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responding to Thomas P. Gill, Landlordism in America

AMERICAN LANDLORDISM.
By Henry Strong

As Roman *Latifundia* is the disease which the special commissioner appointed by the *North American Review*, to examine and report upon the general subject of land tenures in America, declares threatens to undermine the social and industrial, if not also the political life of the country, a further discussion of the facts appertaining thereto cannot be without interest. Whatever the opinions of its readers on this subject, it is gratifying to note that the *North American Review*, now as always, is alive to the great practical industrial questions which most concern our national prosperity, and affords and invites their unprejudiced and intelligent discussion in its pages.

The importance of this land question is not overestimated in the commissioner's report. The Roman argument, however, is not a convincing one. Year by year the ghosts of the old Republics that hovered around our infant cradle as a nation, with mute warnings of disaster if we failed to heed their example, have gradually vanished in the light of a better knowledge than Pliny had, and a more certain conviction that there is very little of useful, practical comparison, in anything Roman with anything American. The coroner's verdict upon the Roman corpse, reached in the light of modern critical and historical investigation of the facts, is not "*Latifundia perdidere Italiam.*" That most interesting of all national autopsies pointed to so many mortal maladies affecting the great republic of antiquity, that the social or political theorist of today may choose whichever he pleases to support his argument founded upon the history of Rome. To us the strangest thing should seem that Rome lived so long. The *ager publicus* remedy, at the time prescribed, was as absurd as would be a homoeopathic pellet in the last stage of small-pox. The Roman body politic was affected by so many diseases, moral, social, religious, and political, that only a verdict of "general corruption" would cover the causes that contributed to the demise of the state. But as your commissioner has simply quoted these words of Pliny, who was a better advocate and moralist than statesman, the Roman argument need not be further considered.

Pliny, whose Laurentian and other large estates made him at the time one of the most opulent and conspicuous of Roman landlords, was not so much occupied in courting the favors of his master, Trajan, and writing pleasant letters to his friends Tacitus and Cornelius Nepos, as to overlook any favorable opportunity of adding to his landed property, even when uncertain whether, without borrowing, he had the means for such a purchase. Even Land Commissioner Sparks, who hails from the rural districts of Illinois, with all his nervous apprehensions of land monopoly, and his uncertain convictions as to his power and duty, not from lack of ambition, would hardly think the time had arrived for him to play the role either of Licinius

or Tiberius Gracchus.

Your commissioner says, "America has refused to benefit by the bitter experience of Europe in regard to the land question." Is this statement true? What has America omitted to do? Can he suggest any theory out of Plato's "Republic" or Mores "Utopia" that we or our forefathers have neglected, affecting the question of land tenures? Would he have us adopt the purely paternal theory of government and prescribe just how many acres a man may own?

Or would he adopt into our state constitutions the land lucubrations of Henry George, and make the state the great landlord and all the citizens its tenants? In framing both national and state constitutions, the people of the United States studiously prohibited the existence of a privileged class, and the possibility of large estates based upon feudal tenures, and supported by primogeniture rights. They could have done nothing more, unless they had limited the number of acres an individual could legally hold. There is no country in the world where the ownership and transfer of real property is so easy and simple as in America. It could not be more so.

Now to the facts and figures upon which your commissioner bases his argument showing a tendency to landlordism.

It is to be regretted that the census reports, prior to 1880, did not give the number of landlords and tenants in the United States, as such tables would either corroborate or refute your commissioner's conclusions as to the present tendency of land titles in America. But there is enough contained in the census report to show that there is not, as he contends, a gradual concentration of land titles into fewer hands, by the swallowing up of small estates; but that, on the contrary, the number of holdings is increasing year by year, while their individual area is year by year diminishing.

The number of persons of ten years of age, and over, in the United States, in the year 1880, was 36,761,607. Of these there were engaged in "gainful occupations" of all kinds 17,392,097. The other eighteen millions are not listed as doing anything, and their occupation, those who had any, is not known. Of this 17,392,097 persons of ten years of age and upwards, 7,670,493 are known to be engaged in agriculture, and 9,721,606 are engaged in other kinds of gainful occupation, including every known employment. But the census report contains the further important statement that "there is reason to believe" that persons have been returned as laborers who should have been returned as agricultural laborers, so that the number at that time of agricultural to other laborers was probably about in the ratio of 8 to 10. That the ratio of agricultural laborers yearly diminishes is true of this and all other countries; but this fact, though easily accounted for, has no bearing on the question under discussion.

By the census of 1880 it appears that the whole number of farms cultivated by

their owners was about 3,000,000 and the whole number cultivated by tenants was about 1,000,000. What the relative proportion of tenants is today we have no means of knowing. Your commissioner assumes, without any support whatever for his assumption, that the proportion of tenants is increasing, and that the title to lands is yearly concentrating more and more into the hands of landlords. Let us examine the known data at our command and see whether they even tend to sustain this theory.

Taking the figures of several of the States, East, South, and West, we find that, in the year 1880, there were farms of over one thousand acres, the number given below, out of the whole number of farms in each of these States.

	Whole Number.	1000 Acres or over.	Average Acres.
New York	241,000	281	99
Pennsylvania	213,540	244	96
Alabama	135,804	1868	134
Georgia	138,624	3491	188
Michigan	154,000	84	90
Illinois	255,000	649	124
Nebraska	63,387	118	157
Kansas	138,561	235	155

It can hardly be claimed, that, considering the cheapness of lands in the new States, and the large amount yet held by land speculators, this shoeing as to the average size of American farms indicates any very serious condition of landlordism.

But let us go a little further, and examine testimony yet more important in its bearing upon this question. Fortunately we have the figures from the census reports for the three last decades; which throw not a little light upon the subject and show clearly what the real tendency is.

	Number of Farms 1860.	Number of Farms 1870.	Number of Farms 1880.
New York	196,000	216,000	241,000
Illinois	148,000	202,000	255,000
Iowa	61,000	110,000	185,000
Nebraska	2,789	12,300	63,387
Texas	42,000	61,000	174,000
Georgia	62,000	69,000	135,000

In Illinois, which has such a prominent place in your commissioner's argument,

we see that, in place of decreasing, the number of farms has more than trebled in twenty years, and this increase in number is not confined to the new states, although naturally less in the older states, so long as cheaper and richer lands can be had in the Mississippi and Missouri valleys. Thus, the tendency to smaller fee-simple holdings is increasing in America the same as in France, Belgium, Italy, and all other countries where there are no impediments, social or legal, to the transfer and ownership of land.

The following table prepared from the three last national census confirms the truth of this statement, showing that the average size of farms is diminishing in numbers of acres with the increase in numbers of farms and the growth and settlement of the country East, South, and West. The figures below give the number of acres of the average farm for the last three decades in the states named.

	Year 1860 Acres	Year 1870 Acres	Year 1880 Acres
New York	106	105	99
Pennsylvania.	109	103	93
Connecticut	99	93	80
Alabama	346	222	139
Arkansas	245	154	128
Georgia	430	328	188
Iowa	165	134	134
Louisiana	536	247	171
Mississippi	370	196	156
Virginia	324	346	167
Illinois	146	123	124
Texas	590	301	208

This shows a constant diminution in each succeeding decade in the size of the average farm. This tendency will undoubtedly rapidly increase, when the new cheap lands in the West are exhausted and the farmer must divide his farm among his children, instead of, as heretofore, giving his son or son-in-law a few hundred dollars with the benediction, "Go West, young man, and grow up with the country."

I may say, furthermore, that I have had personally to do with the settlement of several million acres of lands in Illinois, Iowa, Nebraska and Kansas. The great bulk of those lands were sold to actual settlers, and are now owned and occupied and farmed by them or their grantees. Occasionally an individual or a land company has bought several thousand acres, but only for the purpose of dividing up into small farms, and selling at a percentage of profit to purchasers for

occupancy. From twenty-five years of observation and experience I am fully convinced *that the decided and unmistakable tendency is to smaller farms and larger number of occupying free-holders.*

Your commissioner is altogether mistaken, also, as to the mortgaged condition of farms in the West. Of course in Kansas, Dakota, Nebraska, and other very new States, the settlers have generally had to mortgage their lands in buying and improving them. But every one who has had to do with the loaning of money in Ohio, Indiana, Michigan, Illinois and Iowa knows that the number of mortgaged farms is diminishing even more rapidly than the diminution in the area of individual land holdings. In fact it has become so difficult to get farm loans in the states named, that many individuals and corporations have withdrawn their money altogether and are seeking other investments. When I first went to Chicago, forty years ago, and for many years thereafter, it was easier to get a 20 percent per annum farm mortgage than it is now a 6 percent mortgage; and the same is true of all the states named. The farmers there, generally speaking, are not only no longer borrowers, but very many of them are loaning money and keep a respectable balance in the bank.

In further illustration of this truth I may add, that, just after the panic of 1873, and during the years 1874-5 and 6 I loaned several hundred thousand dollars in Illinois and Iowa upon farm mortgages, and all of these loans, with two exceptions, were paid. These exceptions were in cases of large farmers, who were speculating in cattle in the Chicago market, failed in business, and turned over the mortgaged lands to me, aggregating about three thousand acres of mostly cultivated farms, which I divided up and rented to about a dozen tenants. These lands were afterward nearly all bought by these tenants, and, so far as I know, are now owned by them or their grantees.

I could cite a great many similar instances in support of my position. In fact, "Nulla vestigia retrosum."* They point all one way and not backward, nor in the direction of landlordism, but, like the census reports referred to above, in the direction of the subdivision of land and its ownership by the actual farmers. Thirty years ago there existed, in the states in the Mississippi Valley lying east of the river, the same condition of things as is now apparent in Dakota, Minnesota and Nebraska—land loaning offices everywhere. These will disappear in due time and the farmer will own his land free from incumbrance.

*Nulla vestigia retrorsum: never a step backwards

Your commissioner mentions the fact that a number of large farmers have moved from their farms into Springfield, Illinois, and are now landlords. Let him wait till the "old man" is dead, and see how long the boys will live in Springfield and keep these farms undivided. No sensible old farmer will divide up his farm or sell it for another investment. He cannot leave it all to one son if he has other children, for county juries have a way of making wills, and of setting aside any landlordism tendency in them, on the ground of "insanity," "undue influence," etc. The time is drawing nigh only too quickly, when the American farmer, our cheap land all

taken, will have to divide up a portion of his land during his lifetime among his children, as is now done on the continent of Europe.

There has gotten abroad an impression that large tracts of land in the far West are falling into the hands of foreign capitalists and corporations. That impression has no foundation in fact. A good deal of English and Scotch capital, it is true, has gone into cattle raising in Texas and some of the territories; but I know of but two or three companies that have made any considerable purchase of land, and the aggregate held in fee by them all does not equal in value one of the smallest counties in Illinois or Iowa. Assuming (though it is by no means a self-evident proposition) that it is not well to encourage the investment of foreign capital in western agriculture, there is not, after all, much danger threatened from that source. The only possible legislation required might be such amendment by Congress of the present law as will make it more difficult for corporations and individuals to obtain a valid title to lands which have been "homesteaded and pre-empted" by parties who did not make their locations in good faith.

So much for the inductive argument. A word on the *a priori* probabilities.

It has become a postulate among farmers that, in order to make a farm pay, you must live on it yourself. So that, until capital shall become much more abundant and money much cheaper, there is not great liability of its seeking investment in land rent-rolls. I have never known of any money looking for that kind of an investment.

The large land-estates in England, farmed, as they must be, by proxy, do not pay two per cent. Many of them for some years past have paid no net income to their owners. But the small land-owners of England are still able to educate their children and have their beer, even when wheat is less than forty shillings a quarter.

Capital and industry untrammelled by legislation, follow laws which are as controlling as the law of gravity. With the increasing density of population the price of labor falls. At the present rate of increase the population of the United States within a century would number over two thousand millions, and at the probable rate of increase will reach half that number. The supreme problem in interest has always been, and will always be, the problem of food. It did not require Malthus to teach the truth of this theory that "Population unchecked increases in a geometrical ratio; subsistence only in an arithmetical." Had the subsistence kept pace with human fecundity, the population of our earth, yet one of the juniors in the family of planets, would be almost beyond the power of computation. This subsistence must come from the soil, though Seth Green says, "it were easy to breed shad enough to feed the world." The era of "hog and

hominy" diet for the masses of the population is a short one in the lifetime of a nation, however prosperous that nation may be. We, too, must soon come down to a cheaper food. Therefore there is no other economic problem of profounder interest than that which affects land tenure and thereby land production. We, in America, do not feel its importance yet. We shall feel it soon enough, and cannot afford to ignore it even now.

There are two theories:-- one that land held in large tracts, by wealthy owners, with abundant means for employing the best machinery and the best fertilizers and the latest science, can be made to produce most, and, therefore, to support the largest number of people. The other, that land held in small tracts and cultivated by the owner, with the thrift and economy which ownership stimulates, is capable of furnishing the largest supply of food.

Beyond all question the collateral advantages of the last method, moral, social, and political, are infinitely superior. They only are in harmony with the American polity. The instinct of ownership is more universal here than any where else in the world. It is the highest duty of government to encourage it. **Every man who owns the land he cultivates has given a pledge to sustain law and order; to resist and put down the despotism of anarchy, whether it appear in the unmasked conspiracy of Catiline, or the less threatening but more dangerous guise of modern socialism.**

The people, left to themselves, under the guidance of economic law, will settle in the best way all economic problems. All the government has to do is to keep the peace. When it assumes to act the paternal role by legislative interference of whatever character with the untrammelled investment of capital or labor, it commits the one unpardonable sin against the Holy Ghost of industrial and political economy. The most melancholy illustration of this truth may be seen in Germany today; a great empire sinking deeper with every struggle into the quicksands of imperial violation of laws which are above even imperial power.