

AMERICAN FARMS AND THE CENSUS REPORTS.

The figures regarding farm values presented in an article in the "Good Roads" department of the New York Tri-Weekly Tribune of March 2, quoted and commented upon in The Public of March 12, (vol. vi, p. 771), fairly illustrate the mistaken conclusions commonly drawn from census statistics.

The Tribune is undoubtedly correct in its contention that good roads increase farm values. But the Tribune is certainly grossly in error in its quotation of census figures as showing a general increase in farm values.

In four of the seven States in which, according to the Tribune's figures, there was an increase in farm values, the census shows a decrease in the average value of land and improvements per acre, and in two of the States where the census indicates an increase the increase was much less than is asserted by the Tribune.

For New York, the only State for which the Tribune presents figures as indicating a decrease in farm values, the census shows a decrease in the average value of land and improvements, per acre, from \$44.08 in 1890 to \$39.21 in 1900, a decrease of 12.4 per cent., and not of 6.1 per cent. The Tribune's figures are taken from table 57, p. 702, Part I, of the agricultural census, and represent the increase or decrease in the total value of all farm property enumerated in 1900 in comparison with the total value of all farm property enumerated in 1890. Except for Rhode Island and the District of Columbia the figures compared represent the value of an increased number of acres. This appears from the same table, which, besides the figures quoted by the Tribune, shows the increase or decrease in the number of acres.

Table 54, of the same volume, shows the average value of land and improvements per acre, but even these figures cannot be relied upon as showing an increase in farm values, because they include the value of improvements, and therefore the increase shown may represent nothing but an expenditure for improvements. The figures quoted by the Tribune include

also the value of machinery and implements, and of live stock, and in every State for which it has presented figures the census shows a large increase in the value of implements and machinery, and in every State but one there is shown also an increase in the value of live stock. However it may be as to live stock, the increase in the value of machinery represents only an increased expenditure of capital.

The most glaring error of the Tribune is its statement as to the general increase in farm values according to which "the total increase in all the States and Territories in the United States of farm values in the ten years was 27.6 per cent." Were this ridiculously false statement true, it would fully justify the assertions so persistently made that census statistics demonstrate unparalleled agricultural prosperity.

The census, it is true, shows the value of all farm property as enumerated in 1900, to be 27.6 per cent. greater than the value of that enumerated in 1890, but the present census includes 1,175,016 more farms and 217,882,927 more acres than were enumerated in 1890.

With an increase in farm area of 35 per cent. and a decrease in the average value per acre from \$21.31 in 1890 to \$19.28 per acre in 1900, the census, instead of showing an increase in farm values of 27.6 per cent., as is asserted by the Tribune, appears to indicate a considerable decrease.

These figures, however, cannot be taken as conclusively demonstrating a general decline in farm values, for the reason that the present census includes many millions of acres of land of relatively low value that were excluded from enumeration in 1890 as not being farming lands. On the other hand, the present census also includes a vast number of tracts of land of small area and relatively high value that were excluded from enumeration in 1890 as not properly constituting farms.

Whether these changes in census methods have resulted in a fictitious increase or decrease in the average valuation per acre of farms of the country as a whole, it is impossible to determine.

It appears evident, however, that in many localities where the increased acreage is manifestly due to the inclusion of small tracts of relatively high value, the result has been a fictitious increase in the average value of farm property.

The stupendous increase in farm acreage from 1890 to 1900, which is two and a half times the increase from 1880 to 1890 and greater than the entire increase from 1860 to 1890, is doubtless in some measure due to a deficient enumeration in 1890. This great increase, is, however, chiefly due to the fact that, unlike preceding censuses, the present census includes as farms thousands of cattle ranches and sheep ranches of tens and hundreds of thousands of acres each.

In one instance a whole county is enumerated as a single farm of 3,500,000 acres. This farm is located in Montana and embraces the Crow Indian reservation. In this territory we find an increase in acreage from 1,964,197 acres in 1890 to 11,844,454 acres in 1900, with but 84,674 acres of improved land.

Not only has the census enumerated lands owned or rented by ranchmen, but, where their cattle graze upon the public domain, the land thus occupied has also been included as part of their farms.

The extent to which the farm area of the country, as reported at the present census, has been increased by this change of methods of enumeration cannot be discovered from the census. It seems quite evident that the census office has been more anxious to conceal than to reveal the facts as to the matter. The census, however, shows an unprecedented increase in the number of farms of 1,000 acres and over, the principal increase being in regions devoted to the grazing of cattle and sheep. The increase in the number of farms of 1,000 acres and over, according to the census, was from 31,546 in 1890 to 47,276 in 1900, the average size at the latter census being 4.237 acres and the total area of 200,324,045 acres. This is nearly one-fourth of the entire reported farming area. No figures are published in regard to the average size or total area of farms of 1,000 acres in 1890.

Further light on this matter is obtained through an analysis of census figures, comparing separately the increase in improved and unimproved acreage as shown for different localities as well as for the United States. Such analysis shows that the increase in the number of improved acres was considerably less in the last than in the preceding decade, and that the great increase in farm area from 1890 to 1900 is chiefly of unimproved land in localities where there are immense cattle ranges.

The following table shows the number of improved and unimproved acres, as reported at the last three censuses, together with the increase during the last two decades:

Year.....	Improved No. of acres.....	Improved Inc. during decade.....	Unimproved No. of acres.....	Unimproved Inc. during decade.....
1900	414,793,191	57,176,436	426,408,355	160,886,491
1890	357,616,755	72,845,713	265,801,864	14,391,071
1880	284,771,042		251,310,793	

Thus, according to the census, the increase in unimproved acreage during the last decade was nearly three times the increase in improved acreage, though from 1880 to 1890 it was less than one-fifth as great. Thus the relative increase of unimproved to improved acreage of the last decade was about 15 times that of the preceding decade.

Of this mythical increase of unimproved acreage, 75,570,219 acres appears in Texas, where we find 30 counties for which the average number of acres per farm is reported as over 10,000 acres, and 22 counties in which the average acreage per farm is over 20,000 acres. The average for each of these 22 counties ranges all the way from 20,070 to 450,000 acres. In one of these counties we find a single farm of 140,000 acres, for which the value of land and improvements, except buildings, is reported as \$9,780, or less than 7 cents per acre, the value of buildings being \$300.

As a result of this enumeration of vast tracts of unimproved land at the present census that were excluded from enumeration in 1890, we find an apparent decrease in the average value of land

and improvements during the last decade from \$9.20 to \$8.04 in the south central division, and from \$23.16 to \$13.80 in the western division, notwithstanding that there was unquestionably a decided increase in land values in the sections.

As the ranch industry is not a new one, and was in fact more important in former years than at present, there is neither propriety nor honesty in remarks found in the text of the census regarding changes in the average size of farms. After grossly misleading remarks in explanation of the decrease in the average size of farms in other localities we find it remarked as follows: "In sections better adapted for grazing than for the cultivation of crops, as in western Kansas and Nebraska, North and South Dakota, western Texas, and in most of the semi-arid portions of the West, the average area of farms is much larger than in other parts of the country, and has tended to increase in the last decade. Throughout the United States, the increase or decrease in the average size of farms, therefore, is due to the changes incident to the adjustment of the agricultural operations of each locality to those branches of husbandry to which it is best adapted. It may be said that the area of farms tends to approximate the area from which the farmer possessing average capital can secure the largest returns."

As a matter of fact, the changes in the average size of farms, which census statistics appear to indicate is chiefly due to radical changes in census methods of enumeration, resulting in the inclusion in the farming area as reported at the present census, but excluded at previous censuses, not only of a vast area of grazing lands, but also of hundreds of thousands of comparatively small tracts. These small tracts were excluded from enumeration at former censuses because of the census requirement that farms of this character should be "cultivated for pecuniary profit and employ as much as the labor of one able bodied workman during the year."

The facts regarding this matter can only be discovered from a thorough investigation of census

statistics and census schedules and of instructions to census enumerators at the different censuses. Were it possible to discover the exact facts, it is altogether likely that we should find that in many localities where, according to the census, there appears to be a decrease in the average size of farms, there was really an increase. Limitation of space does not permit a satisfactory discussion of this phase of the question at this time and it is therefore reserved for a future article.

Consideration of the indisputable facts already disclosed shows the impropriety of taking the difference in the value of farm property as enumerated in 1890 and 1900 as representing the increase of farm values in the United States. Only on the score of ignorance is it possible to excuse such a use of census statistics. While this excuse may serve the Tribune, no such excuse can be advanced in defense of the chief census statistician for agriculture. He is also guilty of this error in a computation of the average labor income in the United States, and in the several States, presented in Table CXXIII, Part I, Statistics of Agriculture. This computation was criticised by the writer in The Public of October, 1902 (vol. v. p. 452). For the purpose of arriving at the average labor income the census statistician first obtains what he terms the "gross farm income" by adding to the value of the agricultural product not fed to livestock the sum of \$445,763,349 as representing the "annual increase in the value of farm property." This amount he obtains by taking one-tenth of the difference between the total value of farm property as reported in 1900 and as reported in 1890. From the "gross farm income" the statistician deducts the amount of six per cent. on the value of all farm property and thus obtains what he terms the "labor income." This he divides by the number of persons engaged in agricultural pursuits as reported on the population schedules, and thus obtains the sum of \$288,26 as the "average labor income." The items are as follows:

Gross farm income, including additions to the value of property.....	\$4,187,892,706
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Product not fed to live stock.....	3,742,129,357
Annual increase in value of farm property.....	445,763,349
Interest on value of farm property at 6 per cent.....	1,226,394,070
Labor income.....	2,961,498,636
Number of persons engaged in agriculture.....	10,273,770
Average labor income.....	288.26

The absurdity of these figures is seen when we discover that though the average value of land and improvements in Montana, as enumerated at the two censuses, had fallen from \$12.99 in 1890 to \$5.24 in 1900, the statistician figures out an annual addition to the value of farm property in this territory of \$6,937,079. By adding this amount to the value of the product the statistician has figured out the average labor income as \$850.23, which is an average income greater by \$250 than the average Montana farm laborer would receive were it not for this great increase in the value of farm property.

As we have seen, this increase is fictitious and due to the inclusion as farm property of lands leased from Indians and railroads and of the public domain occupied without compensation to the government.

That there has been an increase of farm values in some localities is unquestionably true. But where such unearned increment exists it is a profit of investment and not a reward of labor. By including it as a part of the labor income the statistician has succeeded in increasing the average labor income which he figures out for the United States to the extent of over \$43.

For New York State the income obtained by this method is less by over \$18, for in that State there is found an annual decrease in the value of farm property of \$6,958,682.

It may be noticed that the agricultural statistician makes no deduction from the "gross farm income", although the census reports the sum of \$54,783,757 as expended for fertilizers, and that there are other deductions that should be made of expenses of which the census makes no report, such as the cost of repairs and renewal of improvements and implements.

This computation fairly illustrates the lack of intelligence, if not lack of honesty, with which the agricultural reports have been compiled.

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EDITORIAL CORRESPONDENCE.

BUFFALO.

Buffalo, N. Y., April 10.—The recent Democratic primaries in this city throw light upon the real meaning of the apparently successful Hill movement for an instructed delegation for Parker from New York to the Democratic national convention. There was no contest whatever of a national character. It was a contest, and a bitter one, between two local factions—the Mack faction, represented by the Times, and the Conners faction, represented by the Courier.

Both factions are attached to the "reorganizer" wing of the party. The former tends toward Hill and the latter toward Cleveland, but the struggle between them is simply for local power. A mild demonstration was made by a third faction for Hearst; but without money no headway could be made against the other factions, and this demonstration was practically abandoned. The contest settled down, therefore, to a struggle between Mack and Conners for local supremacy.

Notwithstanding the purely local character of the fight, however, each of the factions adopted a national slogan. The Mack faction demanded a delegation instructed for Parker, and the Conners faction, like the Tammany faction in New York, opposed instructions. Having the advantage of a positive programme, to say nothing of a larger corruption fund from outside, the Mack faction won. That is the inner meaning of the Parker victory in Buffalo; and, in all probability Parker victories elsewhere in the State mean no more.

Some rather remarkable criticisms are current here relative to the recent appropriation of \$101,000,000 for enlarging the canal from Lake Erie to Albany.

The ostensible object of the appropriation is to perfect this old waterway as a competitor of the Central railroad for the purpose of holding the railroad in check with reference to freight rates. The canal can be operated possibly eight months in the year; and, though much slower as a means of transportation from the lakes to the seaboard, it is supposed that boatmen will haul at rates low enough to regulate railroad rates during those eight months, even though the railroad have a free hand during the other four. In order to accomplish this result, the boatmen must have some rates and the taxpayers must expend \$101,000,000 to enlarge the canal.

In view of the offer of the president of the New York Central railroad, that vast expenditure would appear to be somewhat in the nature of a huge bunco. For this railroad man publicly offers for \$101,000,000 to carry by rail,

in perpetuity, from the lake to the seaboard, all the freight, year by year, that could be transported by canal. In other words, for the annual income of \$101,000,000 the New York Central railroad would bind itself to do all that this canal could do, and thereby save the boatmen's freight charges.

It does not follow, of course, that it would be wise to accept that offer. But the offer indicates that enlarging the canal is probably not the best way of checking the aggressions of the railroad. That there is a better plan is said to be evident. Experts assert that \$40,000,000 would be enough to build a first-class State railroad along the canal bed from Buffalo to Albany, inclusive of the cost of such additional land as might be necessary to straighten and shorten the route. They say, moreover, that the interest on \$61,000,000 would maintain this road as a free highway, on which railroad trains could be operated in competition by individuals and corporations. And they add that under that competitive system of operation freight could be carried from lake to seaboard, including transshipment at Albany, for one-quarter the cost of carrying it by canal boat. It is thus possible, at no greater outlay than is proposed for deepening the canal for competitive boating, to turn it into a rail highway for competitive railroading.

The latter plan would make effective competition with the present railroad monopoly, at only one-quarter of canal boat rates, for 12 months of the year instead of 8, and at no greater outlay by the State than the former plan requires. In addition, the railroad could be finished in two years, while the canal improvement would take ten or fifteen. Further, the railroad would not cost more, whereas the cost for the canal will probably double the appropriation.

But these very advantages seem to be objections. The longer job and larger probable cost of deepening the canal appeal to the spollsmen, while its ineffectiveness as a competitor with the present railroad monopoly appeals to financial interests. Yet why should an antiquated water highway be maintained at great expense by the State, when the latest and best kind of rail highway could be established at no greater and probably at less expense?

L. F. P.

CLEVELAND.

Cleveland, O., April 12.—That the railroad monopolies are not insensible to the great advantages of old canal beds for rail highways, even if the people who own them are, is evident from one of the legislative steals which are now seducing the late Senator Hanna's eager Ohio legislators.

The best railway terminal-site in Cincinnati is an old canal, and it is wanted for that purpose by the Pennsylv-