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Current Farm Tenure Trends

By Buis T. Inman

Using information collected in the General Enumerative Surveys in January 1947 and March 1948, this discussion brings the trends in farm tenure up to date.

THE extent to which farm operators own or rent the land they farm is of continuing importance to the national economy. This importance arises principally from the influence that the tenure arrangements under which the land is tilled has upon the conservation and use of the land. As the censuses of agriculture provide data on the tenure situation only quinquennially, information that would indicate the situation and trends in regard to tenure since the end of the war has not been available.

To get current information, a few questions on tenure were included in the Nation-wide Enumerative Survey made by the Bureau of Agricultural Economics in January 1947 and April 1948. The resulting data were intended to answer the following questions: (1) What proportion of the farms is operated by each major tenure group? (2) What proportion of the farm land is operated under lease? (3) What is the average size of farms? Data were also collected on a fourth question that has widespread current interest, What is the extent of "father-son farm partnerships"? This article summarizes these data from these two surveys and provides data from the censuses of agriculture for comparisons.¹

Data for 1947 are based upon a sample of about 14,000 farms; data for 1948 are based upon about 12,000 farms. Trained enumerators visited the farms in the sample areas in 814 counties and obtained the answers to the questions in the schedule during January 1947 and April 1948. The terms used are those commonly used in the censuses of agriculture and the data are comparable with the same items in census reports.² The two surveys provided reliable national and regional data. For some items and some States, reliable State data

¹ See also INMAN, BUIS T. MORE FARMERS OWN LAND, FEWER ARE TENANTS. U. S. Bur. Agr. Econ. Agr. Situation, May 1948, for a discussion of the 1947 data.

² See HOUSEMAN, EARL E. DESIGN OF SAMPLES FOR SURVEYS, this journal, Vol. 1, No. 1. Also, BROOKS, EMERSON M. A REPORT ON THE GENERAL ENUMERATIVE SURVEYS-I, this journal, Vol. 1, No. 2.

were obtained. No State data are provided by this analysis however.

Resulting information was summarized by the four regions and the nine divisions commonly used in the censuses of agriculture. They are: (1) The Northeast, including the New England and Middle Atlantic States; (2) the North Central, including the East North Central and West North Central States; (3) the South, including the South Atlantic, the East South Central, and the West South Central States; and (4) the West, including the Mountain and Pacific States.

Percentage of Farm Operators by Tenure

The decline in the proportion of farms operated by tenants, first shown by the 1935 Census of Agriculture, still continues in all nine divisions (table 1). The decline was from a high of 42.4 percent in 1930 to 31.7 in 1945 and 27.4 percent in 1948 (table 2). The percentage of tenancy was the lowest in 1948 of any year since 1880—the first year for which tenure data are available. The proportion of farm operators in the South who were sharecroppers declined from 24.1 in 1930 to 12.9 in 1948. This was a more rapid decline than was registered for all tenants.

The proportion of farms operated by part owners has continued upward since 1900, but the rate has been more rapid during the postwar years. Farms operated by part owners represent about one-fourth of the farms in the West North Central and Mountain States—a much larger proportion than in other parts of the country. Part owners are a younger group than tenants or full owners and are expanding their farm business by renting additional acres.

Full owners operated 57.1 percent of the farms in 1948. This is the highest proportion reached since such data were first assembled for 1900. Full owner-operators still continue to be most prevalent in the Northeast and the West. In 1948, 80 percent were in that tenure group in the Northeast, and almost 70 percent in the West.

TABLE 1.—Percentage of farms by tenure of operator, United States, divisions and selected States, 1945 and 1948

Region and division	Operators reporting 1948	Tenure					
		Full owners and managers		Part owners		Tenants	
		1945	1948	1945	1948	1945	1948
United States.....	Number 11, 541	Percent 57. 0	Percent 57. 9	Percent 11. 3	Percent 14. 7	Percent 31. 7	Percent 27. 4
Northeast:							
New England.....	475	90. 0	84. 2	6. 2	13. 3	3. 7	2. 5
Middle Atlantic.....	1, 139	79. 0	78. 8	10. 3	14. 2	10. 7	7. 0
Total.....	1, 614	82. 3	80. 4	9. 1	13. 9	8. 6	5. 7
North Central:							
East North Central.....	1, 575	62. 4	65. 5	14. 1	16. 1	23. 5	18. 4
West North Central.....	1, 746	45. 8	49. 0	19. 9	24. 1	34. 3	26. 9
Total.....	3, 321	53. 8	56. 8	17. 1	20. 3	29. 1	22. 9
South:							
South Atlantic.....	1, 747	56. 5	56. 6	5. 6	8. 8	37. 9	34. 6
East South Central.....	1, 699	52. 2	51. 9	5. 4	9. 3	42. 4	38. 8
West South Central.....	1, 470	49. 2	50. 1	9. 5	14. 7	41. 3	35. 2
Total.....	4, 916	52. 9	53. 0	6. 7	10. 8	40. 4	36. 2
West:							
Mountain.....	711	57. 6	58. 5	24. 1	23. 3	18. 3	18. 2
Pacific.....	979	77. 3	77. 9	11. 0	12. 9	11. 7	9. 2
Total.....	1, 690	68. 8	69. 7	16. 7	17. 3	14. 5	13. 0

TABLE 2.—Percentage of farms by tenure of operator, United States, 1880-1948¹

Year	Farm operators	Percentage by tenure of operator				
		Full owners	Part owners	Managers	All tenants	Croppers (South only)
		Percent	Percent	Percent	Percent	Percent
1880.....	Number 4, 008, 907	(³)	(³)	(³)	25. 6	-----
1890.....	4, 564, 641	(³)	(³)	(³)	28. 4	-----
1900.....	5, 737, 372	55. 8	7. 9	1. 0	35. 3	-----
1910.....	6, 361, 502	52. 7	9. 3	. 9	37. 0	-----
1920.....	6, 448, 343	52. 2	8. 7	1. 1	38. 1	17. 5
1925.....	6, 371, 640	52. 0	8. 7	. 6	38. 6	19. 9
1930.....	6, 288, 648	46. 3	10. 4	. 9	42. 4	24. 1
1935.....	6, 812, 350	47. 1	10. 1	. 7	42. 1	20. 9
1940.....	6, 096, 799	50. 6	10. 1	. 6	38. 7	18. 0
1945.....	5, 859, 169	56. 3	11. 3	. 7	31. 7	15. 5
1947 ²		56. 8	14. 5	. 7	28. 0	13. 3
1948 ²		57. 1	14. 7	. 8	27. 4	12. 9

¹ Data for census years 1880 to 1945 from Census of Agriculture, Bureau of the Census; data for 1947 and 1948 from Enumerative Surveys, Bureau of Agricultural Economics.

² Data from Enumerative Surveys for January 1947 and April 1948. The number of farms for these 2 years estimated to be approximately the same as in 1945.

³ Data not available.

Approximately half the farms in the West North Central, the East South Central, and West South Central States, are operated by full owners.

Only 0.8 percent of the farms are operated by managers. In no census year since 1920 has the proportion of farms operated by managers been as much as 1 percent.

Land Under Lease

The proportion of farm land under lease, which includes the land in tenant-operated farms, and for 1945 and 1948 the rented portion of part owner- and manager-operated farms, continued to decline in the postwar period, but at a much slower rate than did the proportion of the farms operated by tenants (table 3). This decline was from a high of 44.7 percent in 1935 to 38.1 percent in 1948. The greater rate of decline in the proportion of farms operated by tenants than the rate of decline in the proportion of land under lease reflects the effect of increase in part owner- and small owner-operated farms. In the North Central, West, and Northeast, the proportion of land under lease has

continued to decline at about the same rate as before the war. In the South, however, there has been an appreciable increase since the end of the war in the proportion of land under lease. The increase in the South was general throughout the three geographic divisions of that region.

The average size of farm has continued to increase since the end of the war. This increase was from 138 acres in 1910 to 195 acres in 1945 and 204 acres in 1948 (table 4). The average size of full owner- and tenant-operated farms increased in all regions, but tenant farms increased at the faster rate. Part-owner farms increased in size in the Northeast and North Central regions, while the size declined in the South and West. The decline in size of part-owner farms occurred in all three geographic divisions of the South and in the Mountain States. The size of cropper farms has increased from 42 acres in 1945 to 54 acres in 1948.

Causes of the changes in tenure from 1940 to 1945 appear, from an analysis of the data, to be continuing their influences on tenure in similar

TABLE 3.—Percentage of farm land under lease, United States, regions, and divisions, 1925-48

Region and division	Operators reporting 1948	Land under lease, by year ¹					
		1948	1945	1940	1935	1930	1925
United States.....	Number 11, 542	Percent 38. 1	Percent 39. 4	Percent 44. 1	Percent 44. 7	Percent 43. 7	Percent 39. 1
Northeast:							
New England.....	475	8. 4	7. 3	10. 4	10. 7	9. 3	7. 4
Middle Atlantic.....	1, 139	15. 8	17. 8	20. 0	21. 2	20. 4	21. 4
Total.....	1, 614	13. 8	14. 7	17. 3	18. 0	17. 2	17. 2
North Central:							
East North Central.....	1, 575	34. 8	39. 5	40. 9	41. 3	40. 4	37. 3
West North Central.....	1, 746	45. 0	49. 3	56. 0	53. 7	52. 3	48. 2
Total.....	3, 321	42. 3	46. 4	51. 6	50. 0	48. 9	44. 8
South:							
South Atlantic.....	1, 747	31. 1	30. 5	37. 9	41. 3	39. 0	32. 0
East South Central.....	1, 699	32. 5	31. 6	38. 1	40. 1	39. 2	31. 4
West South Central.....	1, 470	45. 8	40. 3	45. 1	46. 6	45. 9	41. 7
Total.....	4, 916	38. 9	36. 1	41. 8	43. 9	42. 7	36. 8
West:							
Mountain.....	711	35. 9	38. 8	41. 2	44. 5	43. 8	39. 8
Pacific.....	979	32. 7	36. 1	40. 0	39. 3	38. 8	34. 3
Total.....	1, 690	34. 9	38. 2	40. 9	43. 1	42. 4	38. 2

¹ Years 1948 and 1945 include portion of manager-operated farms that was rented; previous years do not

include this. Data for 1948 from Enumerative Survey; all other data from censuses of agriculture.

TABLE 4.—Average acreage per farm by tenure, United States, regions, and divisions, 1945 and April 1948

Region and division	Tenure									
	All farms		Full owners		Part owners		All tenants		Croppers	
	1945	1948	1945	1948	1945	1948	1945	1948	1945	1948
	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>
United States.....	195	204	125	133	562	499	135	153	42	-----
Northeast:										
New England.....	96	100	89	90	168	168	91	(¹)	-----	-----
Middle Atlantic.....	99	115	87	95	161	172	107	144	-----	-----
Total.....	98	110	87	93	162	170	105	134	-----	-----
North Central:										
East North Central.....	121	130	92	98	187	206	152	172	-----	-----
West North Central.....	274	320	172	185	543	675	242	245	-----	-----
Total.....	201	229	128	137	402	495	207	216	-----	-----
South:										
South Atlantic.....	93	98	96	101	178	153	63	70	48	54
East South Central.....	79	87	92	96	130	125	53	63	34	51
West South Central.....	234	248	178	182	649	442	146	234	48	55
Total.....	131	140	118	124	369	260	85	115	42	54
West:										
Mountain.....	1, 151	986	336	428	2, 470	2, 093	480	549	-----	-----
Pacific.....	254	302	113	107	952	1, 061	284	221	-----	-----
Total.....	639	581	193	217	1, 897	1, 623	390	405	-----	-----

¹ Insufficient sample for managers and tenants for New England.

ways but in some areas, additional factors are apparently causing some variations from the evident trends.

Mechanization and improved techniques of farming have meant that a decreasing number of farm workers, as well as a decreasing proportion of the Nation's population, are producing our food and fiber. The larger supply of tractors available since the end of the war is particularly significant. Tractors began to affect the size of farms appreciably soon after World War I and are still having an influence in the way of fewer and larger commercial farms. At the same time, expanded industrial development continues to absorb surplus farm labor. Some readjustments since the end of World War II have resulted in increased farm population but indications are that the trend in employment in agriculture is still downward. This indicates that the total number of farms may have declined slightly since 1945, but no estimates of numbers have been made. In areas in which farm population has declined, there has probably been

a greater decline in tenants than in owner-operators, since tenants usually have fewer ties to the land. Also, owner-operators rent additional land and so become part owner-operators. The renting of additional acreage by both owners and tenants tends to increase the average size of farms, increase the proportion of part owners, and decrease the proportion of tenancy.

Increase in part-time farming, particularly near large centers of population, is a second factor. As transportation improves, more and more people occupied in nonfarm work are moving to the country to live and to do a little farming as a sort of safeguard. This increases the number of small farms near cities and tends to hold down the average size of farms. As these new farmers are mostly owner-operators, the net effect is to increase the proportion of owner-operators and decrease the proportion of tenancy.

Relatively high farm incomes in the 1940's is a third factor. They have made it easier for farm operators to buy farms. Some owner-operators

TABLE 5.—Percentage of farms operated as partnerships, and percentage of partnerships by kinship of operators, by tenure, United States and regions, April 1948

Region and tenure	Operators reporting	Partnerships	Percentage operated as partnerships	Kinship			
				Not related	Father-son ¹	Brother-sister	All other relationships
United States.....	Number 11, 541	Number 590	Percent 4. 5	Percent 8. 5	Percent 52. 6	Percent 30. 5	Percent 8. 4
Northeast.....	1, 614	75	4. 6	6. 7	50. 6	34. 7	8. 0
North Central.....	3, 321	196	5. 9	11. 2	58. 7	27. 1	3. 0
South.....	4, 916	143	2. 9	4. 2	47. 5	32. 9	15. 4
West.....	1, 690	176	8. 4	10. 5	46. 6	33. 1	9. 8

¹ Also includes father-son-in-law.

have used their larger incomes to buy additional land.

In the South and in parts of the West, the veterans' program appears to be a fourth factor. It is large enough to affect the tenure pattern, particularly by increasing the percentage of part-owner farms and by decreasing the average acreage per farm of part owners. A relatively large proportion of the veterans who returned to farming have bought farm land. In those cases in which the local supervisor of the veterans' program considered the farms as too small to be economical, the acreage has been increased. If the increase has been through renting additional land, the owner becomes a part owner-operator. The average acreage farmed by a veteran part owner appears to be smaller than that of other part owners, and, as a consequence, the average size of farm of all part owners has been reduced in these areas. The part owner who is not a veteran frequently owned an adequate-sized unit before he rented other land.

Farm Partnerships

Because of the widespread and growing interest in father-son farm operating agreements and in family arrangements for turning ownership of the farm over to a son before the death of the parents, questions were asked in the 1948 enumerative survey to provide information on the extent of partnerships. The definition of farm partnerships is somewhat ambiguous but the data do indicate the extent of partnership operations as they are thought of by the farmers. For the country, 4.5 percent of the interviewed operators replied that they were operating their farms as a partnership (table 5). Farm partnerships represented the largest proportion of all farms in the West and the smallest proportion in the South. Of the partnerships, 53 percent were between father and son or son-in-law, and 30 percent involved brothers and sisters, or both. The highest proportion of father-son partnerships was in the North Central States. Only 8 percent of the partnerships, in the country as a whole, involved nonrelatives.