30 per cent of the families in Brooklyn, held over \$500.

estates which were brought into the courts. Fortunately, however, in a few farming counties the records were in good condition; and the best brought out clearly what the others indicated. The returns were as follows for five typical counties, containing no city and no village of over four thousand people:—

Record for Madison, Herkimer, Wyoming, Chenango, and Schoharie Counties, October to December, 1892.

	NUMBER.	REALTY.	PERSONALTY.	TOTAL.
\$50,000 and over .	3	\$ 56,000	\$195,000	\$251,000
\$50,000 to \$5,000 .	60	334,475	288,688	623,163
Under \$5,000 . .	149	243,525	221,733	465,258
	<u>202</u>	<u>\$634,000</u>	<u>\$705,421</u>	<u>\$1,339,421</u>

As the number of families in these counties was but 38,000, the record showed that nearly three-fourths of them owned registered property. Even that quarter of the families which might be classed as propertyless, included a considerable number of tenant farmers who owned some of the stock and implements with which they cultivated their farms.

This extremely wide distribution of ownership was supplemented by the extremely small proportion of wealth in the hands of the wealthy class. Estates of \$50,000 and over aggregated less than one-fifth of the wealth, while estates less than \$5,000 aggregated more than one-third. The average wealth of the whole population in these counties

Less Wealth
but Greater
Well-being.

was small compared with the average wealth in the cities; but the average well-being was greater, for the wealth ministered to the comfort and independence of the great mass of the citizens.

The distribution of wealth in the whole State of New York ¹ is of less importance than the distribution in the district lying outside of the two great cities. This district is typical of the country at large; for in the distribution of property is wider in the distinctively agricultural States, it is much narrower in the excluded metropolis. The table for the State at large, outside of New York and Brooklyn, ran as follows:—

ESTATES.	NUMBER.	REALTY.	PERSONALTY.	TOTAL.
\$50,000 and over,	36	\$2,188,540	\$6,606,123	\$8,794,663
\$50,000 to 5,000 . .	409	2,950,325	2,233,871	5,184,196
Under \$5,000 . . .	1,427	989,668	1,095,430	2,085,098
	1,872	\$6,128,533	\$9,935,424	\$16,063,957

Before applying these proportions to the nation at large, it is perhaps well to state wherein this table does not represent the real distribution of property in territory covered. (1) The small holdings of

¹ The records received covered thirty-six counties, containing 4,625,000 people. The final table ran as follows:—

ESTATES.	NUMBER.	REALTY.	PERSONALTY.	TOTAL.
\$50,000 and over,	116	\$9,532,540	\$18,672,734	\$28,205,274
\$50,000 to 5,000 . . .	768	5,640,408	5,171,437	10,811,845
Under \$5,000 . . .	2,467	1,165,965	2,021,335	3,187,300
	3,351	\$16,338,813	\$25,865,506	\$42,204,319

real estate should be increased about one-half, because of the failure to record real estate in many of the rural counties. It is chiefly the small holdings of realty that fail to be recorded. (2) The small holdings of personalty should be reduced about one-half, because the returns cover the gross possessions of the decedents. The small estates are pre-eminently the estates of borrowing shopkeepers and farmers. Often the payment of their debts leaves no personalty whatever, and lessens the amount of realty. Large holdings, on the other hand, are returned as low as possible, in order to avoid the inheritance tax on personal estates above \$10,000. All the surrogates' clerks reporting, state that the small estates are somewhat smaller than returned, and the large estates somewhat larger. No correction, however, need be made in the aggregate holdings of any class. It is only the relative proportions of realty and personalty that need to be changed. The corrected table would read: —

Distribution of Realty and Personalty.

	REALTY. ¹	PERSONALTY.
\$50,000 and over	\$2,250,000	\$6,750,000
\$50,000 to \$5,000	3,000,000	2,000,000
Under \$5,000	<u>1,500,000</u>	<u>500,000</u>
	\$6,750,000	\$9,250,000

¹ This division between realty and personalty would hold substantially true throughout the country. Under personalty the probate records, of course, include corporate holdings of real estate and all evidences of indebtedness.

Respecting the number of the property-owning classes, there is one point of unity between the table for this typical territory and those for the city of New York, on the one side, and the farming-districts on the other. The table for New York City showed that one-eighth of all the families held more than \$5,000 worth of property. The census investigation of mortgages showed that about one-eighth¹ of the farms of the country were worth more than \$5,000. With a normal death-rate the table for New York outside of the two great cities shows just the same proportion of well-to-do families. We may therefore say with much precision that approximately one-eighth of the families of the nation, city, town, and country hold more than \$5,000. The proportion holding over \$50,000 is exceptionally great in the large cities, and exceptionally small in the country districts; but the proportion in the intermediate territory selected may be safely assumed for the entire nation. The table for the nation at large would therefore read: —

	NO. OF FAMILIES.	AGGREGATE WEALTH.
\$50,000 and over	125,000	\$33,000,000,000
\$50,000 to \$5,000	1,375,000	23,000,000,000
Under \$5,000	11,000,000	9,000,000,000 ²
	<u>12,500,000³</u>	<u>\$65,000,000,000</u>

¹ Extra Census Bulletin No. 98, pp. 15 and 16.

² Nearly one billion dollars added for small estates containing only household goods and the like.

³ By a family, throughout this essay, is meant a family of five.

The attempt to separate the families with less than \$5,000 into small property owners and propertyless laborers brings out the encouraging feature of the situation in America, both as compared with Great Britain and absolutely. A comparison of the table above with that on page 22 brings out the fact that, despite the difference in population, the number of wealthy families in the United States is but little larger than the number in Great Britain, and their aggregate wealth less.¹ It also makes apparent that the number of the well-to-do class is three times as large in the United States as in Great Britain. But the most striking contrast between the two countries lies in the greater number of our independent small property owners.

The
Encouraging
Feature.

The census investigation of mortgages brought out clearly the great number of property-owning families, and the investigation of the probate court records supplements in a natural way the conclusions there reached. The census investigation showed that in New York City but 6½ per cent of the families owned their homes. The probate

¹ Despite the enormous fortunes of the Goulds, Rockefellers, Vanderbilts, and Astors, which perhaps aggregate \$600,000,000, the writer believes that the aggregate wealth of 4,047 millionaires given in the *Tribune's* list hardly exceeds ten billion dollars. It is true that Mr. Holmes estimates their minimum possessions at this sum and their maximum possessions at fifteen billions; but the statistics which have come to the writer's attention indicate that the minimum estimate is much the closer.

court records showed that fully 20 per cent held either realty or personalty to the value of \$500. The census investigation showed that 18½ per cent of the families in Brooklyn owned their homes. The probate court records showed that fully 30 per cent owned either realty or personalty to the value of \$500. In the counties containing but a small urban population, there were relatively few estates that did not contain realty; but in all the counties there were some estates of this description. Altogether, the returns indicated that in the cities of the country the number of families owning over \$500 worth of property was perhaps one-third greater than the number owning their homes, while in the small towns and rural districts it was perhaps one-sixth greater. As very few holdings of real estate are valued at less than \$500,¹ we are led to the conclusion that in the nation at large the number of families worth more than \$500 is perhaps one million in excess of the number owning their homes or farms.² In other words, there are about seven million property-owning families, and only about five and a half million who could justly be spoken of as propertyless. If, then, we assume that the latter, as a

¹ Only five per cent of the mortgaged homes and farms are valued at less than \$500. (Extra Census Bulletin 98.) In the South many of the farms owned by negroes are worth less than \$500, but there are not one hundred thousand such farms.

² See table on page 53.

rule, have household property worth \$150, the final table stands as follows:—

THE UNITED STATES, 1890.			
ESTATES.	NUMBER.	AGGREGATE WEALTH.	AVERAGE WEALTH.
The Wealthy Classes,—			
\$50,000 and over . . .	125,000	\$33,000,000,000	\$264,000
The Well-to-do Classes,—			
\$50,000 to \$5,000 . . .	1,375,000	23,000,000,000	16,000
The Middle Classes,—			
\$5,000 to \$500	5,500,000	8,200,000,000	1,500
The Poorer Classes,—			
Under \$500	5,500,000	800,000,000	150
	<u>12,500,000</u>	<u>\$65,000,000,000</u>	<u>\$ 5,200</u>

The conclusion reached, therefore, is as follows: Less than half the families in America are propertyless; nevertheless, seven-eighths of the families hold but one-eighth of the national wealth, while one per cent of the families hold more than the remaining ninety-nine.¹

Final
Summary.

¹ Since the completion of this study, a volume has appeared that must set at rest all question as to extreme moderation of the estimates reached. Part II. of the Report of the Massachusetts Bureau of Labor Statistics for 1894 publishes the inventoried probates for the entire State of Massachusetts during the three years 1889, 1890, and 1891. Although the estates for which no inventories are filed are, as a rule, the largest, the following concentration of property is exhibited:—

INVENTORIED ESTATES IN MASSACHUSETTS, 1889-1891.		
	NUMBER.	VALUE.
Under \$5,000	10,152	\$16,889,479
\$5,000 to \$50,000	3,947	53,489,893
\$50,000, and over	509	85,179,416
	<u>14,608</u>	<u>\$155,558,788</u>

In other words, the estates of \$50,000 and over aggregated 55 per cent of the total amount of property; while estates less than

\$5,000 aggregated but 11 per cent of the total. Additional value is given to this Massachusetts report by the fact that a similar investigation was made of the probate records for the years 1879-1881, 1859-1861, and 1829-1831, and the results published. A summary for all these periods may be found in Appendix X. The most interesting period, of course, is that for the years 1829-1831. For this the record in a condensed form ran as follows:—

INVENTORIED ESTATES IN MASSACHUSETTS, 1829-1831.

	NUMBER.	VALUE.
Under \$5,000	3,168	\$3,626,816
\$5,000 to \$50,000	494	5,909,429
\$50,000, and over	36	4,957,862
	<u>3,698</u>	<u>\$14,494,107</u>

In comparing these earlier returns with those for the present time, the same caution must be used as in comparing those for the agricultural counties in New York with those for the cities. In 1830 the greater part of Massachusetts was an agricultural section, and small holdings of real estate were usually transferred to the heirs without passing through the probate courts. Nevertheless, the contrast exhibited by the records is striking enough. The larger estates were almost exclusively in the city of Boston and the manufacturing and shipping districts immediately about it. The record for the western half of Massachusetts, which was a section industrially typical of almost the entire North, ran as follows:—

INVENTORIED ESTATES IN WESTERN MASSACHUSETTS,
1829-1831.

	NUMBER.	VALUE.
Under \$5,000	1,142	\$1,206,402
\$5,000 to \$50,000	124	1,202,411
\$50,000, and over	3	238,486
	<u>1,269</u>	<u>\$2,647,299</u>

In other words, these Probate Court returns, which at least register with much accuracy the distribution of personal property, confirm the conclusion drawn from the distribution of real estate in 1850,—that prior to the Civil War the great bulk of the wealth of the North was in relatively small estates.