

CHAPTER XVIII

LAND FOR THE LANDLESS

Nor only is the would-be farmer excluded from the land by prohibitive prices, but hundreds of millions of acres are held in great estates, while over 400,000,000 acres of land enclosed in farms is not under cultivation at all. This is particularly true of the West and South where vast manorial domains of tens of thousands and even millions of acres are held by individuals and corporations. While food has almost reached famine prices to the poor, while millions of people are herded in tenements and about the great industries, while hundreds of thousands of farmers have migrated to Canada and nearly 40 per cent. of our 6,000,000 farmers are tenants, there exists in this country land enough, if converted into moderate-sized farms, to provide comfortable homes for at least 30,000,000 people.

And if the land were cultivated as it is in France, Denmark, Switzerland, and Belgium there is practically no limit to the millions who would find a free and adequate livelihood from the land. For the United States is peopled at but 30 persons to

the square mile, while in a number of countries in Europe, where the soil is no more fertile than it is here, ten times as many people live.

We are familiar with the feudal ownership of land in Europe and the great estates of the old aristocracy in Russia, England, Germany, and Austria-Hungary. Our indignation has been aroused over the rack-rented tenants of Ireland who, to the number of millions, were driven to America by the oppressions of English landlords. Great Britain is divided into great estates, owned by the aristocracy, from which the people have been driven into the cities, in which four-fifths of the population now dwell. Persons of Scotch descent in this country remember the stories of the enclosures of the land of Scotland by the aristocracy, of how the peasants were sent from the homes their ancestors had held for centuries, of how they had been driven almost into the sea, and how hundreds of thousands of them came to America to escape the oppressions of the landowning class. Yet, while we are familiar with these conditions in Europe, few people realize that a feudalism has come into existence in the United States similar to that which still prevails in a great part of Europe, a system which, up to the French Revolution, was the prevailing method of landownership in all of the European countries. Some American States, in fact, are more closely owned than are any of the nations of

Europe, with the possible exception of Russia. And the condition of the tenant farmer working upon the great plantations of Texas, Oklahoma, and many of the Southern States is but slightly better than the condition of the Irish tenants who were driven to this country in the hungry forties to escape starvation.¹

The most unfortunate page in our history is the story of the wastage of our public domain. It amounted originally to 1,850,000,000 acres. It cost us less than five cents an acre. The great bulk of this imperial domain lay to the west of the Mississippi. And it is out of this domain that the great feudal holdings of the West have been carved. From the largesses of the government in the form of subsidies to the railroads and for other internal improvements, 337,740,000 acres were taken. This is an empire equal to one-sixth of the total area of the United States. It is an area three times the size of France, with a population of 43,000,000 souls. A great part of this domain was given to the Pacific railroads. All told, between 129,000,000 and 150,000,000 acres were donated to the Northern Pacific, Atlantic Pacific, Union Pacific, Central Pacific, Kansas Pacific, and Southern Pacific railroads. This does not include 8,000,000 acres granted to the railways in the State of Texas. These land grants alone would have more than paid the cost

¹ See Chapter XX, "The Tenant Farmer."

of these railroads had the government undertaken their construction.

The grant to the Northern Pacific Railway is estimated to have been worth \$1,000,000,000. Had the land been sold directly to settlers at the prices later received by the railroad, five trans-continental railroads could have been built from the sale of the land alone. An exhaustive investigation of the grant to the Northern Pacific was made by a committee of Congress, which reported that the entire cost of the railroad had been paid for out of the land grants and that a surplus of \$41,281,000 remained to the company. The committee stated in its report to Congress:

“The undersigned supposed that all that could be asked of the government in the exercise of the most prodigal generosity would be a sufficient amount of lands to enable the company to construct its road without costing it a single dollar of its own money, and that either of the foregoing hypotheses shows a surplus of many millions more than are necessary for that purpose. It has occurred to them that it might be to the interest of the people of the United States generally to look after the surplus, whatever it may be.”¹

Mr. Wilson, for many years commissioner of the land department of the Illinois Central Railroad, stated that if properly managed the Northern Pacific land would build the entire road connecting

¹ *Public Domain*, Donaldson, p. 889.

the then terminus of the Grand Trunk through to Puget Sound, fit out an entire fleet of sailing vessels and steamers for the China Sea, India, and coast trade, and leave a surplus that would roll up to millions. He deemed the probable value of the land grant \$990,000,000, its possible value \$1,320,000,000.¹

It is out of these railroad land grants that many of the bonanza farms of the West have been carved. They are to be found from Canada to Mexico and from the Missouri River to the Pacific Ocean. The Texas Land Syndicate No. 3 owns, or did own, 3,000,000 acres in Texas. Another British land company owned 300,000 acres in Kansas. The Duke of Sutherland owns hundreds of thousands and Sir Edward Reed controls 1,000,000 acres in Florida. Another English syndicate controls 2,000,000 acres in Mississippi. There are Dutch, British, and German syndicates whose estates exceed a million acres. Fifty-four individuals and syndicates own 26,710,000 acres, an area greater than seven of the more populous Eastern States with a population of 8,359,000 people.

Much of the land so acquired was obtained by fraud. False entries were made, and when the land was patented to the individual claimant it was immediately transferred to corporations and

¹ *The United States in Our Own Times*, E. Benjamin Andrews, p. 4.

individuals, dummy claimants being used for this purpose. The amount of these fraudulent enclosures will never be known. Some years ago there appeared in *Everybody's Magazine* an investigation of land monopoly upon the Pacific coast.¹ It recited the story of how a poor German butcher had landed in this country in 1850; of how he crossed the continent and began to acquire land. In a generation's time he and his partner secured possession of 14,539,000 acres of the richest land in California and Oregon. His holdings covered 22,500 square miles, an area three times as great as the State of New Jersey with its population of 1,500,000 souls. It is said that a man may travel upon a single estate in California from the northern to the southern boundary of the State without traversing any other property.

This same article tells how 100 men in the Sacramento Valley, California, came to own 17,000,000 acres; of ranches of twenty and even a hundred miles in extent; of individual estates twice the size of Belgium and bigger than all Switzerland, bigger even than the combined area of New Hampshire, Massachusetts, Connecticut, and Delaware. Other investigations have been made of the extent of the land monopoly and of the methods employed in acquiring these great estates. An exhaustive study, made by Mr. William R. Leighton, of Omaha,

¹ *Everybody's Magazine*, May, 1905.

Neb., was published in the *Boston Transcript*.¹ It states that more than 150,000,000 acres have been illegally or collusively appropriated from the public domains.

Official investigations have recently been made in California of the large land holdings in twenty-one counties in that State. The investigation did not include 5,000,000 acres owned by the Southern Pacific Railroad or the immensely valuable Spanish land grants in San Diego and Los Angeles Counties. In San Diego County there is the Santa Margarita grant of 240,000 acres and the Irvine holding of nearly 200,000 acres. The report showed that four men in Kern County owned nearly 1,500,000 acres. All told, 292 men owned 2,339,315 acres and 433 men owned 5,968,556 acres. This investigation only included holdings in excess of 2,000 acres; whereas, if estates in excess of 1,000 acres had been taken, the exhibit would have shown a far larger portion of the State to be in monopoly holdings.

The United States census gives some indication of the extent of these great estates and the land monopoly which prevails. From the census returns of 1900 it appears that of the 841,000,000 acres of land under cultivation 200,000,000 acres are in farms whose average size is 4,230 acres. These farms are owned by 47,276 persons. One-fourth of the total agricultural acreage of the United States

¹ Issues May 20 to July, 1905.

is owned by .0006 per cent. of the population. This area is considerably greater than the combined area of Germany and Great Britain, whose combined population is 110,000,000 souls. Yet here in free America one-fourth of the cultivated land is owned by a handful of persons, whose number is less than that of a good-sized suburb of an Eastern city.

Speaking of this situation, the Public Lands Commission appointed by President Roosevelt said:

“It is apparent that in very many localities and perhaps in general a larger proportion of the public land is passing into the hands of speculators than into those of actual settlers who are making homes. . . . Nearly everywhere the large landowner has succeeded in monopolizing the best tracts whether of timber or agricultural land. . . . The commission has had inquiries made as to how a number of estates selected haphazard have been acquired. Almost without exception collusion or evasion of the law and spirit of the law was involved.”¹

But land monopoly is not confined to the West. It is found all over the South as well. Even in our Eastern States round about the great cities men of wealth are acquiring great estates for residential purposes. Here the land is being diverted from the production of wealth, badly needed in the near-by cities, into pleasure estates.

The reports from the land-settlement colonies in Europe show that a man can support himself in

¹ Senate Document No. 154, 58th Congress, Third Session, p. 14.

comfort on a farm of 40 or 50 acres. In little Denmark the majority of the farmers, who as a class are the most prosperous in the world, live in comfort on farms of less than 20 acres. If the 200,000,000 acres held by a handful of persons were divided into 50-acre tracts they would provide farms for 4,000,000 farmers or 20,000,000 people.

That which is true of agricultural and grazing land is true of timber-land as well. An investigation by the Bureau of Corporations of the Department of Commerce in 1914 reports that "1,694 timber-owners hold in fee over one-twentieth of the land area of the entire United States from the Canadian to the Mexican border. These 1,694 holders own 105,600,000 acres. This is an area four-fifths the size of France, or greater than the entire State of California, or more than two and one-half times the land area of the six New England States. Sixteen holders own 47,800,000 acres, or nearly ten times the land area of New Jersey. Three land-grant railroads own enough to give 15 acres to every male of voting age in the nine Western States where almost all their holdings lie. In the upper peninsula of Michigan 45 per cent. of the land is held, mostly in fee, by 32 timber-owners. In Florida 52 holders (mostly timber-owners) hold one-third of the land in the entire State."¹

¹ *Report Bureau of Corporations on "The Lumber Industry,"* parts II and III, p. xviii.

The report shows that these holdings are interlocked in such a way that they form substantially a single holding. It states further: "The Southern Pacific has 4,318,000 acres in northern California and western Oregon and, with the Union Pacific, which controls it, millions of acres elsewhere. The Northern Pacific owns 3,017,000 acres of timberland and millions more of non-timbered land. The Weyerhäuser Timber Company owns 1,945,000 acres. In Florida, three holders have 4,200,000 acres and the 182 largest timber-holders have over 16,990,000 acres, nearly one-half the land area of the State. In the whole investigation area the 1,802 largest holdings of timber involve 79,092,000 acres of timberland, and in addition some of these holders own 10,652,000 acres lying in timbered parts but not now bearing merchantable timber. Finally, to timber concentration and to land concentration is added, in our most important timber section, a closely connected railroad domination. The formidable possibilities of this combination in the Pacific Northwest and elsewhere are of the gravest public importance. In the last forty years concentration has so proceeded that 195 holders, many interrelated, now have practically one-half of the privately owned timber in the investigation area (which contains 80 per cent. of the whole). This formidable process of concentration in timber and in land certainly involves grave future pos-

sibilities of impregnable monopolistic conditions whose far-reaching consequences to society it is now difficult to anticipate fully or to overestimate."¹

So closely interrelated are these colossal holdings that of about 80 per cent. of the privately owned timber of the country three holders have 14 per cent., 90 persons have two-fifths, and 195 have nearly one-half. In other words, at least one-half of the standing timber in the United States is owned by less than 200 holders; and these 200 again are either interlocked corporations or individuals acting in all essentials as a unit. They fix and control the output and the prices of timber and lumber and in so doing the price of furniture, building materials, and all the thousands of industries that are dependent upon timber and timber products.

Here is another economic phenomenon for the most part overlooked by the government, by economists, and by agencies which are urging consideration of the food problem. Here are hundreds of millions of acres of land arbitrarily held out of use by their owners, lands, too, obtained in large part by fraud and collusion, which are now being used not for the production of wealth but to exclude hungry humanity from the land. That these lands would be tilled if men had an opportunity to till them is indicated by the eager rush of settlers whenever

¹ *Idem*, "The Lumber Industry," part I, pp. xxii and xxiii.

an Indian reservation is opened up to use; it is indicated by the fact that hundreds of thousands of men are working on these estates as agricultural workers or as tenants. There is no shortage of land in America and no unwillingness on the part of men to go to the land. We ourselves have created the conditions which confront us, conditions which we must now take steps to correct.