

Color:

Blue, green,
red, tan, oliv.
yellow, black

Full Buck

220

March, 1938

To the Committee on Graduate Study:

I submit herewith a thesis written by Mr. Elmer Ellsworth Briner and entitled "Farm Tenure, Inheritance, and Leases in Tennessee", and recommend that it be accepted for eighteen quarter hours credit in partial fulfillment of the requirements for the degree of Master of Science, with a major in Agricultural Economics.

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we have read this thesis,
and recommend its acceptance.

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FARM TENURE, INHERITANCE, AND LEASES
IN TENNESSEE

-00-

A THESIS

Submitted to the Graduate Committee
of
The University of Tennessee
in
Partial Fulfillment of the Requirements
for the degree of
Master of Science

By

ELMER ELLSWORTH BRINER

March, 1938

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ABSTRACT

FARM TENURE, INHERITANCE, AND LEASES IN TENNESSEE

Farm tenure in Tennessee is discussed from the standpoint of distribution and trend, by color and tenure of farm operators. The effect of inheritance of farm wealth on operators' tenure is associated with age, color, net worth of operator, and with time in relation to the business cycle. A method for determining the equitability of a farm lease, with examples of three general types of leases, is accompanied by a brief study of the provisions for farm improvements on tenant farms. The study of distribution and trends of tenancy is based upon United States Census reports, while the data on inheritance and leases were secured from a random sample of farms in selected counties. Inheritance of wealth increases farm ownership even though the amount of inheritance be small. The equitability of farm leases is less a problem than is the size and profitableness of the tenant's business.

CHAPTER I

DISTRIBUTION, TREND AND STATUS OF FARM TENURE

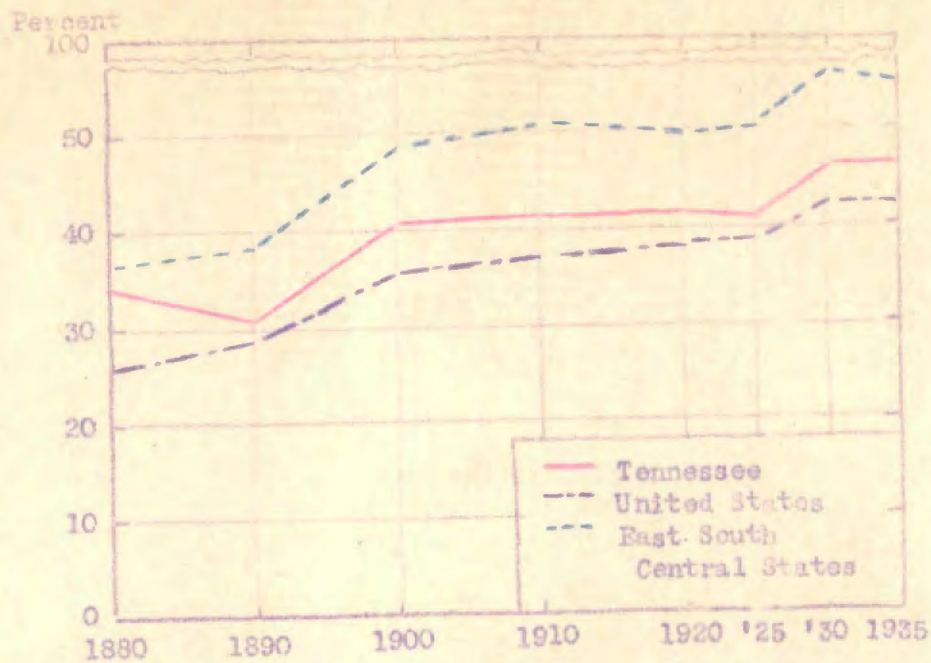
Trend, 1880 to 1935

Farm tenancy is a very old method of securing the use of land without first accumulating enough capital to purchase it. The Federal Bureau of the Census reported 34.5 percent of all farm operators in Tennessee as tenants in 1880, and 25.6 percent in the United States. No comprehensive data are available for an earlier date, but it is generally believed that farm tenancy began, in a given locality, soon after the most desirable farm lands had been taken up.

Since 1880 there has been an increase in tenancy in Tennessee to 46.2 percent in 1935 (Figure 1). The increase has not been continuous, almost all of it occurring from 1880 to 1900 and from 1925 to 1930. The rate of increase was about the same for these two periods, although there was a greater total change in the first period due to the longer time.

There was a decrease from 34.5 to 30.8 percent in farm tenancy from 1880 to 1890, in Tennessee. During this period there was an increase in the East South Central States as a whole, and in the United States.

Tenancy in Tennessee was practically stationary, in percent, from 1900 to 1925. During this period there was a slow but steady increase in the United States, and a more irregular increase in the East South Central States. A decrease occurred in the East South Central States from



Source: Table I.

Figure 1. Percent of Farm Operators Who Are Tenants, Tennessee, 1880 to 1935



Source: Based on Appendix Table II.

Figure 2. Percent Tenancy in Tennessee, by Counties, 1880 and 1935

TABLE I. PERCENT OF FARM OPERATORS WHO ARE TENANTS,
TENNESSEE, 1880 TO 1935

Year	Tennessee	United States	East South Central States
1935	46.2	42.1	54.8
1930	46.2	42.4	55.9
1925	41.0	38.6	50.3
1920	41.1	38.1	49.7
1910	41.1	37.0	50.7
1900	40.6	35.3	48.1
1890	30.8	28.4	38.3
1880	34.5	25.6	36.8

Source: U. S. Census of Agriculture.

1930 to 1935. A much smaller decrease occurred in the United States as a whole, while Tennessee remained constant during this time. This decrease may be the beginning of a decline in tenancy, or it may be an unusual condition accompanying the general depression.

In Tennessee, the increase in percentage of tenant farmers has not been uniform in all sections. Part of the Cumberland Plateau and the Unaka mountains have remained nearly constant from 1880 to 1935, while some other parts of the State have increased rapidly (Figure 2). The greatest changes were in West and Middle Tennessee.

Distribution of Farm Operators, by Tenure and Color

The proportion of farm operators in Tennessee differs widely between tenure groups, color of operator, and from one section of the State to another (Table II). By far the largest group is that of white full owners. There are about one-half as many cash and share tenants as there are owner operators, and two thirds as many croppers as other tenants

TABLE II. FARM OPERATORS: PERCENTAGE BY TENURE AND COLOR, BY
TYPE OF FARMING AREAS, TENNESSEE, 1935

Type of Farming Area *	Total All Opera- tors	Tenants				Owners			
		Croppers		Tenants		Part Owners		Managers and Full Owners	
		White	Col- ored	White	Col- ored	White	Colored	White	Colored
1	100.0	15.6	2.2	55.7	6.8	6.1	0.3	13.3	-
2	100.0	13.8	1.4	33.5	0.7	9.3	0.2	40.9	0.2
3	100.0	13.1	22.6	20.7	15.2	4.1	1.1	19.3	3.9
4	100.0	12.7	3.4	28.4	1.5	10.4	0.9	41.3	1.4
6	100.0	12.1	6.6	31.9	4.2	7.9	0.7	34.4	2.2
7	100.0	24.0	7.9	17.6	2.5	7.4	1.1	35.9	3.6
8	100.0	10.2	0.6	29.0	0.8	10.7	0.6	46.8	1.3
9	100.0	12.5	0.4	40.3	0.7	7.6	0.3	37.4	0.8
10	100.0	12.7	4.3	25.7	2.5	5.0	0.9	44.9	4.0
11	100.0	11.9	0.4	27.1	0.5	8.3	0.2	50.4	1.2
12	100.0	6.8	0.2	20.9	0.2	7.4	0.3	63.9	0.3
13	100.0	15.2	0.8	25.8	0.6	4.5	0.3	51.2	1.7
14	100.0	13.2	0.3	18.4	0.4	9.6	0.3	53.8	1.0
14B	100.0	9.4	0.6	26.0	1.1	7.5	0.6	52.6	2.2
14C	100.0	13.6	0.4	23.0	0.4	5.3	0.1	55.1	2.1
14D	100.0	8.6	0.3	19.0	0.5	8.7	0.3	61.3	1.3
14E	100.0	10.4	0.2	18.3	0.1	10.5	0.2	59.7	0.6
14F	100.0	16.8	0.3	15.8	0.2	10.7	0.2	55.2	0.8
15	100.0	16.2	0.0	12.2	0.1	10.4	0.1	71.7	0.3
State	100.0	12.9	5.9	23.6	3.8	7.3	0.6	43.6	2.3
	100.0	18.8		27.4		7.9		45.9	

Source: Census of Agriculture, 1935

* For type of farming areas see Figure 4 and explanatory note.

(Figure 3). In all tenure groups white operators constitute the greater proportion of all farm operators. Only 12.6 percent of all farm operators in Tennessee are colored, and less than one third of all croppers are colored. (Table II). The concentration of negro farm operators in comparatively limited areas often leads one to overestimate their true relationship to Tennessee agriculture. (1)

(1) 68.6 percent of all colored operators are located in 11.5 percent of the area of the State. They operated 69.9 percent of all crop land harvested by colored operators in 1934.

Croppers constitute 46.8 percent of all colored farm operators, and colored tenants make up 30.4 percent, leaving 22.8 percent in the owner groups. Although there are more than twice as many white as colored croppers in Tennessee, the white croppers are only 14.8 percent of all white farm operators. Twenty-seven percent of all white farm operators in Tennessee are share and cash tenants, leaving 58.2 percent in the owner groups.

The distribution of farm operators, as to tenure groups, varies greatly from one part of the state to another, but seems to be fairly uniform between the counties of any type of farming area. Different types of farming have different proportions of tenancy, and of colored and white operators. There is no apparent race distinction based on tenure of the farm operator.

The type of farming areas in Tennessee⁽²⁾ (Figure 4) are sometimes well defined geographic areas based on soil type, topography, elevation, native vegetation, and other natural phenomena, while in other instances they merge more or less gradually over a fairly wide territory.

Tenants make up over 80 percent of all operators in area 1, most of which are share and cash tenants. Area 3 is also high in percentage of tenancy, 75.2. Areas 6, 7, and 9 are the only other areas having 50 percent or more tenancy (Figure 5). East Tennessee, including the Cumberland Plateau (area 12), the East Tennessee Valley (area 14), the Unaka mountains (area 15), and Southeastern Tennessee (area 13), is lowest. Parts

(2) The type of farming areas are briefly discussed in Inventory of Land Use in Tennessee, Allred, C. E., et al, Monograph No. 5, pp. 15-21, Tennessee Agricultural Experiment Station, February 1936.

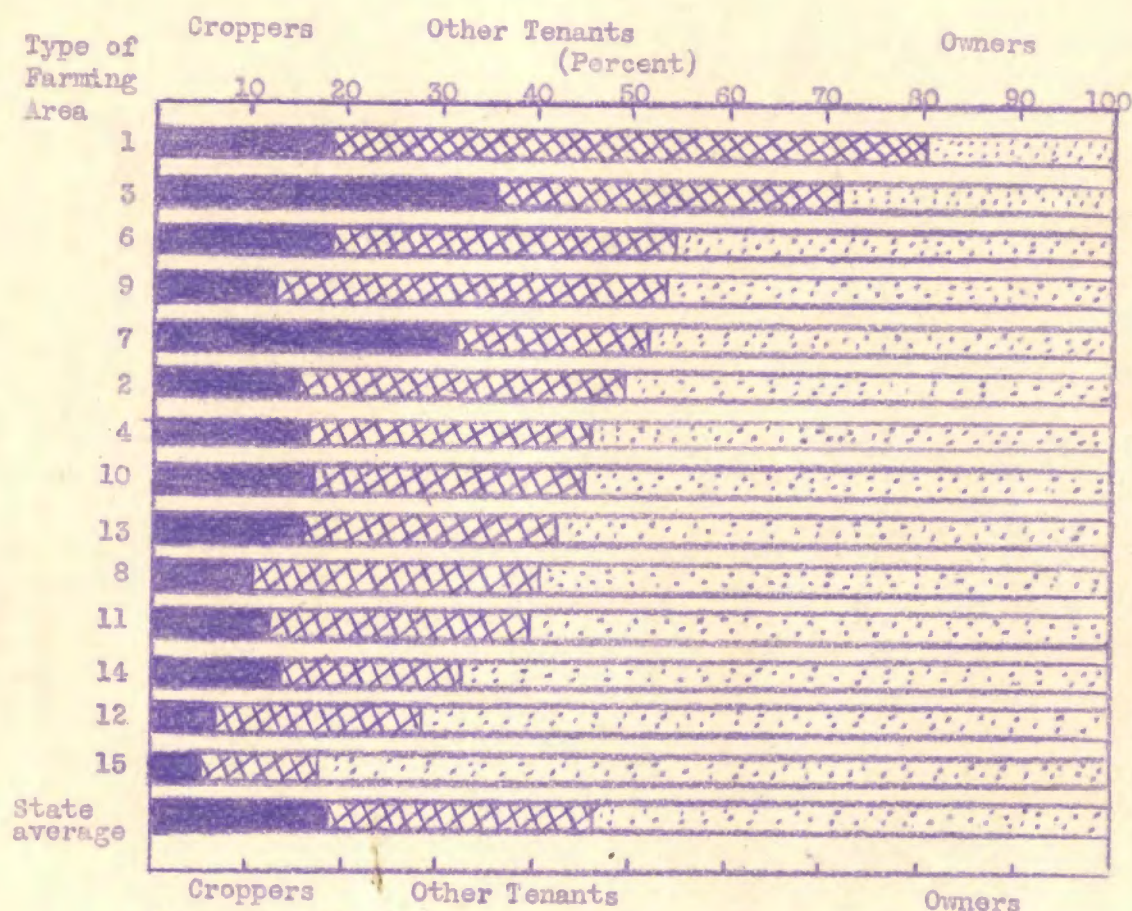
A revised study is now being made by the Department of Agricultural Economics, Agricultural Experiment Station, University of Tennessee, Knoxville, Tennessee. This study follows the general outline of the areas shown in Figure 4 but does not follow county lines.

Area 5 was eliminated when county units were used instead of civil divisions, in determining the type of farming.



Source: Table II.

Figure 5. Type of Farming Areas Having Over 50 Percent Tenants, Tennessee, 1935



Source: Table II

Arrayed according to the percent of tenancy.

Figure 6. Farm Operators: Percentage Distribution by Tenure, and Type of Farming Area, 1935, Tennessee

of the East Tennessee Valley are fairly high in percentage of tenancy compared with surrounding areas, but are below the State average. A large proportion of the tenants of this area are white croppers (Figure 6).

Colored Croppers. Colored croppers are most heavily concentrated in area 3, in the southwestern part of West Tennessee (Figure 7). This is the leading cotton producing section of the State (Figure 8). Areas 5 and 10 are also high in numbers of colored croppers. These areas are also high in cotton but it is of less relative importance there than in area 3.

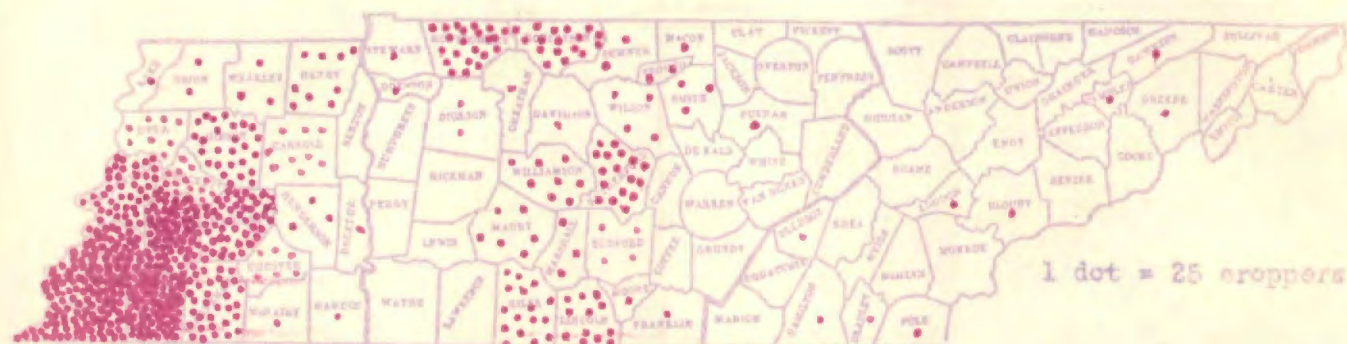
Another concentration of colored croppers occurs in area 7, where dark fire-cured tobacco is the leading cash crop. Except for this area, colored croppers can be said to follow cotton production in Tennessee (Figures 7 and 8).

The Tennessee State Planning Commission⁽³⁾ has compared cotton production and colored tenant movements from 1900 to 1930, and has found that negro croppers followed cotton production very closely since 1880, the earliest date for which information is available.

A few colored croppers are found in the East Tennessee Valley (area 14) but are widely scattered. The Cumberland Plateau (area 12) and both the Eastern and Western Highland Rim (areas 8 and 11) are almost completely devoid of colored croppers.

White Croppers. White croppers are found in all sections of the State, and make up more than two thirds of all croppers (Figure 9). They appear in considerable numbers throughout West Tennessee, the Central Basin (area 10),

(3) Tennessee State Planning Commission, Preliminary Report, Sec. IVD and Sec. V, January 14, 1935.



Source: Census of Agriculture,
County Table III, 1935.

Figure 7. Number of Colored Croppers, by Counties, Tennessee, 1935



Source: Census of Agriculture,
County Table III, 1935

Figure 8. Number of Acres of Cotton and Tobacco, by Counties,
Tennessee, 1935

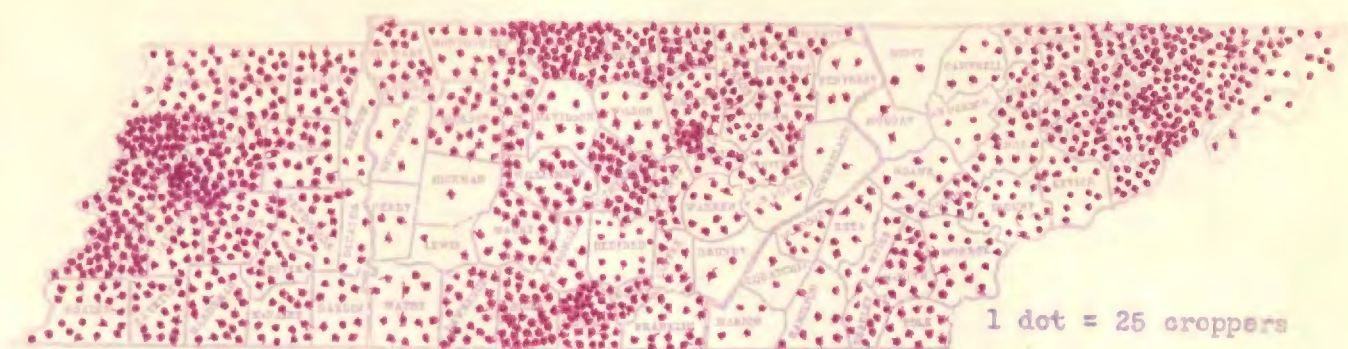
the Northern Highland Rim (area 7), and the East Tennessee Valley (area 14). Except for the Unaka mountains (area 15) the Cumberland Plateau (area 12), and the Western Highland Rim (area 8), white croppers are distributed fairly uniformly over the State (Figure 9). They seem to be found chiefly in areas having high value cash crops which require a large amount of hand labor.

White croppers exceed colored croppers in all parts of the State except the seven counties in the southwestern corner (Shelby, Fayette, Hardeman, Tipton, Haywood, Madison, and Lauderdale). In parts of Hardeman, Lauderdale, and Madison counties white croppers exceed colored croppers.

White Share and Cash Tenants. White share and cash tenants (tenants other than croppers) comprise the largest class of farm tenants in Tennessee, making up 23.6 percent of all farm operators, and over half of all tenants. Tenants of this group are more widely distributed than white croppers, but in quite similar areas of concentration except in regions leading in tobacco acreage, where white croppers are more numerous (Figure 10).

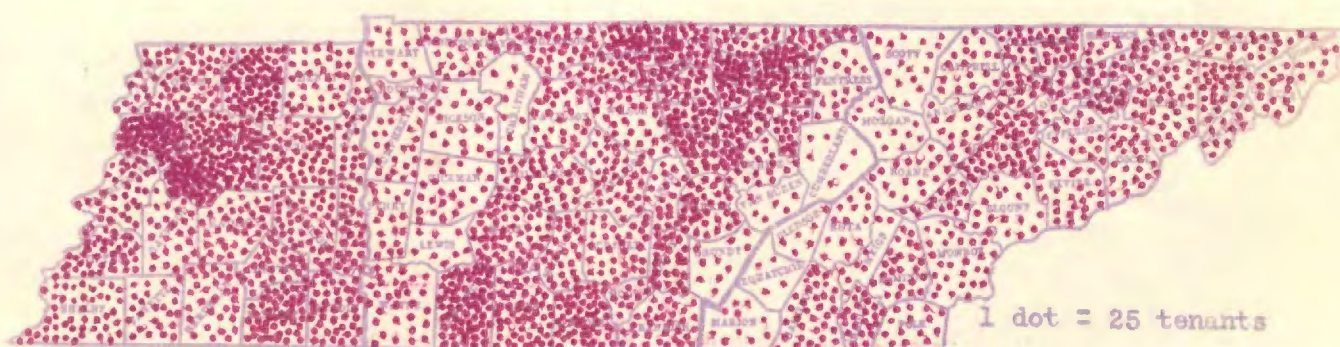
A large proportion of this tenure class are related to their landlords. As a group they present a much less difficult, and a far different, problem than other tenant groups. They more nearly compare with the tenants of northeastern United States and of the corn and wheat belts.

Colored Share and Cash Tenants. There are comparatively few colored share and cash tenants (tenants other than croppers). They are distributed in the State in about the same way as colored croppers, with the greatest concentration in Fayette and Haywood counties (Figure 11). Colored share and cash tenants are sometimes said to be less stable than croppers in that



Source: Appendix Table I.

Figure 9. Number of White Croppers, by Counties, Tennessee, 1935



Source: Appendix Table I.

Figure 10. Number of White Share and Cash Tenants, Tennessee, 1935



Source: Appendix Table I.

Figure 11. Number of Colored Share and Cash Tenants, Tennessee, 1935

their status fluctuates with the value of cotton produced.

Size of Farms by Tenure of Operator

Crop Land Harvested. In general, harvested acres of crop land follows the same distribution, among the various tenures, as the farm operators, with respect to the proportion in each tenure group (Figure 12). There are, however, some significant differences, the most important of which are: (1) croppers harvest a lower proportion of the total harvested crop land than is their proportion of all farm operators; (2) colored operators have less proportionate harvested crop land than their proportion of all operators (Table III).

TABLE III. CROP LAND HARVESTED, BY COLOR AND TENURE OF OPERATOR, TENNESSEE, 1934
(Percent of Total)

Tenure	All Operators	White	Colored
Croppers	15.6	11.0	4.6
Other tenants	29.2	25.6	3.8
Full owners	10.5	9.9	.6
Part owners	44.7	43.3	1.4
All operators	100.0	89.8	10.2

Source: U. S. Census of Agriculture, 1935.

The distribution of total farm land, and harvested crop land, is not in proportion to the number of farm operators in the different tenure groups. Croppers operate slightly more than half as many acres as other tenants (Table III) although there are two thirds as many croppers as other tenants (page 3). This seems to follow common observation and general

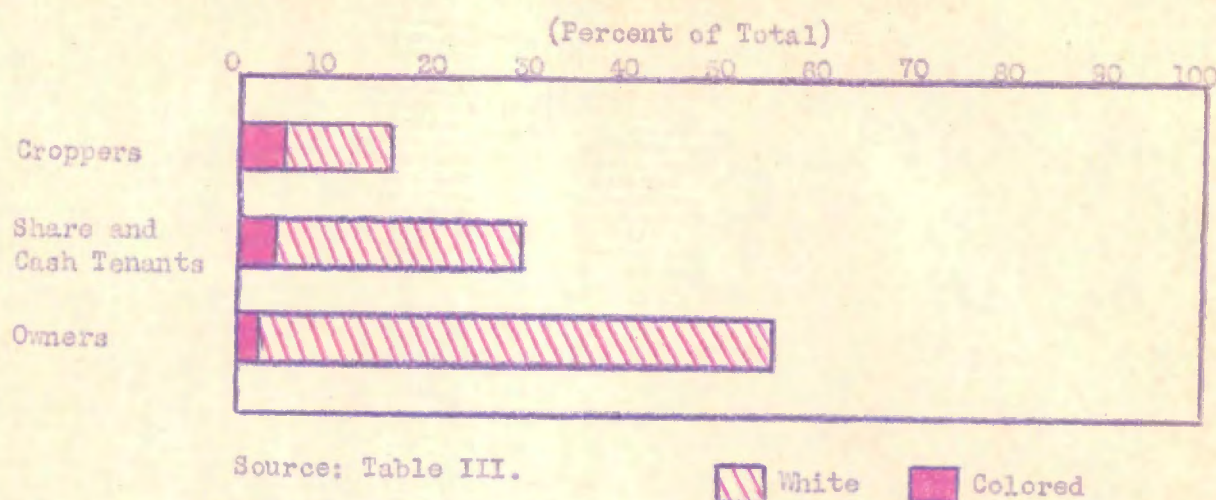


Figure 12. Crop Land Harvested, by Color and Tenure of Operator, Tennessee, 1934

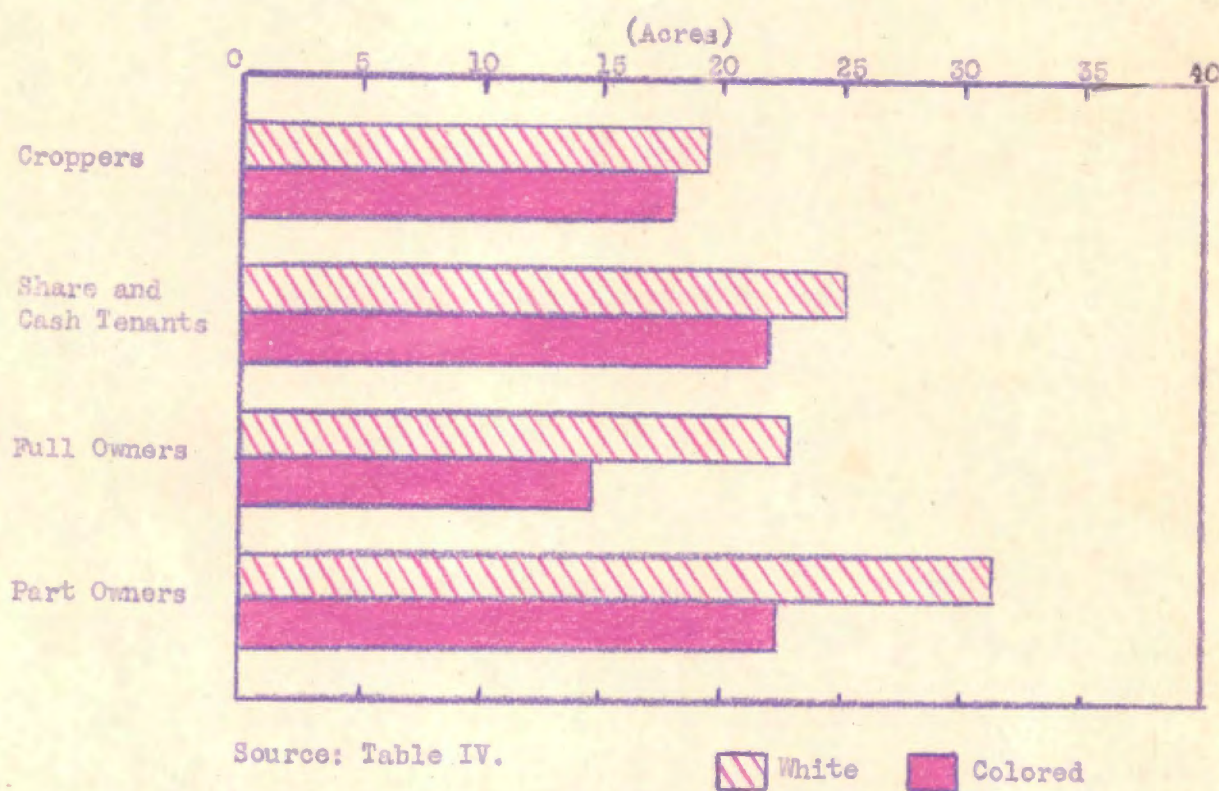


Figure 13. Crop Land Harvested; Average Acres per Operator, by Tenure and Color, Tennessee, 1934

belief. When a comparison is made with the acres of crop land harvested per operator, there is much less difference between tenure groups (Table IV).

TABLE IV. CROP LAND HARVESTED; AVERAGE ACRES PER OPERATOR BY TENURE AND COLOR, TENNESSEE, 1934

Tenure	All Operators (Acres)	White (Acres)	Colored (Acres)
Croppers	19.1	19.7	18.0
Share and cash tenants	24.6	25.1	22.0
Full owners	22.4	22.9	14.7
Part owners *	30.6	31.4	22.3
All operators	23.1	23.7	18.8

* Includes managers

Source: Census of Agriculture, 1935.

There is greater disparity among white farm operators than among colored operator groups, with white part owners far in the lead in acres of crop land harvested per operator. Since they are in position to farm more land than they own, it is to be expected that part owners would have more acres of crops (Figure 13).

Full owners harvest more acres of crop land per operator than croppers, but the difference is not very great, only 3.3 acres. Colored owners actually harvest fewer acres of crops than do colored croppers. Kind of crops grown seems to be of more importance than the difference in the number of acres of crop land harvested, with all tenants following the production of cash crops, primarily. In all tenure groups white farmers harvested more acres of crops than colored operators. In only those

counties having very few colored farmers do the colored operators exceed white operators in acres of crop land harvested per operator.

Croppers, share and cash tenants, and owners, in the different type of farming areas, shows a wide range in crop land harvested per operator. It varies from a low of 9.8 acres for tenants in the Unaka mountains (area 15), to a high of 107.1 for owners in area 1. The average for all operators for the State was 23.1, with croppers harvesting 19.1 acres, share and cash tenants 24.6 acres, and owners 23.7 acres per operator.

Even though wide differences occur in acres of crop land harvested, between type of farming areas, and between tenure groups, the greater part of the State conforms fairly closely to the average figure.

Value of Farms. The difference in the number of acres of harvested crop land between tenure groups is, at least partially, compensated for by the greater per acre value of farm real estate in the cropper group. (Figure 14 and Table V). This is of real importance in view of the fact that croppers generally have less valuable buildings than owners.

TABLE V. VALUE OF FARMS PER ACRE AND PER OPERATOR, BY TENURE AND COLOR, TENNESSEE, 1935

Tenure	Value per Acre		Value per Operator	
	White	Colored	White	Colored
Croppers	\$31.18	\$30.88	\$1179.41	\$800.51
Share and cash tenants	26.55	26.47	1826.19	1221.08
Owners	30.16	23.34	2593.46	1136.84
All operators	27.31	26.97	2177.15	1005.04

Source: U. S. Census of Agriculture, 1935.

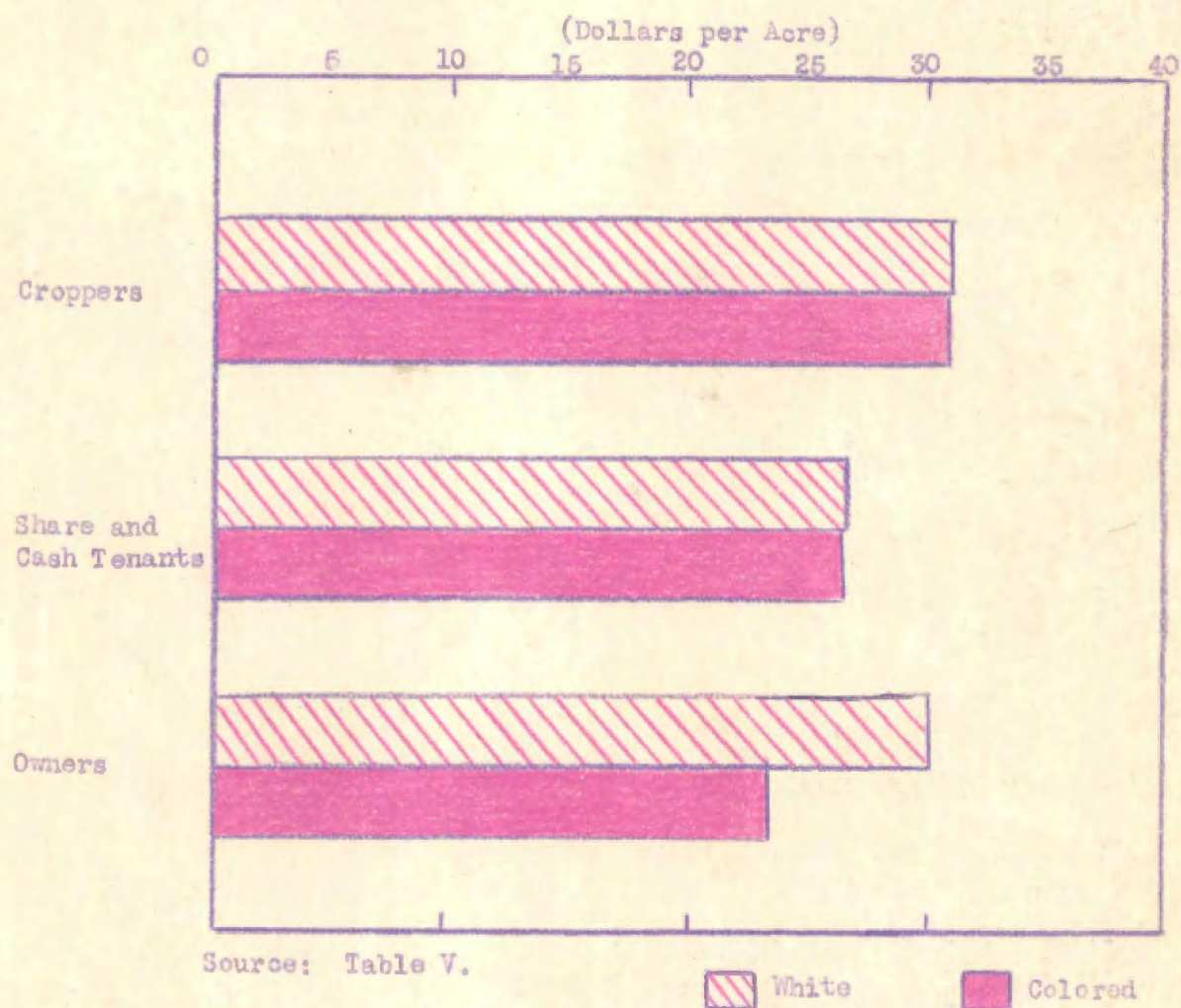


Figure 14. Value of Farms: Land and Buildings, per Acre of Farm Land, By Tenure and Color of Operator, Tennessee, 1935

Colored croppers and colored share and cash tenants practically equal white croppers and white share and cash tenants in per acre value of farm real estate. Though croppers form the highest per acre value land, their entire farms are of less value than farms in other tenure groups, due to the smaller size of farms.

Taking the state as a whole, colored farmers have more homogeneity than white farmers, the difference in county averages being four hundred dollars, in the case of the colored farmers and fifteen hundred dollars, in the case of white farmers. This situation is strengthened by concentration of most of the rural colored population into a relatively small portion of the state. Better buildings, especially houses, accounts in part for the greater value of farm real estate among white than among colored farmers; also in the tenure groups more nearly approaching unincumbered ownership.

Real estate values appear to be high in some counties among colored operators. This occurs only in counties having but a few colored operators.

There is wide variation in per acre value of real estate, by tenure and color of the operator; but counties highest in per cent of croppers and other tenants are also highest in per acre value of real estate in those tenure groups.

Value of Implements and Machinery. Implements and machinery owned by the different tenure groups varies in value from \$53 for colored croppers to \$255 for white owners. White operators own 2.4 times as valuable farm machinery as colored operators (Table VI).

TABLE VI. VALUE OF IMPLEMENTS AND MACHINERY PER FARM
OPERATOR, BY TENURE AND COLOR, BY TYPE OF FARMING
AREA, TENNESSEE, 1930

(Value in Dollars)

Type of Farming Area	Total for Area	Tenants				Owners and Managers	
		Croppers		Share and Cash Ten- ants		White	Colored
		White	Colored	White	Colored		
1	230	59	69	361	148	799	110
2	243	86	76	223	183	322	192
3	181	82	53	208	116	413	178
4	174	91	48	126	67	231	87
6	156	59	46	133	97	226	137
7	187	82	44	144	60	311	83
8	169	64	24	122	75	216	72
9	141	43	16	114	56	201	103
10	222	99	62	196	86	302	93
11	142	65	35	104	69	177	74
12	135	81	63	75	82	154	65
13	234	98	29	177	105	293	112
14	206	111	101	136	85	242	93
15	157	82	6	86	67	172	57
Ave.	186	86	53	155	106	255	122
Ave.		75		146		248	
		White - 203		Colored - 85			

Source: Computed from Census of Agriculture, 1930.

There is less proportionate variation in the value of implements and machinery owned by croppers between type of farming areas than between tenants and owners. Those who rent land in addition to their own holdings have less valuable farm machinery than do farmers who operate their own farms only. It is commonly thought that croppers own nothing in the way of farm equipment, but this is untrue, as many own all, or nearly all, of the implements and machinery needed for their farm operations. They do not, however, own the workstock.

The type of farming practiced in various parts of the State affects the amount of machinery needed for operating the farm. In all areas the croppers have less invested than tenants, and tenants less than owners. White operators have more invested in implements and machinery in each tenure group, in all areas of the State, than colored operators.

Tenants Related to Landlords

Tenants who are related to their landlords are usually considered to have a more advantageous position than unrelated tenants. By relationship we mean those who are close enough akin to be in line for inheritance, either in whole or in part. (4) The related landlord and tenant are more inclined to give something to the other, to the end that both have a similar standard of living. Such a system makes for a more stable tenure, and thus a more desirable social system. In some cases this would be undesirable as it would tend to keep a tenant from moving to a more desirable farm.

Inheritance has played an important part in acquiring farm ownership in the past, and may be an even more important factor in the future. With a declining birth rate there will be less heirs to share in the division of the home estate, thus making it unnecessary for a given farm operator to pass through the various stages to ownership, and will make it unnecessary for the heir who continues to operate the farm to pay departed heirs so large a portion of the value of the farm. With barren families and a decreased movement of youths to villages and cities, there may be correspondingly less movement of farm wealth to cities, and an opportunity for children of

(4) Relation - Parent, grandparent, brother or sister of either the man or woman.

present tenant farmers to buy farms, thus increasing the proportion of owner-operated farms.

Summary

1. Tenancy in Tennessee increased from 34.5 percent in 1880 to 46.2 percent in 1935.
2. The principal increase in tenancy occurred in West and Middle Tennessee.
3. There is no apparent race distinction based on tenure of farm operators.
4. Concentration of tenants in Tennessee is associated with high labor-requiring cash crops, particularly cotton and tobacco.
5. Colored croppers are distributed in about the same localities as cotton, except those located in the dark tobacco area.
6. White croppers are widely distributed over the State, being somewhat fewer than colored croppers in the most intensive cotton area of southwestern Tennessee.
7. White share and cash tenants are more generally distributed, and make up a greater portion of all tenants than all other groups combined.
8. Colored share and cash tenants are distributed about the same as colored croppers, except that they constitute a less important tenure group.
9. Croppers harvest a lower proportion of the total harvested crop land than is their proportion of all farm operators.
10. Colored operators have less proportionate harvested crop land than their proportion of all operators.
11. Croppers operate land of highest per acre value.

12. Creppers own nearly as valuable implements and machinery as share and cash tenants, but do not own the workstock.

13. White operators have a greater investment in implements and machinery than colored operators, irrespective of tenure or area of the State.

14. White tenants are more often related to their landlords than colored tenants.



CHAPTER II

INHERITANCE AND ITS RELATION TO FARM OWNERSHIP

Scope and Method

Since the development of the institution of private property, inheritance has been a factor in the accumulation of wealth by individuals. It is generally recognized that the receipt of wealth through gift, inheritance, homesteading or other fortuitous sources plays an important part in the ownership of farms. ⁽¹⁾ The entire farm need not be inherited to aid the recipient to eventual full ownership. Sometimes a small amount, at a critical time in one's career, may have more significance than a much larger amount at another time.

For the sake of convenience all fortuitous wealth is here referred to as inheritance. In some cases the receipt may be land while in other cases it may be money, personal property, or other resources having a definite cash value. In all cases, unless specifically stated otherwise, the amount of the fortuitous wealth is referred to in its dollar value, though it may not have been cash.

Inheritance is one way in which farm owner operators come into possession of the land they cultivate. It is also a means of securing ownership by persons who hold the land as a form of investment. This latter situation

(1) Hibbard, B. J., and Peterson, G. A., "How Wisconsin Farmers Become Farm Owners", Wisconsin Agricultural Experiment Station Bulletin 402, August 1928, p. 15.

helps make it possible for those who do not own land to make a living by tilling the soil, for which they pay rent. That the renting of land is desirable is unquestioned. The question arises as to the extent to which it is desirable in a given society, compared with possible alternative tenures. Tenancy in Tennessee varies widely from one part to another (Chapter I, pages 3 to 10). Consequently inheritance is a bigger factor in the securing of farm land in some places than others.

A survey was made in three counties which throws some light on the influence of inheritance on farm ownership. Figure 15 shows the location of the counties in which the survey was made, Madison, Montgomery, and Williamson.

Individual farm records were taken as a random sample of farms in each of the three counties. Each change of tenure or occupational status was recorded, giving age, reason for changing, new status, amount of fortuitous wealth received during each period, and other information concerning the well-being of the operator at that time. Records were taken from tenants and owners alike, irrespective of color or present tenure status, except that the records were taken from actual farm operators, omitting wage workers and non-operating owners.

Although enumerated separately, the wealth received gratuitously by either wife or husband has been treated the same, thus eliminating the possibility of securing ownership through marriage. Tenants, as herein referred to, applies to all farm operators who do not own any portion of the land they operate; owners includes both full owners and those who own part of the land they operate and rent in addition. In some cases they own only a small portion while in other cases they may operate but very little additional land.

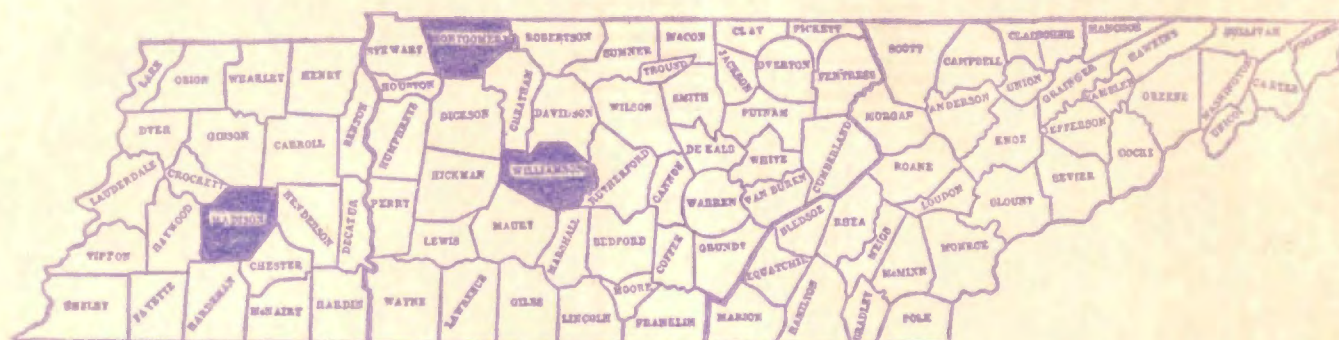


Figure 15. Counties Surveyed

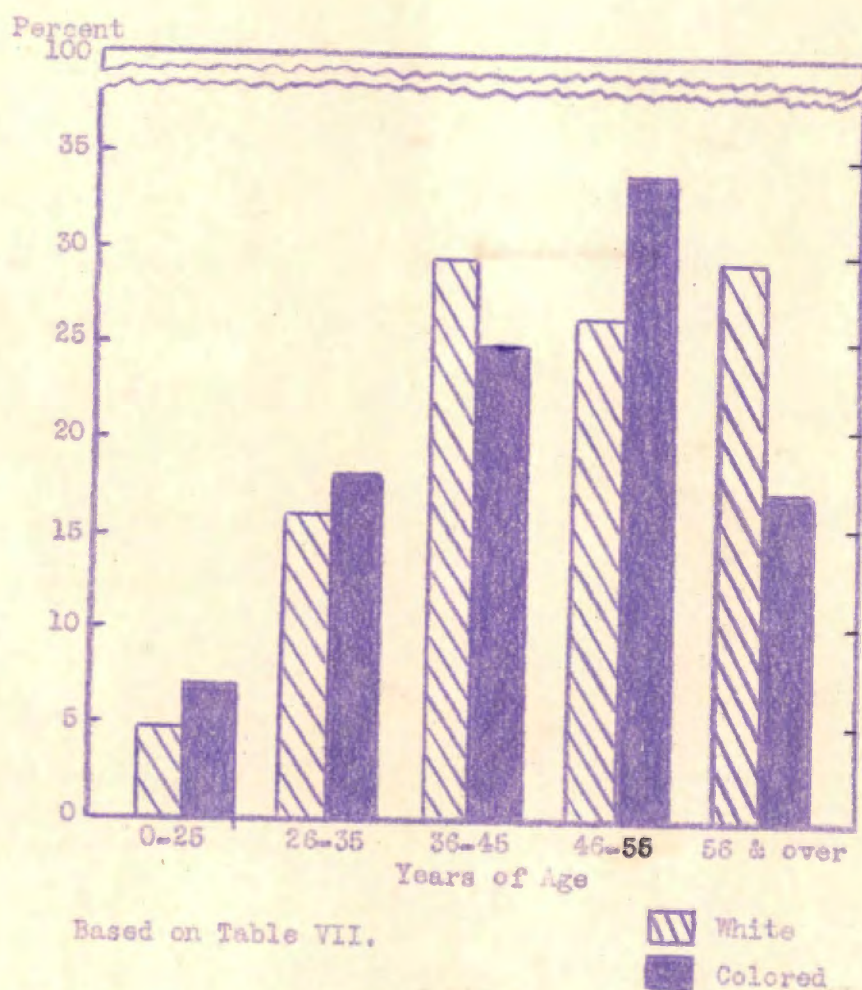


Figure 16. Distribution of 457 Farm Operators by Color and Age, Selected Counties, Tennessee

Some rented out some of their land and rented additional for their own farming operations.

Color of Operators Surveyed. There were 457 cases in the survey, of which 323 or 70.7 percent, were white and 134 or 29.3 percent, were colored (Table VII). The percentage distribution of operators indicates

TABLE VII. DISTRIBUTION OF 457 FARM OPERATORS BY COLOR AND AGE,
SELECTED COUNTIES, TENNESSEE

(Percent)						
Class	Number of Cases	0-25 Years	26-35 Years	36-45 Years	46-55 Years	56 and Over Years
Total all cases	457	5.3	16.4	24.3	28.4	25.6
Total white	323	4.6	15.8	29.2	26.3	29.1
Total colored	134	6.7	17.9	24.6	33.6	17.2

Source: Appendix Table III.

an older average age for white than for colored.

Each age group contains a higher percentage of white operators, than the preceding younger group, while the age group 46 to 55, in the case of colored operators, contained the higher percentage (Figure 16).

Only a small percentage of operators, both colored and white, are in the age group under 25 years.

TABLE VIII. DISTRIBUTION OF 457 FARM OPERATORS BY COLOR AND COUNTIES,
THREE COUNTIES OF TENNESSEE

(Percent)						
Class	Number of Cases	Per- cent	Total	Madison	Montgomery	Williamson
Total	457	100	100.0	31.5	35.9	32.6
White	323	100	70.7	26.9	31.3	41.8
Colored	134	100	29.3	42.5	47.0	10.5

Source: Appendix Table III.

The 457 farms studied were fairly evenly divided between the three counties, Madison, Montgomery, and Williamson (Table VIII). There was considerable difference between the distribution of colored and white operators in the counties.

The greater proportion of the colored operators were located in West Tennessee (Madison County), and in north central Tennessee (Montgomery County) (Figure 17). Williamson County, in Central Tennessee, had only 10.5 percent colored farm operators. Madison is chiefly a cotton producing county, and Montgomery is the second highest county in tobacco production. Williamson is in the general farming area.

Tenure of Operators Surveyed. Distribution of the farm operators indicates somewhat less difference in tenure than was the case between colored and white (Figure 18). In Montgomery County there was only a slightly greater proportion of tenants than owners; the Madison County sample had fewer owners than tenants; and Williamson more owners than tenants. For the three counties combined there was 55.8 percent owners and 46.2 percent tenants (Figure 19).

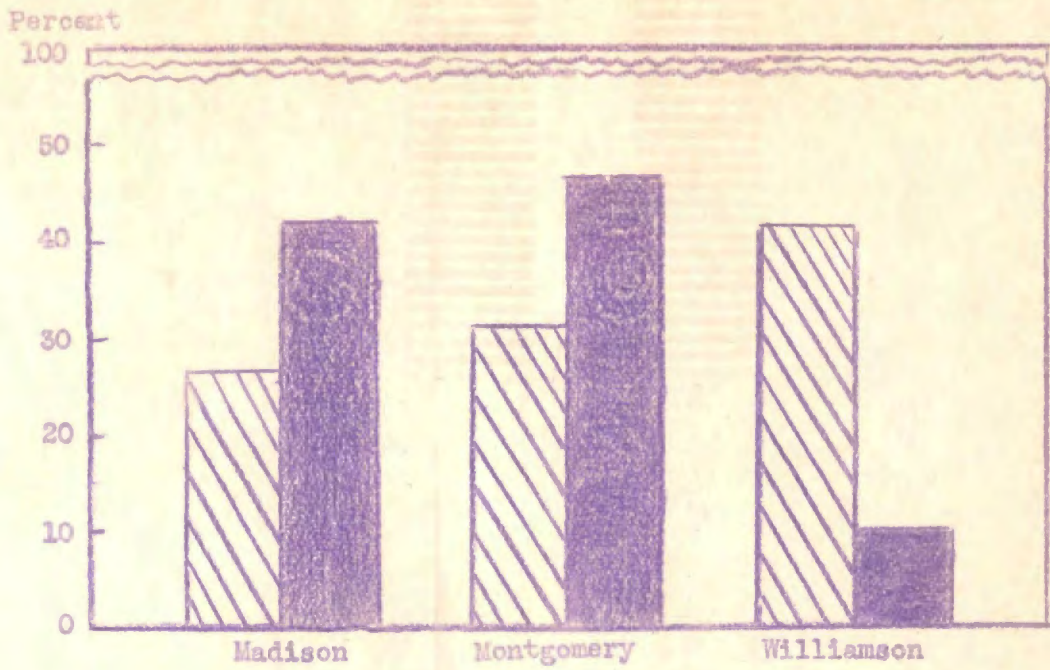
TABLE IX. FARM OPERATORS BY TENURE AND COUNTIES, SELECTED COUNTIES, TENNESSEE
(Percent)

Class	Number of Cases	Per- cent	Madison	Montgomery	Williamson
Total	457	100	31.5	35.9	32.6
Owners	246	100	24.8	35.0	40.2
Tenants	211	100	39.3	37.0	23.7

Source: Appendix Table III.

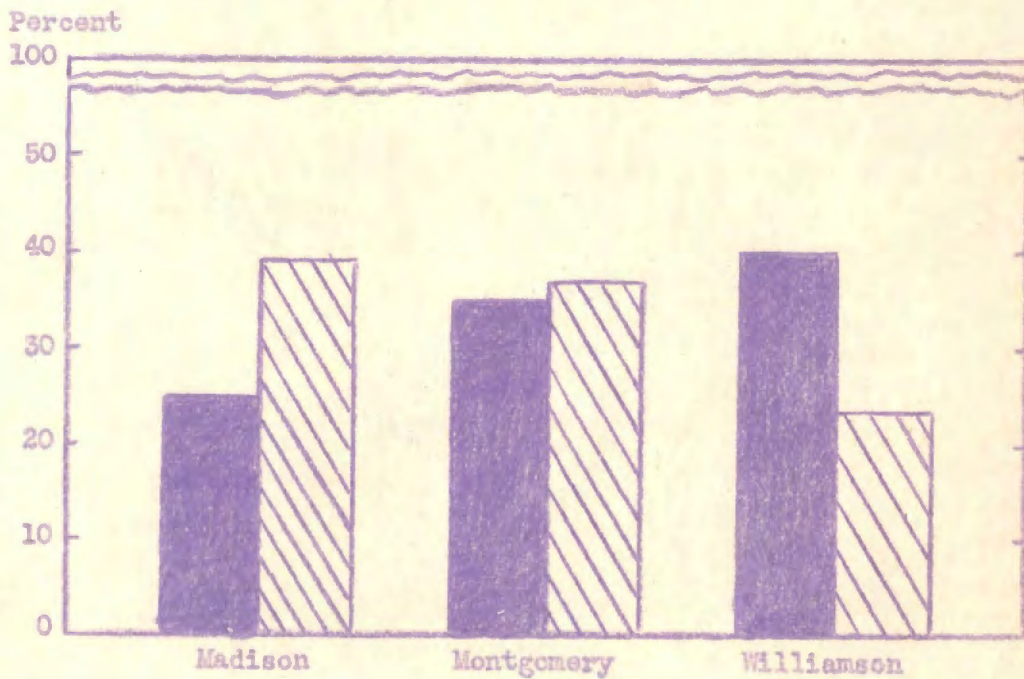
A comparison of colored and white operators, by tenure, shows a high degree of correlation⁽²⁾ between white operators and owners, and between colored operators and tenants (Figures 17 and 18). This distribution is in

(2) Pearsonian coefficient of correlation between white operators and owners is .921, and between colored operators and tenants is .970.



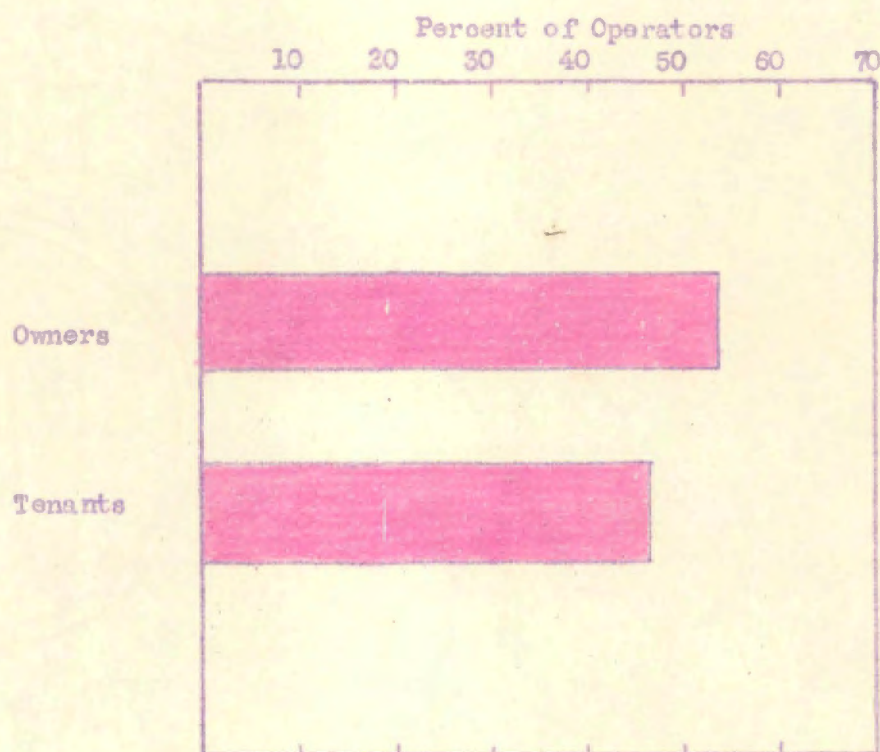
Based on Table VIII

Figure 17. Distribution of 457 Farm Operators by Counties and Color; Three Counties, Tennessee



Based on Table IX

Figure 18. Distribution of 457 Farm Operators by Tenure and Counties, Selected Counties, Tennessee



Based on Table IX

Figure 19. 457 Farm Operators by Tenure, Selected Counties, Tennessee

Figure 19. Distribution of 457 Farm Operators by Tenure and County, Selected Counties, Tennessee

accordance with popular belief. Colored operators are mostly tenants, while white operators constitute the higher proportion of owners.

Age Distribution. Age distribution of farm operators varies between owners and tenants. As the age of operators increases the proportion who are owners increases (Table X). Owners 56 years of age and over make up over one-third of all farm owners. There is a relatively low proportion of owner operators in the age groups below 25 years, and from 26 to 35 years. Only

TABLE X. PERCENTAGE OF 457 FARM OPERATORS BY AGE AND TENURE,
SELECTED COUNTIES, TENNESSEE

(Percent)							
Tenure	Number of Cases	Per- cent	0-25 Years	26-35 Years	36-45 Years	46-55 Years	56 and Over Years
Total	457	100	5.3	16.4	24.3	28.4	25.6
Owners	246	100	1.6	9.3	23.6	31.3	34.2
Tenants	211	100	9.5	24.7	25.1	25.1	15.8

Source: Appendix Table III.

1.6 percent of the owners were 25 years of age or under.

In the lower age groups there are more tenants than owners, while in the upper age groups there are more owners than tenants, both in number and percent of the total. Such a situation is desirable. The younger farm operators have not had time to accumulate enough to buy a farm, or are too young to inherit from relatives, as will be seen later.

A further desirable factor in the situation is that these younger operators are gaining in experience, which will aid them in improving a farm when they become owners. Although the data are insufficient to warrant a conclusion, it has been observed that many who lost the farms they inherited

came into possession while quite young. No cases were found where there was a recession in tenure by those who had inherited their farms (or capital to buy a farm) at middle age, or older.

Three fourths of the tenants are found in the age groups from 26 to 55 years of age. As age increases there is an increase in proportion of owners. Some of these tenants are heirs and will eventually inherit capital. Others reach ownership by accumulating wealth. Still others never become owners, but may enjoy a better place in society as a tenant than in any alternative position for which they are fitted.

Inheritance of Operators

Inheritance of property or money, or the receipt of other fortuitous wealth, makes possible a larger percentage of farm ownership than would be the case among an equal number who inherited nothing. At the time of taking the records 44.4 percent of the farm operators had received some inheritance (Table XI).

TABLE XI. PERCENTAGE OF FARM OPERATORS WHO RECEIVED INHERITANCE, SELECTED COUNTIES, TENNESSEE

County	Number of Cases	Number Who Had Inherited	Percent Who Had Inherited
Total	457	203	44.4
Madison	144	56	38.9
Montgomery	164	53	32.3
Williamson	149	94	63.1

Source: Appendix Table III.

Since a portion of the operators were young men there remained a probability that some would receive an inheritance at a later time. The

greater portion, 63.1 percent, of the operators enumerated in Williamson County received some inheritance, 38.9 percent in Madison, and 32.3 percent in Montgomery. Bausman⁽³⁾ indicated that 41.6 percent of the owner-operators reporting in Delaware had inherited all, or part, of their farms, ranging from 25.2 percent in the East Dover area to 54.1 percent in the Kenton area. The landlords reported having inherited a higher percentage of their farms.

The difference in findings may be due to the difference in terms, as this study includes all fortuitous wealth received by both owner-operators and tenants. The inheritance of landlords has been entirely omitted from this study, as well as the inheritance of those who have migrated to urban areas. No doubt these are important groups of heirs to farm wealth.⁽⁴⁾

Inheritance of Owners vs. Tenants. Farm owner-operators, at the time of taking the enumeration, had received some inheritance in 64.2 percent of the cases, while 21.3 percent of the tenants had received an inheritance (Table XII).

TABLE XII. COMPARISON OF 246 OWNERS AND 211 TENANTS WHO RECEIVED INHERITANCE, SELECTED COUNTIES, TENNESSEE

County	Owners			Tenants		
	Number of Cases	Number Who Had Inherited	% Who Inherited	Number of Cases	Number Who Had Inherited	% Who Inherited
Total	246	158	64.2	211	45	21.3
Madison	61	38	62.3	85	18	21.7
Montgomery	88	43	50.0	78	10	12.8
Williamson	99	77	77.8	50	17	34.0

Source: Appendix Table III.

(3) Bausman, R. O., Farm Tenancy in Delaware, University of Delaware Agricultural Experiment Station, Bulletin No. 178, August 1932, Table 12, p. 63.

(4) Tetrau, E. D., Migration of Agricultural Wealth by Inheritance, Two Ohio Counties, Department of Rural Economics, The Ohio State University and Agricultural Experiment Station, Columbus, Ohio, Mimeo. Bul. 65, Sept. 1933.

Percent
100

32.

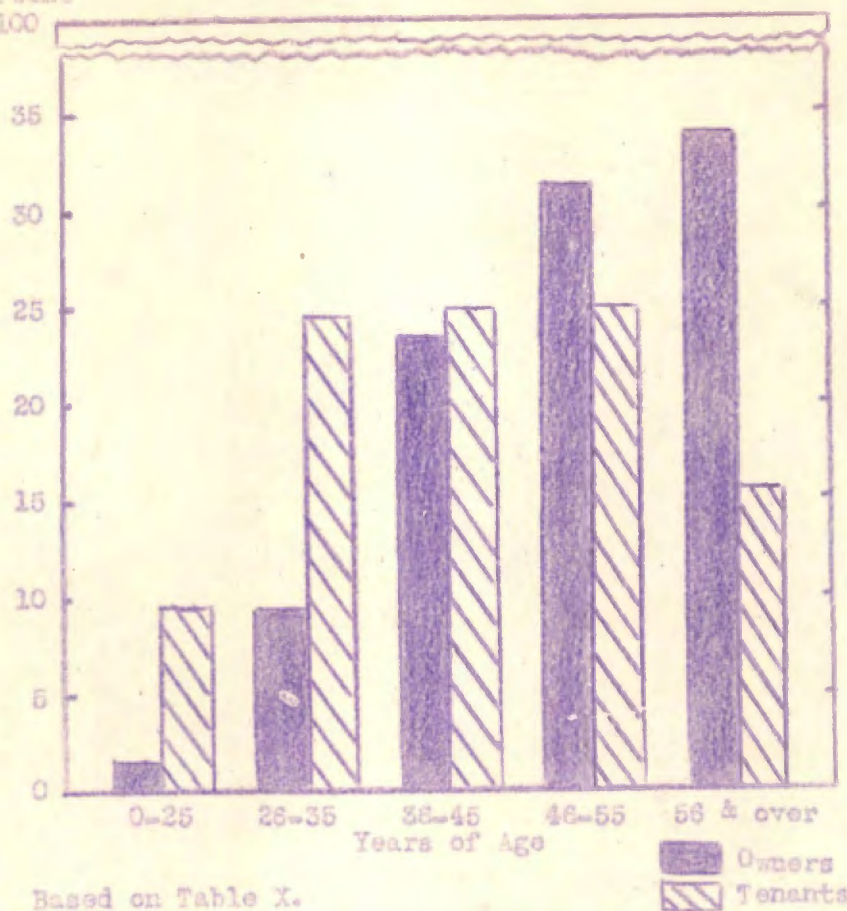


Figure 20. Percentage of 457 Farm Operators by Age and Tenure, Selected Counties, Tennessee

Percent



Figure 21. Percentage of Owners and Tenants Who Received Inheritance, By Selected Counties, Tennessee

Not all of these cases had inherited a farm or enough to buy a farm, but their inheritance was an aid in their advancement in tenure status. The proportion of operators, both owners and tenants, who received some inheritance was lowest in Montgomery County, and highest in Williamson (Figure 21). In all counties the percentage who had received an inheritance was large enough to be of considerable importance.

Inheritance of Whites vs. Colored. It was seen (Table VIII) that 70.7 percent of the operators enumerated were white and 29.3 percent colored. Of the 323 white operators 55.1 percent had received some inheritance (Table XIII). A lesser proportion, 18.7 percent, of the colored had received an inheritance, about one-third as great as of whites (Figure 22). This is to be expected in view of the greater ownership among white operators.

TABLE XIII. COMPARISON OF 323 WHITE AND 134 COLORED FARM OPERATORS WHO RECEIVED INHERITANCE, SELECTED COUNTIES, TENNESSEE

County	White			Colored		
	Number of Cases	Number Who Inherited	% Who Inherited	Number of Cases	Number Who Inherited	% Who Inherited
Total	323	178	55.1	134	25	18.7
Madison	87	45	51.7	57	11	19.3
Montgomery	101	42	41.6	63	11	17.5
Williamson	135	91	67.4	14	3	21.4

Williamson County, high in owners, is also high in proportion of white operators who had received some inheritance. Montgomery is lowest in ownership, in the sample studied, and is lowest in proportion of white operators who had received an inheritance. There was much less difference between counties in proportion of all colored operators who had received some inheritance

than in proportion of colored tenants, indicating that a fairly large percent of the colored operators had not yet become owners, even though they had received some inheritance. The amount and kind of inheritance, as well as the time it was received, are factors influencing progress toward ownership through inheritance. (Changes in tenure at time of receiving inheritance, and the tenure stages passed through, will be discussed later.)

Probability of Future Inheritance

In any random sample of farm population various ages of farm operators are to be found. An analysis by age group shows only the present situation, and not the effect of time on the entire sample. There are two procedures possible in studying development, or change over a period of time. One method is to follow the changes of a given number of the same age from year to year over the desired period of time. The other method is to take a sample as it is, with the history of each case. By recording the changes that have taken place in the past in the cases, in each age group, it is possible to determine the likelihood that those who are in the lower age group will inherit when they reach the older age group. This latter method has many practical advantages in use, and is used here.

In the sample taken, 254 cases had not received any inheritance at the time the schedule was taken. Since these cases varied in age, and the age at which inheritance was received by inheriting operators (203 operators), it is apparent that some of the 254 non-inheriting operators may receive an inheritance when they are older. Some would die before reaching the next age group, and so could not inherit anything. After adjusting for deaths it has been determined that 29 of the 145 white, and 10 of the 109

TABLE XIV. PROCEDURE IN CALCULATING NUMBER WHO MAY YET INHERIT

White

	Age					
	Total	0-25 Years	26-35 Years	36-45 Years	46-55 Years	56 Yrs. and Over
1. Number at present who are in each age group	323	15	51	78	85	94
2. Number at present in each age group who have inherited	178	4	16	39	55	64
3. Age at inheritance *	250	67	73	53	38	19
4. Percent who had inherited at specific age	100.0	26.8	29.2	21.2	15.2	7.6
5. Number who had not inherited to present time (Item 1-2)	145	11	35	39	30	30
6. Number who had not inherited to present time who should live to succeeding age group **			10.15	41.27	72.74	85.24
7. Number who should yet inherit	29.25		2.96	8.75	11.06	6.48

Colored

1. Number at present who are in each age group	134	9	24	33	45	23
2. Number at present in each age group who have inherited	25	4	6	5	7	3
3. Age at inheritance *	27	11	9	3	4	-
4. Percent who had inherited at specific age	100.0	40.7	33.3	11.1	14.8	-
5. Number who had not inherited to present time (Item 1-2)	109	5	18	28	38	20
6. Number who had not inherited to present time who should live to succeeding age group **	-	-	4.61	20.67	43.50	67.62
7. Number who should yet inherit	10.28		1.54	2.30	6.44	-

Source: Appendix Table III.

(For footnotes see bottom of following page.)

colored cases who have not inherited at present will probably receive some inheritance when they are older (Table XIV). Considering those who

TABLE XV. PERCENT OF OPERATORS WHO HAVE OR WILL INHERIT, BY COLOR, SELECTED COUNTIES, TENNESSEE

Item	Total	White	Colored
Number of cases	457	323	134
Number who have or should inherit	242.53	207.25	35.28
Percent who have or should yet inherit	53.07	64.16	26.33

Source: Table XIV.

(Footnotes for Table XIV, on preceding page.)

- * Greater than the number who inherited (178 white and 25 colored) because some received more than one inheritance. Age of inheriting was usually lower than present age.
- ** Those who are in the specific age groups and have not yet received any inheritance may still be heirs. Only those who live to the next age group will be in position to receive an inheritance, as they have not yet inherited at their present age. The number who will live to the next age group is computed from mortality tables using 20, 30, 40, 50, and 60 as median ages for each group. To illustrate: there were 11 cases under 25 years of age who had not yet received an inheritance. Assuming their median age to be 20 years, the question arises as to how many of these 11 cases will live to be 30 years of age, the median age for the next group. This was computed from the American Experience Table of (Insured) Mortality (The World Almanac, 1937, p. 276) by use of the formula:

$$\frac{\text{Number living per 100,000 population for older age group} \times \text{number in age group}}{\text{Number living per 100,000 population for initial age group}} =$$

Number who are now in initial age group who will live to succeeding age group

$$\text{Substituting, } \frac{85,441 \times 11}{92,637} = 10.15.$$

The number given for each age group is the accumulated total of all who are in the younger age groups at present, but who will normally live to the older age group. Out of the 145 white cases 115 will live to be 56 years old or over. This is higher than for a similar number of cases, all of whom started at 20 years of age, because a larger percentage are already in the older age groups thus eliminating part of their probability of death.

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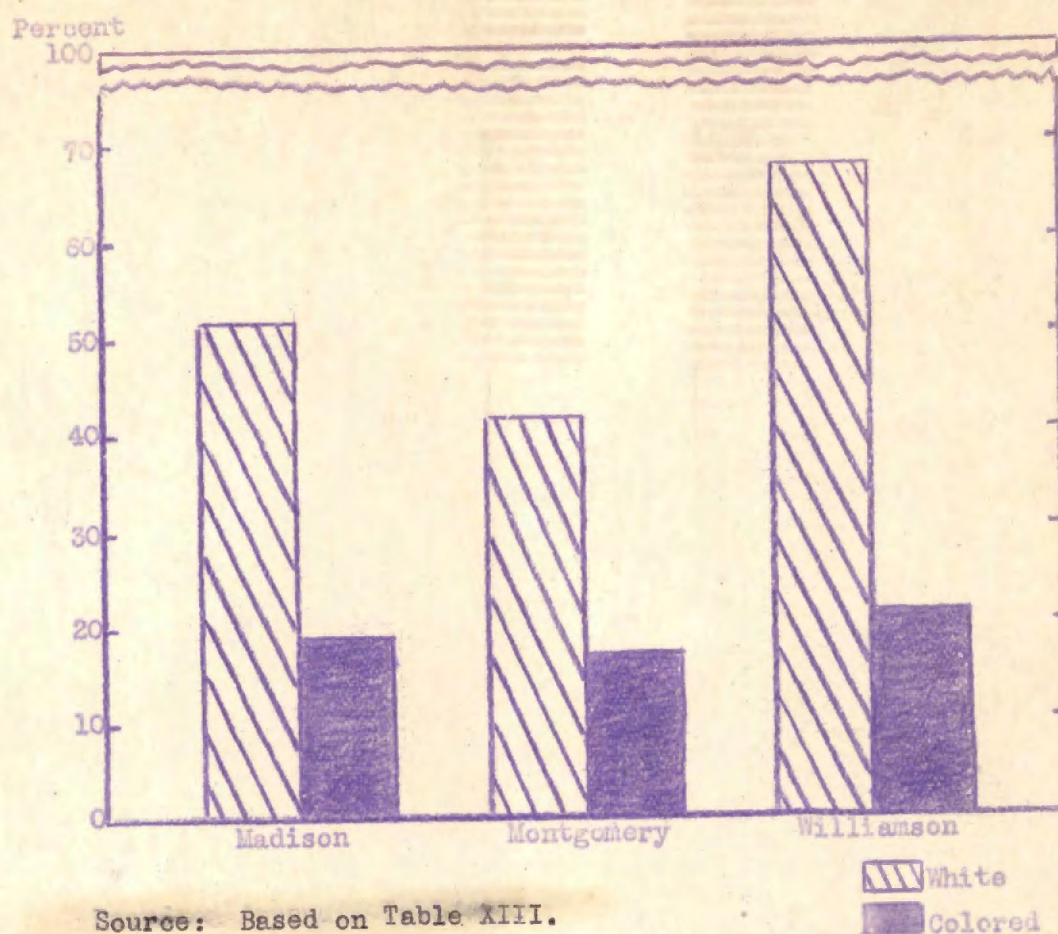


Figure 22. Percentage of White and Colored Farm Operators Who Received Inheritance, Selected Counties, Tennessee

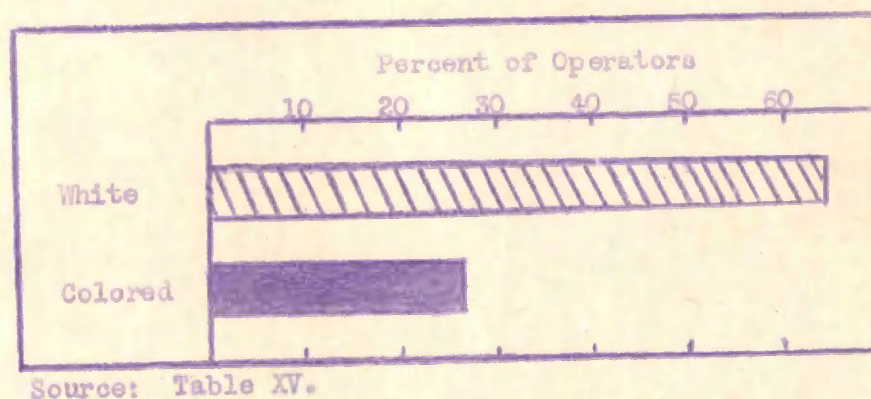


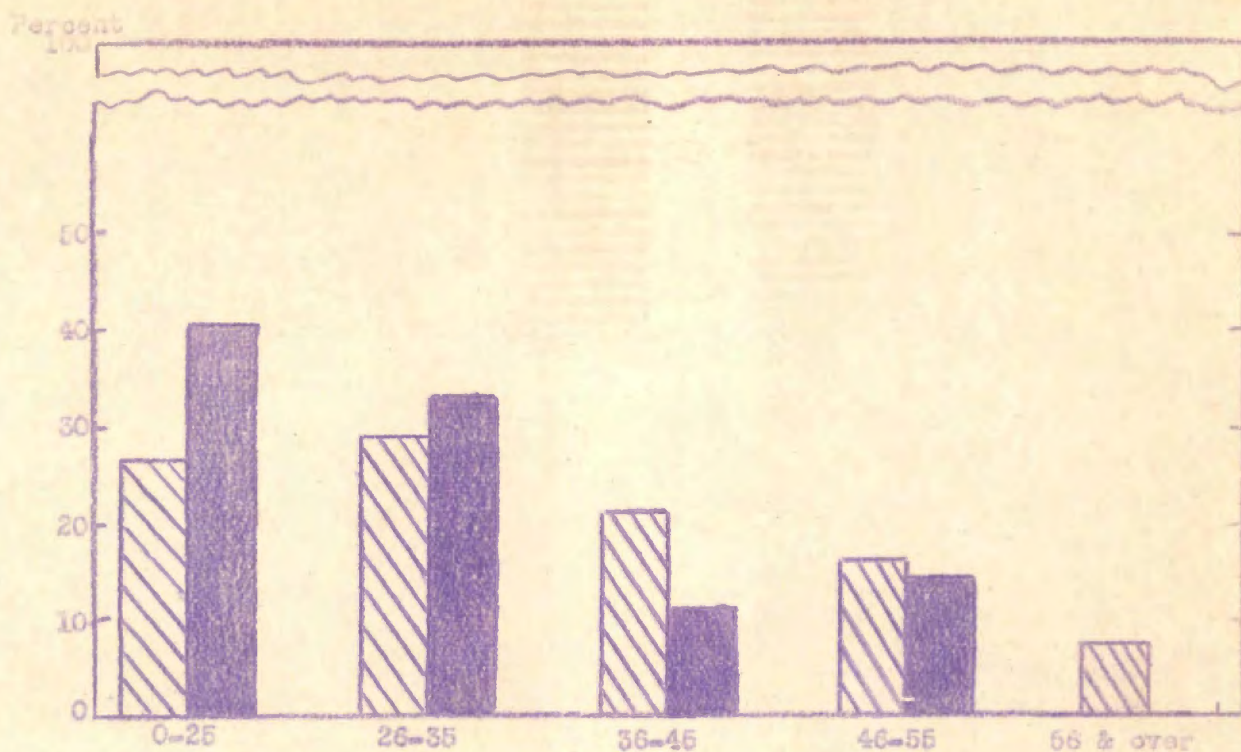
Figure 23. Operators Who Have or Will Inherit, by Color, Selected Counties, Tennessee

have already received an inheritance and those who will inherit at a later date it is found that 53.07 percent of the total have been, or will be, the recipients of an inheritance (Table XV). It is apparent that nearly two thirds of the white operators are affected by inheritance, while slightly over one fourth of the colored have this advantage (Figure 23).

Although a high proportion of the white operators, and a smaller proportion of colored operators, are recipients of inherited wealth they may not receive enough to become full owners at the time. The effect of the amount of inheritance on changes in tenure will be discussed later. It appears, from the records of some cases, that the term of tenancy may be a period of waiting until something will be inherited, with which an advancement in tenure may be effected.

The greatest proportion, 57.76 per cent, of the inheritances reported were received while the heirs were under 36 years of age, the percent inheriting decreasing with each ten year increase in age over 35 years (Table XV).

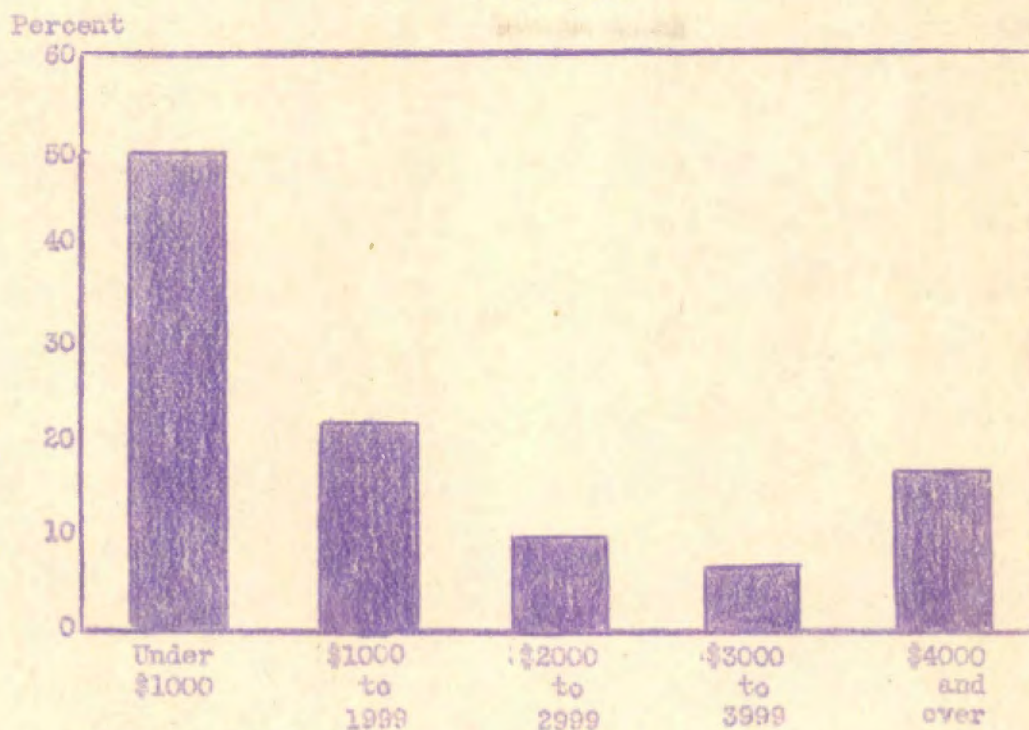
The difference in age of inheriting between white and colored operators is very noticeable (Figure 24). In the case of whites 56.0 percent received their inheritance under the age of 35, while 74.07 percent of the colored operators received their inheritance during this period. There was a steady decline in the percent inheriting over 35 years of age, the white operators inheriting more in the upper ages than the colored. As the age of the operators increased, the percentage in each age group who have inherited increased.



Source: Table XV

White
Colored

Figure 24. Distribution of Age of Inheriting, White and Colored Operators, Selected Counties, Tennessee.



Source: Table XVI.

Figure 25. Inheritance of 203 Farm Operators, Selected Counties, Tennessee

Amount of Inheritance

A study of the amount of inheritance shows a wide variation, reaching as high as \$50,000, with 49.7 percent of those inheriting receiving below \$1000, and 70.4 percent receiving below \$2000 (Table XVI, Figure 25). As the amount of inheritance increased above \$1000, the number receiving it decreased rapidly.

TABLE XVI. AMOUNT OF INHERITANCE OF 203 FARM OPERATORS;
SELECTED COUNTIES, TENNESSEE

Dollars	Percent	Number of Cases
0 - 249	18.2	37
250 - 499	12.3	25
500 - 999	19.2	39
0 - 999	49.7	101
1000 -1999	20.7	42
2000 -2999	9.9	20
3000 -3999	3.4	7
4000 and over	16.3	33

Source: Appendix Table IV.

Those who received more than \$4000 inheritance were either owners at the time of inheriting or became owners upon inheriting, except two men who had not yet found desirable farms to purchase, but who expected to purchase.

Of the 101 cases who inherited less than \$1000, 36.6 percent received less than \$250, and 24.8 percent received between \$250 and \$500. Relatively small inheritances may not be considered of much significance in acquiring a farm but, as will be seen later, they are quite important in effecting other changes in farm tenure status.

Amount of Inheritance of Owners and Tenants. Considerable difference exists between those who were owners and those who were tenants, at the

time of taking the record. In general, it can be said that those who were still tenants had not received enough to buy a farm, or to make a sufficiently large down payment to secure a farm. Of those who were tenants at the time of taking the records, 86.7 percent had inherited less than \$500, while only 20.2 percent of the owners had received this amount (Figure 26). As the amount of the inheritance increased over \$500

TABLE XVII. INHERITANCE OF 158 OWNERS AND 45 TENANTS;
SELECTED COUNTIES, TENNESSEE
(Percent)

Interval (Dollars)	Owners ⁽¹⁾	Tenants ⁽²⁾
0 - 249	10.1	46.7
250 - 499	10.1	20.0
500 - 999	20.3	15.6
0 - 999	40.5	82.3
1000 - 1999	23.4	11.1
2000 - 2999	12.7	-
3000 - 3999	3.8	2.2
4000 and over	19.6	4.4

Source: Appendix Table IV.

1. Owners at time of taking the record, disregarding status at time of inheriting.
2. Tenants at time of taking the record.

there was a greater proportion of owners than tenants involved. Comparatively few inherited a whole farm, or enough to buy a farm large enough for an economically productive farm unit. The greater proportion of the larger inheritances (over \$4000) were in Williamson County, in which inheritance is a more important factor in farm ownership due primarily to the greater capital investment required. The inheritance of tenants was also more

important in Williamson in the larger amounts of the inheritances, but the greater proportion of small inheritances (under \$500) of tenants was found in Madison County. The mid-point of inheritance was about \$1000.

Amount of Inheritance of White and Colored. The amount of inheritance of colored and white operators reporting an inheritance is more widely different than between owners and tenants. Both the median and mode appear between \$1000 and \$1999 inheritance for the white operators, and under \$500 for colored operators (Table XVIII).

TABLE XVIII. INHERITANCE OF 178 WHITE AND 25 COLORED OPERATORS; SELECTED COUNTIES, TENNESSEE

(Percent)

Interval (Dollars)	White	Colored
0 - 249	11.2	68.0
250 - 499	13.5	4.0
500 - 999	20.2	12.0
0 - 999	44.9	84.0
1000 - 1999	22.5	8.0
2000 - 2999	10.7	4.0
3000 - 3999	3.9	-
4000 and over	18.0	4.0

Source: Appendix Table IV.

Changes in Tenure at Time of Inheriting

Advancement in tenure status is usually brought about by the acquisition of wealth. This wealth may be accumulated through the savings of the family or may be gifts, discoveries, or inheritance. That inheritance is one of the major factors in advancement of tenure is undoubtedly true. The extent to which inheritance influences changes of tenure depends upon status at the time of inheriting, and on the amount inherited.

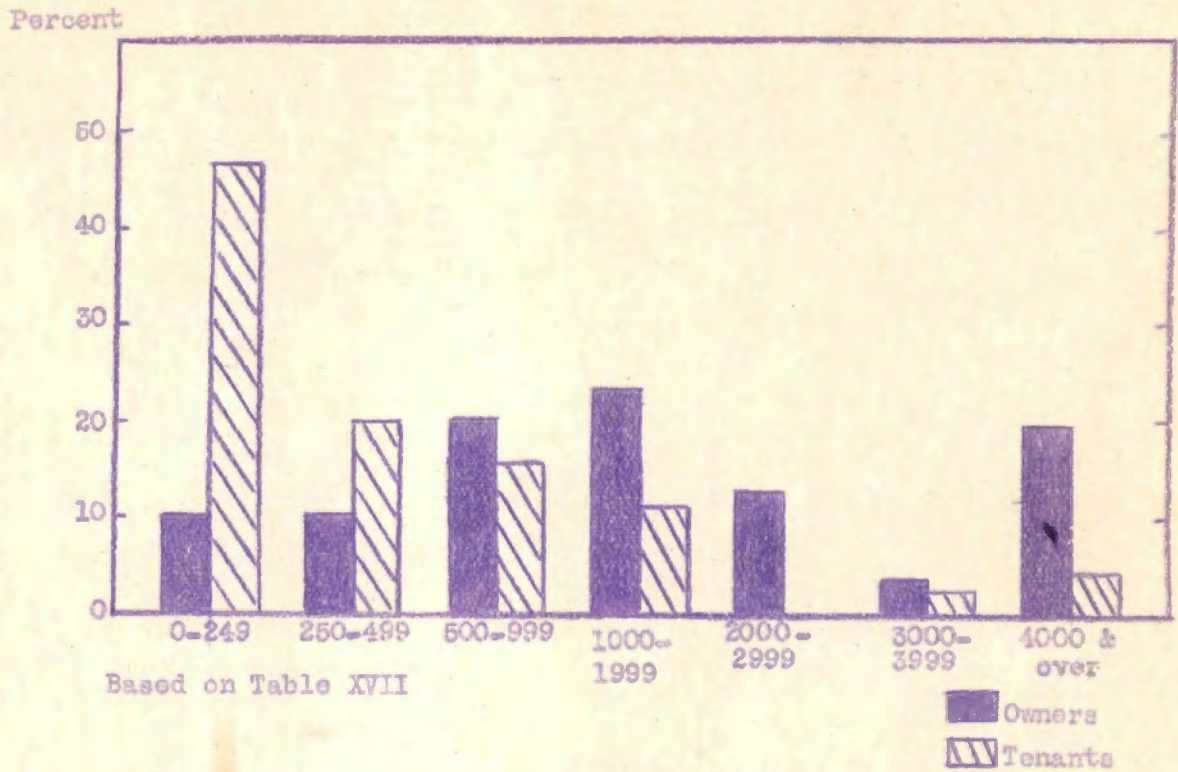


Figure 26. Inheritance of 158 Owners and 45 Tenants, Selected Counties, Tennessee

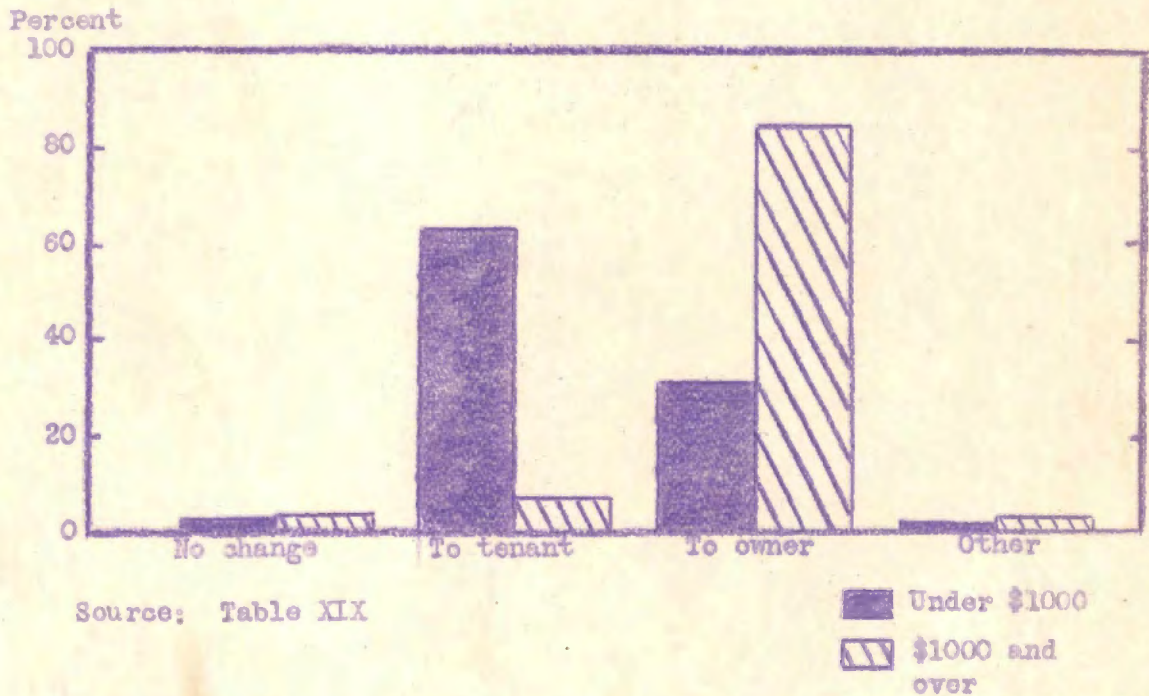


Figure 27. Changes in Tenure of Wage Workers at Time of Inheriting, by Value of Inheritance, Tennessee

TABLE XIX. CHANGES IN TENURE AT TIME OF INHERITING, TENNESSEE
(Percent in Each Class)

Status at Time of Inheriting	Percent Change in Status of Time of Inheritance					Total Percent
	No Change	To Tenant	To Owner	Bought More Land	Other*	
Wage worker	3.1	47.9	46.9	xx	2.1	100.0
Tenant	9.4	xx	71.9	xx	18.7	100.0
Owner	25.8	xx	xx	69.7	4.5	100.0

Source: Appendix Table IV. * Principally changes within the same class; as cropper to cash tenant.

Changes in tenure at the time of inheriting is shown in Table XIX. In addition to those given in Table XIX there were 16 or 5.8 percent of the 277 inheritances, accompanied by a move from non-farm to farm at the time of inheriting. Three (or 1.1 percent) made other changes, such as retiring from active farming or moving off the farm.

Wage Workers. Thirty four and seven tenths percent of all who inherited were wage workers at the time of inheriting. The advancement of wage workers (including those who received compensation for labor on the paternal farm) at the time of receiving an inheritance was divided as follows: to tenant 47.9 percent; to owners, 46.9 percent. Only 3.1 percent remained as wage workers, and 2.1 percent made some other change, or did not indicate the change made at that time (Table XIX).

The amount of the inheritance was an important factor in the changes of tenure made by wage workers. Those who received the larger inheritances made the greatest advance. Of those who inherited \$1000 or more 85.2 percent advanced from wage workers to owners without intermediate tenure stages, compared with 31.9 percent of those who received less than \$1000 (Table XX and Figure 27). It was also found that those receiving less

TABLE XX. CHANGES IN TENURE OF WAGE WORKERS AT TIME OF INHERITING, BY VALUE OF INHERITANCE, TENNESSEE

Changes in Tenure Status from Wage Workers to:	Percent of Those Who Received Less Than \$1000	Percent of Those Who Received \$1000 or More
No change	2.9	3.7
Tenant	63.8	7.4
Owner	31.9	85.2
Other	1.4	3.7

Source: Appendix Table V.

than \$1000 advanced to tenants predominately, or in 63.8 percent of the cases. Receipts of less than \$250 resulted in advancement to tenants more than all other amounts combined. Advancement was often to different classes of tenants, some becoming 1/3 tenants, some 2/3 tenants, while others became cash tenants. Likewise, those who became owners often bought small farms and rented additional land.

The wage workers of Madison and Montgomery counties more frequently advanced to owners than in Williamson where the majority advanced to tenants. This difference in advancement in tenure is due to the greater value of farm property per farm in Williamson County, the value of implements, machinery and livestock being 1.4 times greater than in the other counties, and all farm property 1.6 times greater.⁽⁵⁾ The relation of the amount of the inheritance in each county to advancement in tenure of wage workers was about the same as that indicated for the entire sample (Figure 27).

More than half the colored operators were wage workers at the time of inheriting. They more frequently advanced to tenants than to owners, and received smaller inheritances than white operators.

Tenants. The proportion of inheritances reported for tenants was the same as for wage workers, 34.7 percent. There were more who advanced from tenant to owner than made other changes, or no change, at the time of inheriting (Table XXI). A higher percentage of tenants made no advancement in tenure than did wage workers, and more made other changes. These other

(5) Census of Agriculture, 1920.

TABLE XXI. CHANGES IN TENURE OF TENANTS AT TIME OF INHERITING,
BY VALUE OF INHERITANCE, TENNESSEE

Changes in Tenure Status from Tenant to:	Percent of Those Who Received Less Than \$1000	Percent of Those Who Received \$1000 or More
No change	14.0	2.6
Owner	64.9	82.0
Other *	21.1	15.4

* Chiefly changes in type of lease; as cropper to cash rent.

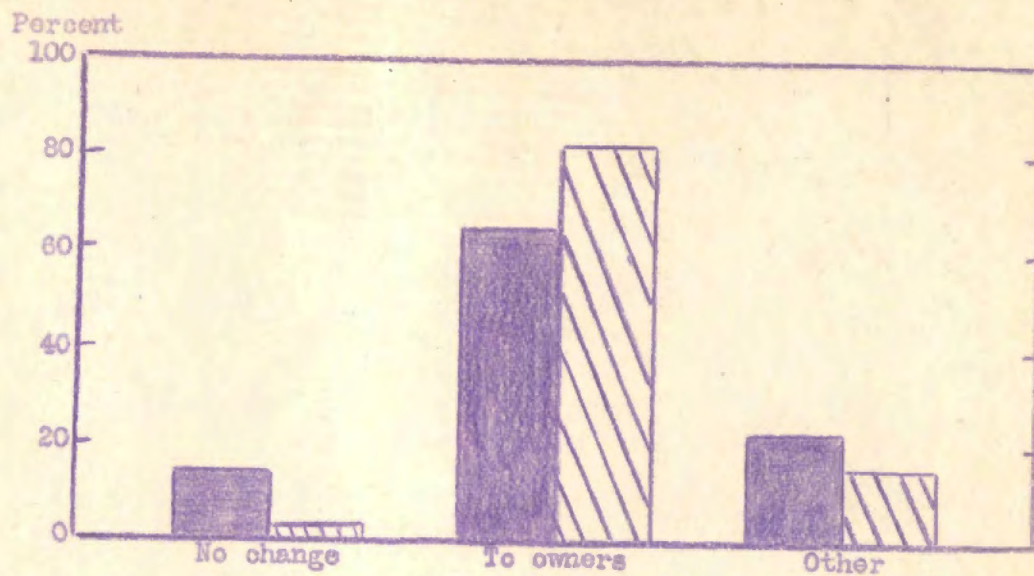
Source: Appendix Table V.

changes were chiefly advancements in the tenant level, i.e., changes to a form of lease that necessitated greater investment in livestock, implements and machinery, and working capital. In this respect those listed as having made "other" changes in status advanced toward ownership, although they had not yet become owners.

The amount of the inheritance had a similar effect on advancement to farm ownership for tenants, as well as for wage workers, but it was somewhat less pronounced (Figure 28). The inheritance of tenants was somewhat more in Williamson County than in either Madison or Montgomery, with a correspondingly greater proportion of the tenants of Williamson County advancing to ownership rather than making no change, or changing from one type of tenant to another.

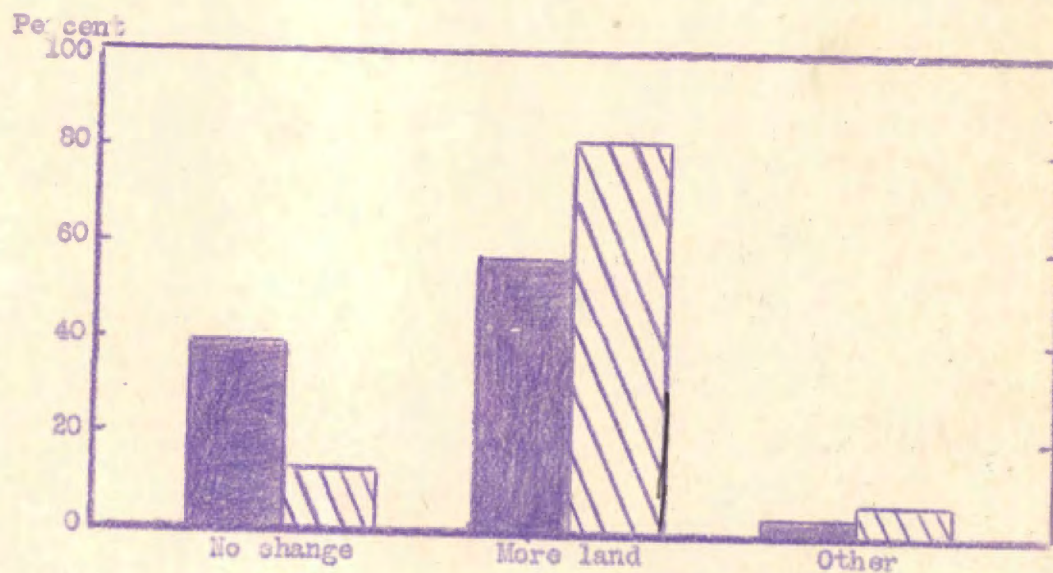
Differences in advancement of colored tenants approximated that of white tenants, although there was a slight tendency toward less advancement of the colored tenants.

Owners. Owners, at the time of receiving an inheritance, made up 23.8 percent of all who inherited, compared with 34.7 percent of wage workers and tenants. As was pointed out earlier, owners were mostly in the



Source: Table XX.

Figure 28. Change in Tenure of Tenants at Time of Inheriting, by Value of Inheritance, Tennessee



Source: Table XXI.

Figure 29. Changes Made by Owners at the Time of Inheriting, By Value of Inheritance, Tennessee

older age groups. They appeared less frequently in the inheritance of amounts over \$1000, and of amounts under \$250.

A higher proportion, 25.8 percent, of the owners made no change, at the time of inheriting, than either wage workers or croppers. Most of the owners secured additional land (Table XXII). A higher percentage of those who received \$1000 or more secured more land than those who received less

TABLE XXII. CHANGES MADE BY OWNERS AT THE TIME OF INHERITING, BY VALUE OF INHERITANCE, TENNESSEE

Changes Made by Owners at Time of Inheriting	Percent of Those Who Receive Less Than \$1000	Percent of Those Who Received \$1000 or More
No change	39.4	12.1
More land	57.6	81.8
Other	3.0	6.1

Source: Appendix Table V.

than \$1000 (Figure 29). Other changes included retirement from active farming, but continuing to supervise and manage, and partnerships with son or son-in-law.

Non-Farm Families. The balance of the inheritances, 6.8 percent of the total, went to non-farm operators, or to families whose true tenure status could not be definitely ascertained. These latter, however, made up only 1.0 percent of the total. Those who changed from non-farm to farm operators tended toward the groups receiving the greater inheritances. Over one third had received less than \$1000, while an equal number had received \$4000 or more. The balance were distributed between \$2000 and \$4000.

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Summary

1. White farm operators were older, on the average, than colored operators.

2. Owners averaged older than tenants, tenants thus having an opportunity to secure experience before becoming owners.

3. In Williamson County more of the farm operators were owners while in Madison more were tenants. In Montgomery they were about equal.

4. Of all operators, 44.4 percent had received an inheritance at the time of taking the record, and an additional 8.6 percent will probably yet inherit, making inheritance a factor in the farm business of 53.0 percent of all cases.

5. Sixty-four and two tenths percent of the owners had inherited at the time of taking the records, compared with 21.3 percent of the tenants. This difference is due partly to age and partly to color, as well as to tenure.

6. Fifty-five and one tenth percent of the white operators had inherited, compared with 18.7 percent of the colored operators.

7. There was less variation between counties in the proportion of colored inheriting than in the case of white operators.

8. A greater proportion of the white operators (9.0 percent) may yet expect to inherit than of colored operators (7.5 percent).

9. The greater proportion (57.8 percent) of the inheritance were by operators 35 years of age and under, the proportion decreasing with each ten years increase in age.

10. White operators received their inheritance at an older average age than colored operators.

11. The average inheritance was about \$1000, tending toward more small inheritances.

12. Inheriting tenants received less, on the average, than inheriting owners.

13. Williamson County had more operators inheriting over \$1000, and more inheriting large amounts, while Madison led in those inheriting under \$500. Montgomery was about midway between the other counties.

14. White inheriting operators reported a wider range in the amount inherited than colored operators.

15. The extent to which inheritance influences changes of tenure depends chiefly upon status at the time of inheriting, and on the amount inherited.

16. Wage workers inheriting over \$1000 more often advanced to owners than to other tenures, while those inheriting less than \$1000 advanced to tenants, usually one half share or less.

17. Advances of wage workers were greatest in Williamson County.

18. Tenants made less advancement when inheriting than did wage workers.

19. Eighty-one and eight tenths percent of the owners who received over \$1000 secured more land when inheriting, compared with 57.6 percent of those who received less than \$1000.

20. Non-farm operators were mostly found in the inheriting groups reporting the larger inheritances (an indication of the effect of inheritance on moving from non-farm occupations to farm operation).

CHAPTER III
EFFECT OF INHERITANCE ON TENURE OF FARM OPERATORS AND THE
ACCUMULATION OF WEALTH

Tenures

The rate at which wealth was accumulated, by the 457 farm operators in the study, varied (1) between tenure classes, (2) between white and colored, (3) between those who received an inheritance and those who received no inheritance, and (4) between counties. Likewise, the number of years spent in the various tenures, and the losses sustained, varied between classes. The total wealth accumulated in any tenure, irrespective of the number of years spent, seems to have some effect on the rate of accumulation of wealth in succeeding tenures.

Tenures Explained. In order to show the variations that exist between tenures, all of the years of the farm operators' life have been accounted for. The tenure "at home" accounts for all the time the operator was with the paternal farm but not himself the operator of the farm. Some of this group received small cash wages, others a small share of the farm products, and some received none of the income as compensation for their labor. Others left home as soon as they were old enough to command wages.

The wage workers include only those who worked for definite wages in proportion to the work done. They were designated in the schedule as "hired man". In all cases farm labor only was included, although any operator

may have become a wage worker in non-farm occupations on several occasions.

The one-fourth and one-third tenants are principally corn and cotton croppers who receive one-fourth of the corn and one third of the cotton for their labor. Some cases were recorded in this tenure in which either cotton or corn was raised exclusively.

One-half tenants are those who received half of the crops grown, but who had their own livestock. They usually furnished all or part of the implements and machinery, workstock, and cash operating expense for their farm business.

In the two-thirds tenant class the tenant furnished everything required to operate the farm, except in some cases where grass seed and fertilizer was provided wholly, or in part, by the landlord. Cash tenants pay a definite sum of money as rent for the farm.

Non-farm operators includes all those who worked at some occupation other than farming, irrespective of their place of residence. Public work was reported most frequently, but merchant, lawyer, textile worker, and other occupations were recorded. This is not in reality a farm tenure but is included to complete the personal history of the operators.

Those listed as owners include both part-owners and full-owners, and are divided according to debt or freedom from debt, irrespective of the equity they hold.

All tenures not otherwise classified are grouped as "other tenures". This group is dominated by partnerships, principally between father and son or son-in-law. Other tenures recorded here include managers, administrators, no-rent operators, share-cash tenants, standing rent, two fifths or three

fifths tenants, and combinations of various tenures.

Tenures Held by Operators. The proportion of farm operators who had been in the different tenures indicates the relative importance of each tenure. If an operator had been in four different tenure groups during his farm experience he was counted in each group. He was counted in each respective tenure only once although he may have returned to the same tenure several times. The distribution of operators by tenure then, will indicate the relative importance of each tenure in the general agricultural program, rather than tenure of the operator at the time the record was taken. The order of the array of the tenures is based, first, on the theory that there is greater advantage in the approximate order listed, except possibly "other tenures" and "non-farm"; and second, in the average date at which wealth was accumulated. The significance of a given tenure differed between inheriting and non-inheriting owners and tenants (Table XXIII), between colored and white operators (Table XXIV), and between the areas studied (Table XXV).

TABLE XXIII. DISTRIBUTION OF 457 FARM OPERATORS, INHERITING AND NON-INHERITING OWNERS AND TENANTS, SELECTED COUNTIES, TENNESSEE

(Percent Who Were, or Had Been, in Each Tenure)

Tenure	Owners		Tenants	
	Inheriting	Non-inheriting	Inheriting	Non-inheriting
At home	93.0*	100.0	100.0	100.0
Wage workers	20.3	34.1	24.4	59.0
One-fourth and one-third tenants	13.3	12.5	31.1	27.7
One-half tenants	31.6	60.2	86.7	81.3
Two-third tenants	10.8	14.8	20.0	11.4
Cash tenants	22.2	27.3	46.7	28.9
Other tenures	22.2	13.6	13.3	12.0
Non-farm	28.5	33.0	33.3	40.4
Owner with debt	61.9	70.5	13.3	5.4
Owner no debt	67.7	50.0	4.4	3.0

*Not all were farm reared, and the age of beginning farm operation could not be determined in all cases.

The lower tenure groups (wage workers, one-fourth and one-third tenants, and one-half tenants) had a greater proportion of non-inheriting operators than inheriting operators (Figure 30). This was true of both white and colored operators (Table XXIV) and of owners and tenants (Table XXIII). Madison County had a much greater proportion in these lower tenures

TABLE XXIV. DISTRIBUTION OF 457 FARM OPERATORS, INHERITING AND NON-INHERITING WHITE AND COLORED, SELECTED COUNTIES, TENNESSEE

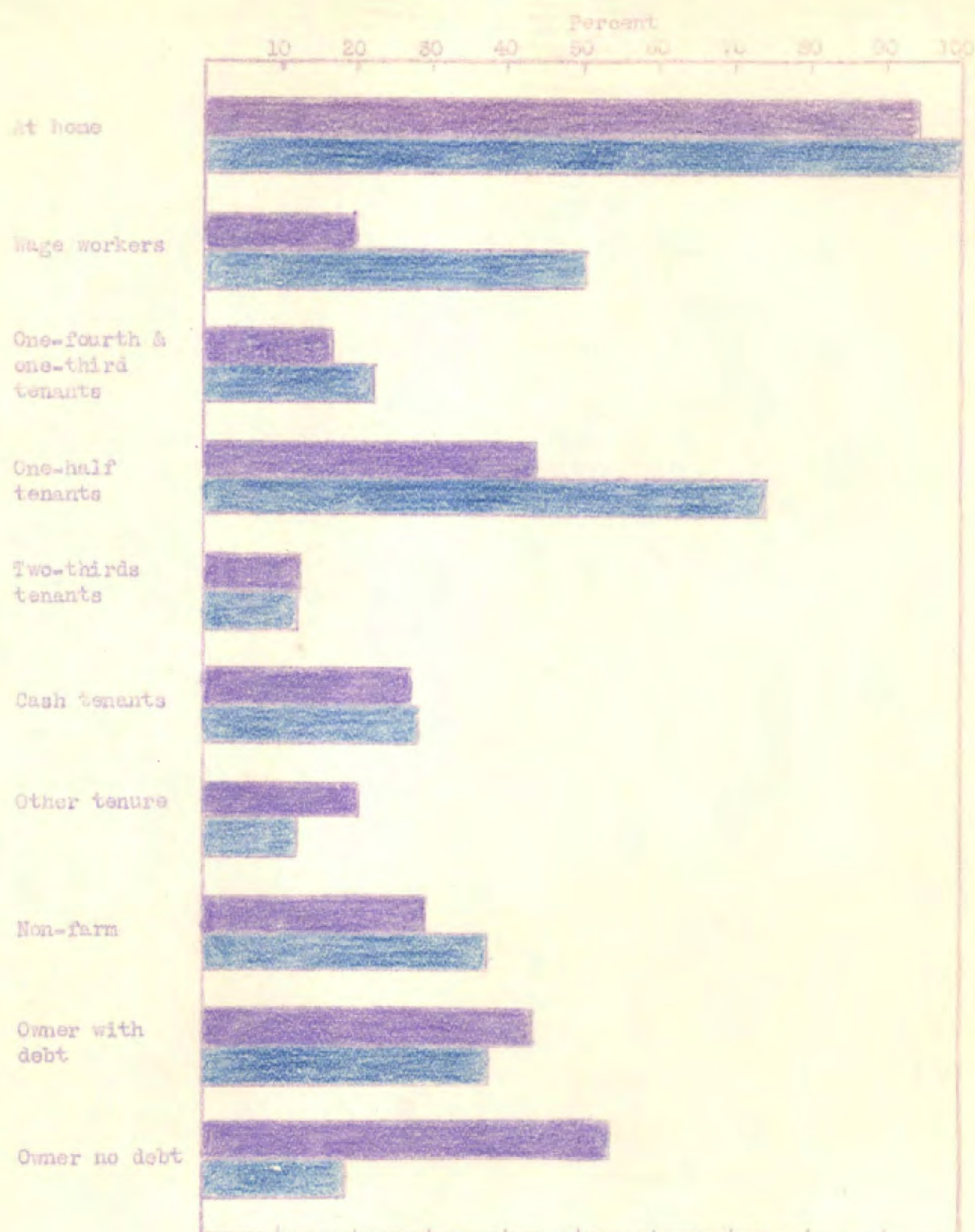
Tenure	White		Colored	
	Inheriting	Non-inheriting	Inheriting	Non-inheriting
At home	93.8 *	100.0	100.0	100.0
Wage workers	18.0	37.9	44.0	67.0
One-fourth and one-third tenants	18.0	23.4	12.0	21.1
One-half tenants	41.0	65.5	64.0	85.3
Two-third tenants	13.5	13.8	8.0	11.0
Cash tenants	27.5	29.7	28.0	26.6
Other tenures	21.9	17.2	8.0	6.4
Non-farm	26.4	44.8	52.0	28.4
Owner with debt	47.2	37.2	16.0	15.6
Owner no debt	54.5	26.2	48.0	10.1

* Not all were farm reared, and the age of beginning farm operation could not be determined in all cases.

than did either Montgomery or Williamson Counties (Table XXV). The greater proportion of tenants in the older age groups who have little wealth to pass on to their heirs probably accounts for the Madison County situation, and for the greater proportion of non-inheriting operators in the lower tenures.

The higher tenure groups were more nearly equal in percentage of inheriting and non-inheriting operators, except in unencumbered owners, in which the inheriting operators were much more important (Figure 30).

The lower tenure groups contained more colored operators, and a greater proportion who never became owners. This was more important in Madison and



Source: Appendix Table VIc.

■ Inheriting operators
 ■ Non-inheriting operators

Figure 30. Percent of Inheriting and Non-Inheriting Farm Operators Who Are, or Were, in Each Tenure, Selected Counties, Tennessee

TABLE X XV. DISTRIBUTION OF 457 FARM OPERATORS, SELECTED COUNTIES, TENNESSEE

Tenure	Madison		Montgomery		Williamson	
	Inher- iting	Non- inher- iting	Inher- iting	Non- inher- iting	Inher- iting	Non- inher- iting
At home	30.4*	100.0	100.0	100.0	100.0	100.0
Wage workers	10.7	42.0	41.5	58.6	16.0	47.3
One-fourth and one- third tenants	14.3	30.7	5.7	2.7	25.5	49.1
One-half tenants	41.1	79.5	49.1	82.0	42.6	49.1
Two-third tenants	10.7	15.9	13.2	13.5	13.8	5.5
Cash tenants	25.0	51.1	20.8	12.6	33.0	23.6
Other tenants	12.5	5.7	32.1	18.9	18.1	10.9
Non-farm	26.8	36.4	32.1	35.1	29.8	45.5
Owner with debt	28.6	28.4	39.6	23.4	54.3	36.4
Owner no debt	37.5	9.1	79.2	27.9	48.9	18.2

Source: Appendix Table VI. * Not all were farm reared, and the age of beginning farm operations could not be determined in all cases.

Montgomery Counties where a change of tenure does not necessarily mean a change in net wealth; some indication of permanent, or long, tenancy. The number of changes in tenure, in the lower tenure stages, implies a restlessness, or dissatisfaction with existing conditions, either among the tenants or their landlords, or both; with little real difference in the economic advantages of any of the lower tenures, as the rate of accumulating wealth in the non-inheriting operators in these tenures does not vary greatly. This situation is influenced by the colored operators of Madison and Montgomery counties, whose social status seems to be more dependent on their tenure, and the position of their landlord, than on their own income and wealth. Colored tenants accumulated more per year, on the average, than colored owners, indicating that they have little to gain by becoming owners except social distinction.

Wage workers and one-half share tenants were the two tenure classes in which non-inheriting operators were of much greater importance than inheriting operators (Figure 30). This is especially true of colored operators, who were mostly tenants. A greater proportion of non-inheriting tenants had been wage workers than of inheriting tenants, indicating the frequency with which colored operators are likely to have reverted to wage workers.

Non-farm occupations were more often enumerated among non-inheriting farm operators than by inheriting operators. This situation may be due to the probability that the inheriting operators were reared on farms large enough to allow them to accumulate some wealth before leaving the home farm. Another factor increasing the non-farm occupations among non-inheriting operators is the greater frequency with which they were dependent on public work for subsistence in poor seasons. Since many non-inheriting operators were sons of tenant farmers they probably received less from their paternal homes when starting for themselves, making it to their advantage to work at non-farm occupations before becoming farm operators.

Owner operators free of debt were found in 53.7 percent of the cases of inheriting operators and only 18.9 percent of the non-inheriting operators (Table XXII). This difference may not be entirely due to the inheritance of capital, as the advantage of managerial training, more advanced education, and wider professional contacts may be of considerable importance; more so among white than among colored operators.

The two-thirds tenant stage was of least importance for both inheriting and non-inheriting operators, while the one-half tenant stage was important for all operators both from the standpoint of the percentage who were one-

half tenants, and the number of years they remained one-half tenants.

All conceivable changes of tenure were recorded, changes being more frequent among the non-inheriting operators. Many regressions appeared both in net wealth and in desirability of tenure status; thus is recorded the climbing up and down the proverbial agricultural ladder, as measured by tenure, in an attempt to secure a more desirable position. This coincides with the findings of Spillman,⁽¹⁾ whose study indicated considerable changing of tenure in the west north central states. He showed that inheritance was an important factor in the extent of the change.

Years Spent in Each Tenure

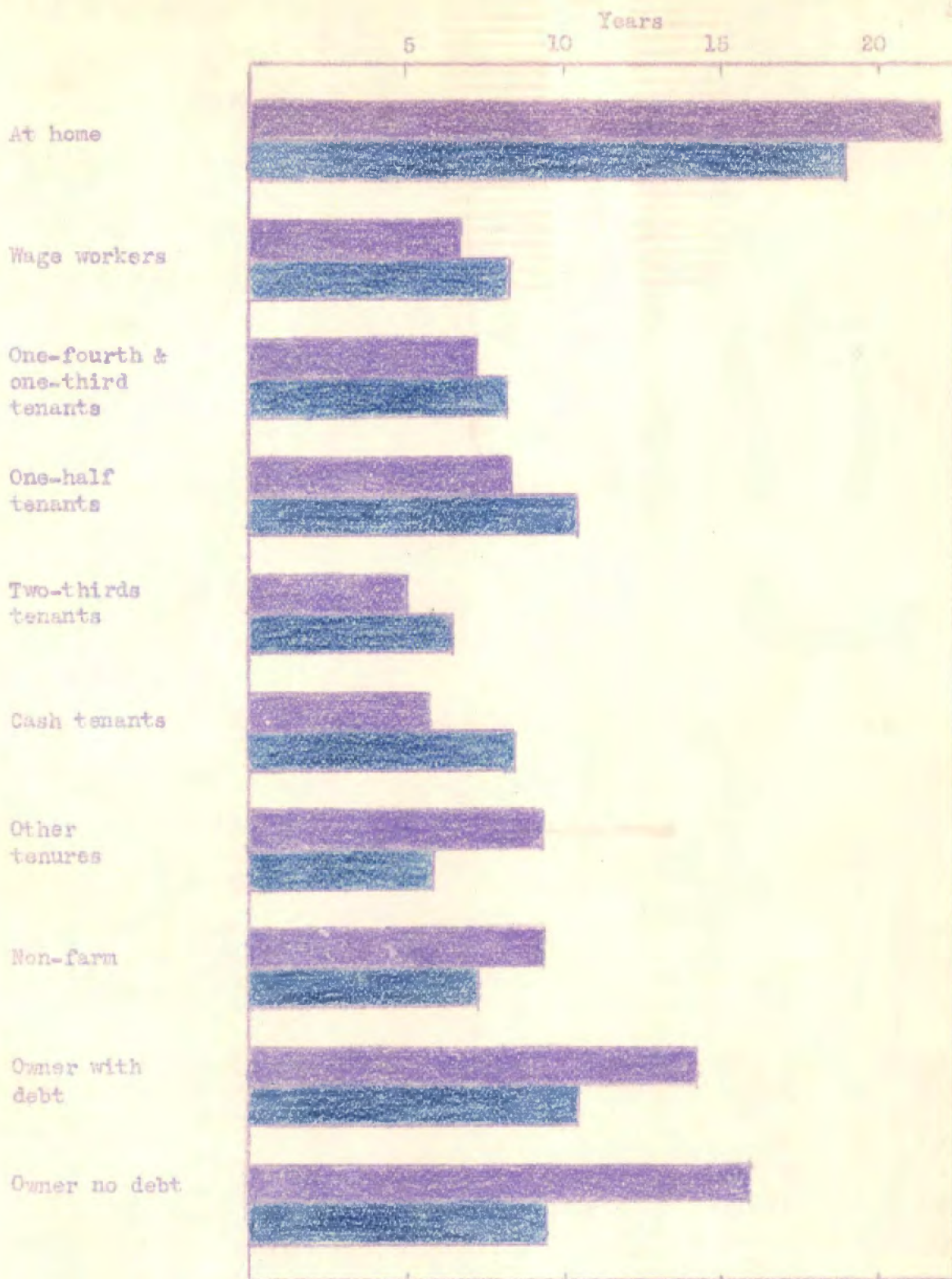
Non-inheriting farm operators spent more time in the lower tenures than the inheriting operators, considering all cases studied. Conversely, the inheriting operators spent more time in the higher tenures (Figure 31). The owner group had been in the higher tenures longer than the tenants

TABLE XXVI. AVERAGE NUMBER OF YEARS SPENT IN EACH TENURE BY
457 FARM OWNERS AND TENANTS, SELECTED COUNTIES, TENNESSEE

Tenure	Inheriting		Non-Inheriting	
	Owners	Tenants	Owners	Tenants
At home	22.4	20.5	19.6	18.7
Wage workers	6.4	6.4	8.4	8.2
One-fourth and one-third tenants	6.2	8.8	7.7	8.5
One-half tenants	8.2	8.5	8.2	11.3
Two-thirds tenants	5.2	4.4	5.4	7.3
Cash tenants	6.4	4.8	9.0	8.2
Other tenures	9.2	10.0	7.8	4.8
Non-farm	10.4	6.4	9.4	6.4
Owner with debt	14.8	6.0	11.2	6.1
Owner no debt	15.9	9.5	9.8	7.6

Source: Computed from Appendix Table VI.

(1) Spillman, W. J., The Agricultural Ladder, Tables I and III, Papers on Farm Tenancy, American Economic Review, Supplement March 1919.



Source: Based on
Appendix Table VI.

■ Inheriting operators
■ Non-inheriting operators

Figure 31. Average Number of Years Spent in Each Tenure, 457 Farm Operators, Selected Counties, Tennessee

(Table XXVI). The greatest difference in the owner group appeared in Madison County, being mostly the inheriting owners who had spent but a few years in the lower tenures. A similar, although less marked, situation was found in both Montgomery and Williamson counties as well.

The number of years spent in each tenure was quite different between white and colored inheriting and non-inheriting operators (Table XXVII). The most striking difference was found in Madison County, but was well supported in both Montgomery and Williamson counties.

The average number of years spent in each tenure was very similar for the inheriting and non-inheriting colored operators, and the non-inheriting white operators. The inheriting white operators, on the other hand, showed for more years spent in the higher tenures than in the lower tenures, particularly in Madison County. The earlier age at which the white inheriting

TABLE XXVII. AVERAGE NUMBER OF YEARS SPENT IN EACH TENURE BY 457
WHITE AND COLORED FARM OPERATORS, SELECTED COUNTIES,
TENNESSEE

Tenure	Inheriting		Non-inheriting	
	White	Colored	White	Colored
At home	22.2	20.4	19.5	18.4
Wage workers	5.8	8.2	5.8	10.2
One-fourth and one-third tenants	7.2	8.3	6.9	10.6
One-half tenants	8.7	6.7	9.2	11.7
Two-third tenants	5.0	4.5	7.2	5.5
Cash tenants	5.6	7.3	8.2	8.9
Other tenures	9.6	3.5	6.0	5.7
Non-farm	10.3	6.3	7.8	6.1
Owner with debt	14.4	10.8	9.2	14.6
Owner no debt	16.6	9.4	9.2	10.9

Source: Computed from Appendix Table VI.

operators, principally owners, reached the higher tenures, and the greater proportion of all non-inheriting and colored inheriting operators who had not reached (and probably would not reach) the higher tenures, largely accounts for this difference. The average of 30.2 years spent as unencumbered owners among the white inheriting operators in Madison County indicates early ownership with inheritance being a major factor in the acquisition of farm real estate.

In Delaware "about one-sixth [of the owner-operators] had worked at home for wages, about one-fourth had worked in cities or towns for wages, and the great majority of them had been tenants. The same tendency was true for the tenants except that a larger portion of them had worked away from home for farm wages".⁽²⁾

The average age at which young men left home or became the operator of the home farm was 19.0 years for non-inheriting operators and 22.0 years for inheriting operators, the average being 20.3 years for all cases. The average age of making the first change in tenure is older for owners than for tenants in the case of both the inheriting and non-inheriting groups (Figure 31). The inheriting owners of Madison County remained on their paternal farms until reaching the average age of 27.8 years, while the non-inheriting tenants of Williamson County remained only 18.7 years.

Colored farm operators left their paternal farms at an earlier average age than the white operators. Inheriting colored operators remained at home

(2) Bausman, R. O., "Farm Tenancy in Delaware", p. 67-68, University of Delaware Agricultural Experiment Station, Bulletin No. 178, August 1932.

remained at home longer than non-inheriting colored operators, the same being true for the white operators (Table XXVII).

This later age for leaving home appears to be correlated with the age of becoming a farm owner, and the number of years spent in the various tenures. Spillman⁽³⁾ found that, "In general, the longer these men remained on the home farm, the earlier the age at which they acquired ownership". He also found that the size of the home farm was a factor in determining the number of years spent on the home farm and the number of years as wage workers. McCord's study⁽⁴⁾ showed that landlords spent fewer years as wage workers, either at home or away from home, fewer years as tenants, and more years at other [non-farm] occupations (except for central Pennsylvania) than is found to be true of all cases in this study.

In Delaware, Bauman⁽⁵⁾ found that the period of ownership was shorter than is the case in the Tennessee counties studied.

Few changes of tenure were recorded without moving to another farm. However, moving to another farm was not necessarily accompanied by a change of tenure status. It is estimated that about half of the moves from farm to farm were accompanied by changes of tenure, some of which were advancements and some recessions. The Census of Agriculture 1935 shows that 41.4 percent of the tenants and 4.9 percent of the owners had lived on their present farm less than one year, in the counties studied.

(3) Spillman, *op. cit.*

(4) McCord, J. E., Farm Tenancy and Lease Farms in Pennsylvania, Pennsylvania State College, Division of Agricultural Extension, State College, Pennsylvania, Circular 151, May 1934.

(5) Bauman, *op. cit.*, p. 65.

Wealth Accumulated per Operator in Each Tenure

The accumulation of wealth per operator in the various tenures gives an indication of the desirability and popularity of each tenure. Generally the accumulations are greater for each theoretical advancement in tenure (Figure 32). That is, as the farmer receives a greater share of the products of the farm, and owns a greater share of the farm business, he is said to advance in tenure. This is found to be true in the tenures adopted for the 457 cases in this study except that unencumbered owners accumulated less than encumbered owners, and two-thirds tenants accumulated less than one-half tenants (Table XXVIII). The more advanced age of the unencumbered owners and the greater expenditures for family development and advancement may account for a large part of the difference between encumbered and unencumbered owners. The difference between the one-half and two-thirds tenants is due chiefly to the greater number

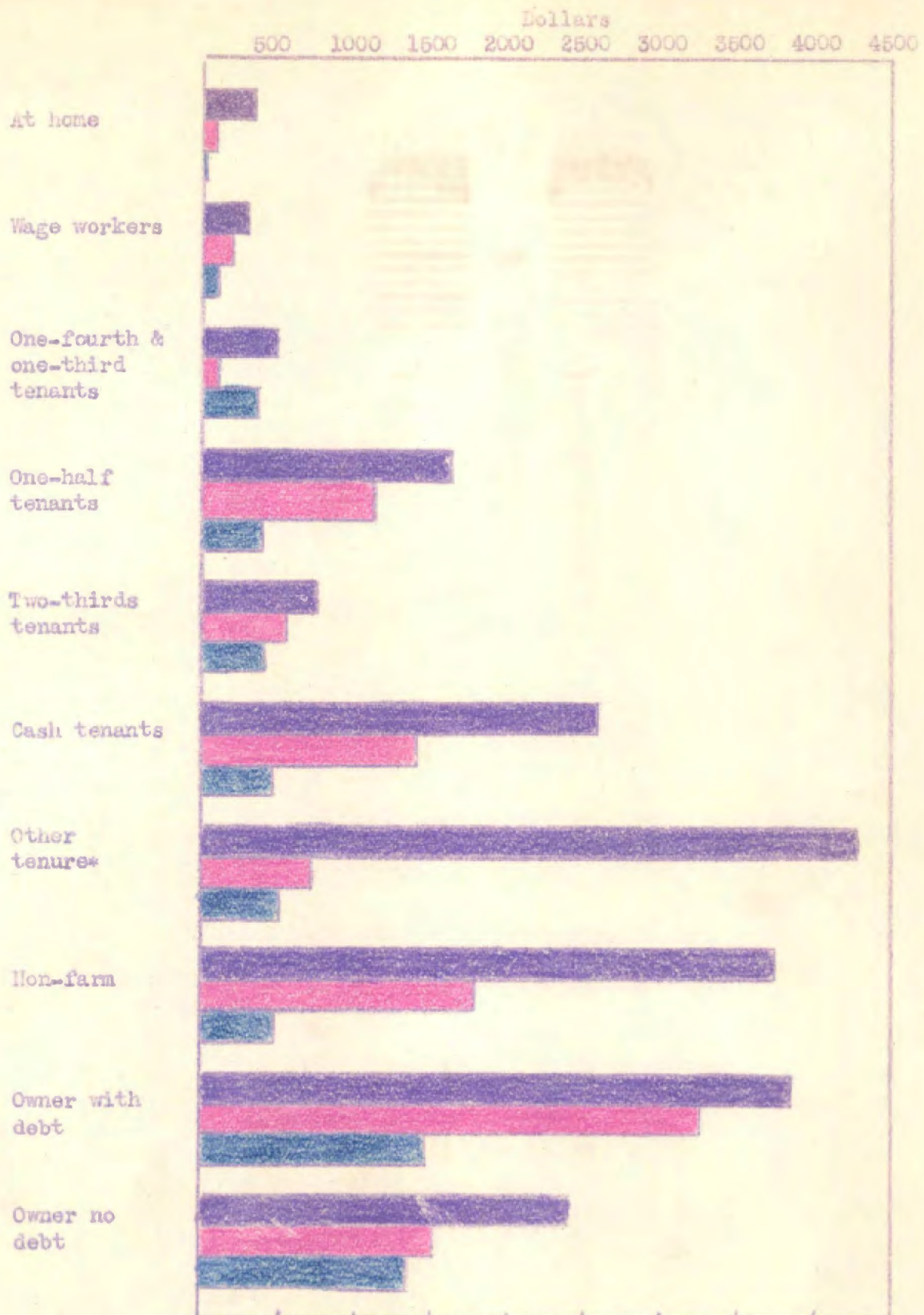
TABLE XXVIII. WEALTH ACCUMULATED PER OPERATOR WHILE IN THE VARIOUS
TENURES, 457 OPERATORS, SELECTED COUNTIES, TENNESSEE
(Dollars)

Tenure	All Cases	Those Who Inherited	Those Who Did Not Inherit	Accumulations of Those Who Inherited Less Amount of Inheritance
At home	174	354	38	85
Wage workers	159	308	110	216
One-fourth and one-third tenants	426	498	382	109
One-half tenants	786	1625	389	1128
Two-thirds tenants	571	759	418	554
Cash tenants	1387	2570	466	1399
Other tenures *	1493	4265	504	723
Non-farm	1730	3737	476	1753
Owner with debt	2799	3882	1457	3233
Owner no debt	2057	2381	1338	1511

Source: Appendix Table VI

* All tenures not otherwise classified

of years spent as one-half tenants, even though the rate of accumulation was less for the one-half tenants, as will be seen later. The slight difference in the amount of accumulations of those at home over the wage worker group is



Source: Table

* All tenures not otherwise classified

- Those who inherited
- Those who inherited less amount inherited
- Those who did not inherit

Figure 32. Wealth Accumulated per Operator in the Various Tenures, 457 Operators, Selected Counties, Tennessee

accounted for by the greater amount of inheritance by the former group.

The amount of wealth accumulated in the various tenures differed greatly between inheriting operators and non-inheriting operators (Table XXVIII). In all tenure classes, except one-fourth and one-third tenants, the inheriting operators accumulated more than non-inheriting operators, even after the amount of the inheritance had been deducted from the total for the tenure class in which it was received (Figure 32). Two important factors contribute to this situation, the first being the greater managerial training received by inheriting operators; and the second factor being that inheriting operators had more net wealth accumulated from preceding tenures. This greater operating capital makes for larger returns than for labor alone, hence a continued greater accumulation by inheriting operators.

Inheritance accounts for a greater proportion of the total accumulation in some tenures than in others, the greatest difference being in the class designated as "other tenures". This tenure class includes all tenures that could not be classified in any of the other groups. Partnerships were predominating in this class, but managers, administrators, no-rent operators, share-cash tenants, and several combinations of tenures were also reported. In many cases this tenure appeared to be a transition stage between living at home and ownership -- a period during which the operator received his living but little else.

TABLE XXIX. LOSSES INCURRED PER OPERATOR WHILE IN THE VARIOUS TENURES,
457 OPERATORS, SELECTED COUNTIES, TENNESSEE
(Dollars)

Tenure	Inheriting Operator	Non-Inheriting Operator	Tenure	Inheriting Operator	Non-In- heriting Operator
At home	-	-	Cash ten- ants	70	20
Wage workers	5	13	Other ten- ures	122	-
One-fourth and one- third tenants	41	2	Non-farm	151	90
One-half tenants	43	10	Owner with debt	27	29
Two-thirds tenants	6	12	Owner no debt	22	3

It can be noted (Figure 32) that the non-farm years in the operators experience served as an important wealth accumulating period. This period may have been at any time during the operator's life, or may have appeared more than once, as was found in a few cases. During this tenure over half of the total accumulation of net wealth was from inheritance.

It was also found that more frequent and greater losses were reported while engaged in non-farm pursuits than in any farm tenure group. These losses were greater among inheriting operators than among non-inheriting operators (Table XXIX). Although the total losses per operator were greater for the inheriting operators while engaged in non-farm pursuits the proportionate loss was greater for the non-inheriting operators, based on their wealth when entering the non-farm pursuit.

Inheritance seems to have been an important factor in the returning to the farm of farm reared families after engaging in non-farm occupations, as only a comparatively few non-inheriting operators reported non-farm accumulations. Further study would be enlightening on this point. Some work has been done on the migration of agricultural wealth by inheritance,⁽⁶⁾ but the effect of inheritance on the migration from city or village to farm is not fully established.

Effect of Inheritance on the Wealth Accumulated per Operator, by
Tenure, Color, and County

Inheriting farm operators accumulated over four times as much wealth as non-inheriting operators, and two and one-half times as much after deducting the amount of their inheritance from the total accumulations (Table XXX). The fact that the inheriting operators had more capital contributed toward their more rapid rate of accumulation of wealth. Since the inheriting operators were sons of farm owners they were able to benefit by a more stable tenure, better managerial training, and, very likely, a better financial

(6) Tetreau, D. E., Migration of Agricultural Wealth by Inheritance, Dept. of Rural Economics, Ohio State University and Ohio Agricultural Experiment Station, Mimeograph Bulletin No. 65, Columbus, Ohio, September 1933.

TABLE XXX. EFFECT OF INHERITANCE ON THE ACCUMULATION OF WEALTH OF
457 OWNERS AND TENANTS, SELECTED COUNTIES,
TENNESSEE

(Dollars per Operator)

Tenure	Accumulations per Inheriting Operator	Accumulations per Inher- iting Operator Less Amount Inherited	Accumulations per Non-Inheriting Operator
All cases	6,526	3,973	1,561
Owners	8,043	5,007	3,295
Tenants	1,199	344	641

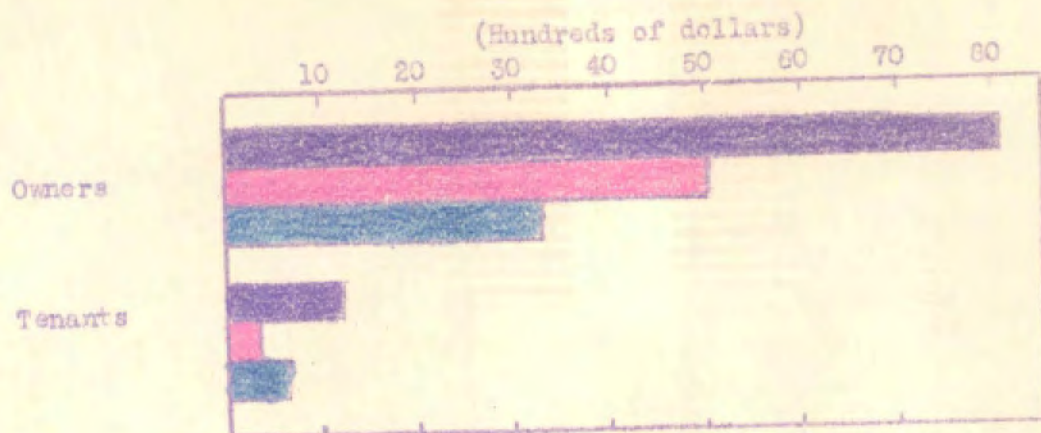
Source: Based on Appendix Table VI.

start for themselves.

Owners accumulated more than tenants in both the inheriting and non-inheriting groups, the inheriting owners accumulating two and one-half times as much as the non-inheriting owners (Figure 33). Inheritance accounted for the greatest part of the difference between these two groups, but the elements mentioned above were also important factors.

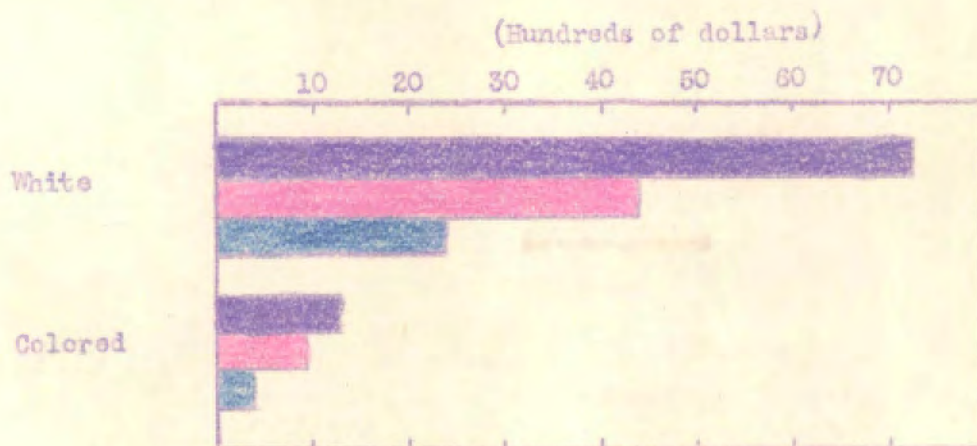
Inheriting tenant operators accumulated far less than the owners, a great portion of their wealth being due to inheritance (Figure 33). This group of tenants made up less than one fourth of all tenants, and included most of the tenants who had at one time been owners but had lost their farms. About one-half had spent some time at non-farm pursuits. It was during the higher tenures, including non-farm occupations (see Figures 30, 31, and 32) that the inheriting tenants received such heavy losses (particularly in Williamson County) that the average wealth accumulated per operator (after deducting the amount of their inheritances) was lower than for the non-inheriting tenants. The fact that the non-inheriting tenants lose money in the tenures where the total accumulations per operator was greatest indicates the relative inefficiency in management of this group of tenants.

The effect of inheritance on the accumulation of wealth by white and colored operators did not differ greatly, in proportion inheriting and not inheriting, from that of owners and tenants, the white operators accumulating somewhat less than the owner group (Tables XXX and XXXI). The effect of inheritance was greater for the tenant classification than



Source: Table

Figure 33. Effect of Inheritance on Accumulation of Wealth of 457 Farm Owner and Tenant Operators, Selected Counties, Tennessee



Source: Table

Figure 34. Effect of Inheritance on Accumulation of Wealth of 457 White and Colored Farm Operators, Selected Counties, Tennessee

- Accumulations of inheriting operators
- Accumulations of inheriting operators less amount of their inheritance
- Accumulations of non-inheriting operators

for the colored class.

TABLE XXXI. EFFECT OF INHERITANCE ON ACCUMULATION OF WEALTH BY 457
WHITE AND COLORED FARM OPERATORS, SELECTED COUNTIES, TENNESSEE
(Dollars per Operator)

Color	Accumulations per Inheriting Operator	Accumulations per Inherit- ing Operator Less the Amount Inherited	Accumulations per Non-Inheriting Operator
All cases	\$ 6,526	\$ 3,973	\$ 1,561
White	7,261	4,398	2,418
Colored	1,293	951	421

About the same proportion of the accumulated wealth of both white and colored operators was received by the inheriting operators, the inheritance itself accounting for a greater portion of the wealth of white operators than of the colored operators (Figure 34).

The accumulation of wealth was greater, per farm operator, in Williamson County than in either Madison or Montgomery counties (Table XXXII), both for inheriting and non-inheriting operators, the effect of the inheritance being greater in the latter counties. After deducting the amount of the inheritance from the inheriting group, it is evident that there is little difference in the variation between the amount accumulated by inheriting and non-inheriting operators in the three counties (Figure 35).

TABLE XXXII. EFFECT OF INHERITANCE ON ACCUMULATION OF WEALTH OF 457
FARM OPERATORS, SELECTED COUNTIES, TENNESSEE

County	Accumulations per Inheriting Operator	Accumulations per Inherit- ing Operator Less the Amount Inherited	Accumulation per Non-Inheriting Operator
All cases	\$6,526	\$3,973	\$1,561
Madison	4,592	3,046	1,138
Montgomery	5,722	3,293	1,295
Williamson	8,131	4,909	2,773

The probable difference between the accumulations of the farm operators within these counties is due to the amount of capital involved in the farm business, the type of farming practiced, and the extent of the education and training.

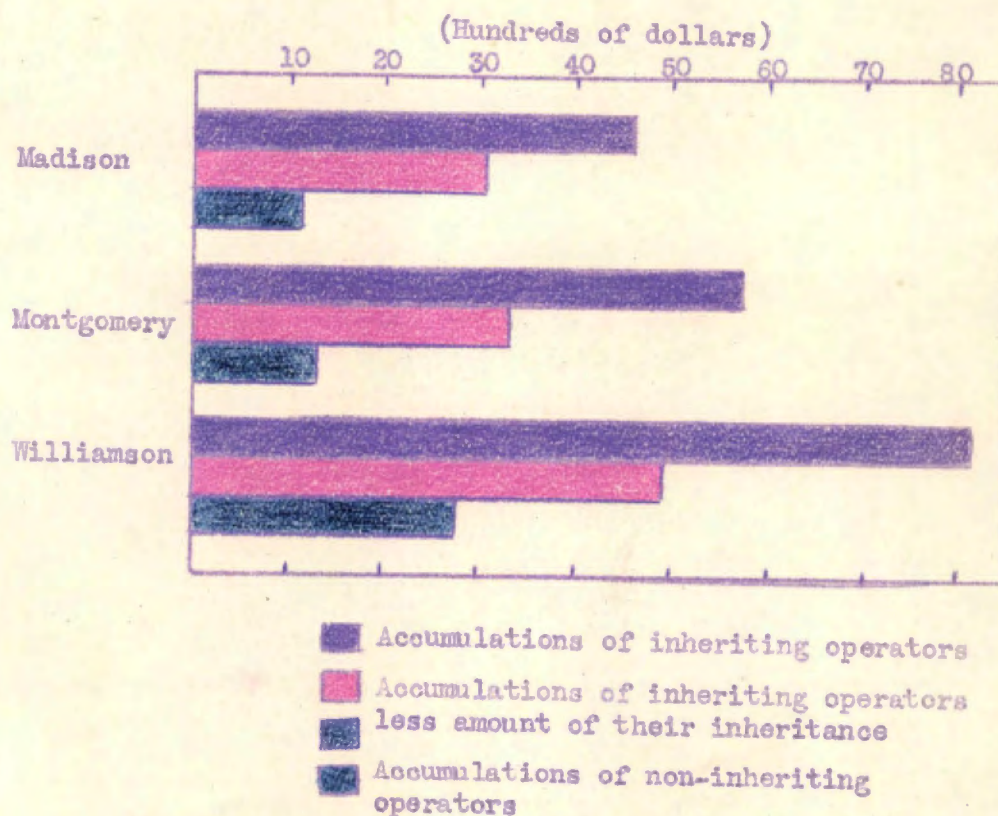


Figure 35. Effect of Inheritance on Accumulation of Wealth of 457 Farm Operators, Selected Counties, Tennessee

Wealth Accumulated per Farm Operating Year

The accumulation of wealth per year increased with advancement in tenure until the ownership stage was reached. Here there was a reduction in the wealth accumulated per year of farm operation (Table XXXIII and Figure 36). The higher tenure groups accumulated wealth much faster than the lower tenures.

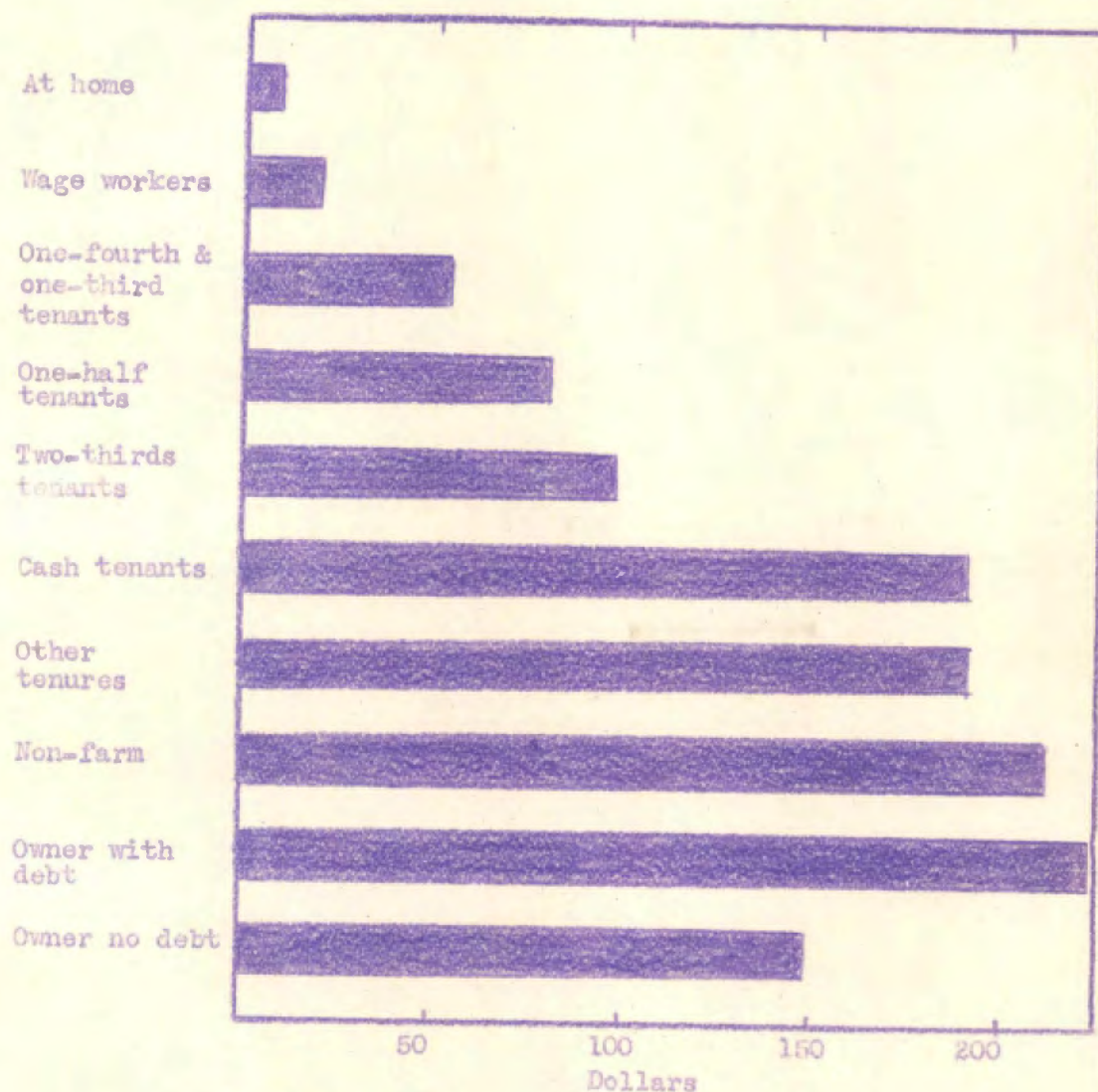
Wages paid for labor accounts for a portion of this discrepancy. Relatively low wages in comparison to total farm income makes it more advantageous for the wage workers to become tenants as soon as possible, than to remain a wage worker. They are, by virtue of their position, at a greater disadvantage in bargaining, with the land-owners, than is the case of the tenants. The tenants do not enjoy as good a bargaining position as they would if wage labor were less abundant. Because of this labor situation

TABLE XXXIII. WEALTH ACCUMULATED PER YEAR, BY TENURE GROUPS,
457 OPERATORS, SELECTED COUNTIES, TENNESSEE
(Dollars)

Tenure	Average All Cases	Those Who Inherited	Those Who Inherited Less Amount of Inheritance	Those Who Did Not Inherit
At home	9	16	4	2
Wage workers	20	46	33	13
One-fourth and one- third tenants	54	69	15	46
One-half tenants	81	195	136	37
Two-third tenants	98	173	112	64
Cash tenants	190	443	241	55
Other tenures *	191	242	77	85
Non-farm	213	397	136	65
Owner with debt	223	274	228	138
Owner no debt	148	151	96	140

* All tenures not otherwise classified.

Source: Appendix Table VI .



Source: Table

Figure 36. Accumulations of Wealth per Year by Tenure,
457 Operators, Selected Counties, Tennessee

the higher tenure groups are aided in accumulating wealth much more rapidly than the lower tenures. It is granted, however, that the higher tenures should be entitled to a somewhat higher annual accumulation of wealth than those in the lower tenures, due to their greater investment.

The accumulation of wealth per year was greater in all tenure groups for inheriting operators than for non-inheriting operators (Figure 37). In some tenures the inheritance included the greater portion of the total annual accumulation.

For the most part the inheriting operators accumulated more wealth per year, even after deducting the amount of the inheritance, than was the case of the non-inheriting operators. Exceptions were the one-fourth and one-third tenants, other tenures, and owners with no debt.

The non-inheriting one-fourth and one-third tenants were older, on the average than the inheriting tenants in this group. They usually reported a somewhat greater net wealth, and were in the age most likely to have available family labor. This greater capital and labor supply more than offset any advantages of the inheriting group.

The "other tenure" group showed only a slight difference in accumulations per year between inheriting and non-inheriting operators. This difference is most probably due to the young partners, among the inheriting operators, whose total earnings were used for the undivided family living of the paternal partners, leaving very little as accumulations for the operators.

In the case of owners with no debt, the greater accumulation of wealth is disproportionately influenced by the Madison County farmers, who accumulated nearly four and one-half times the average amount for the group.

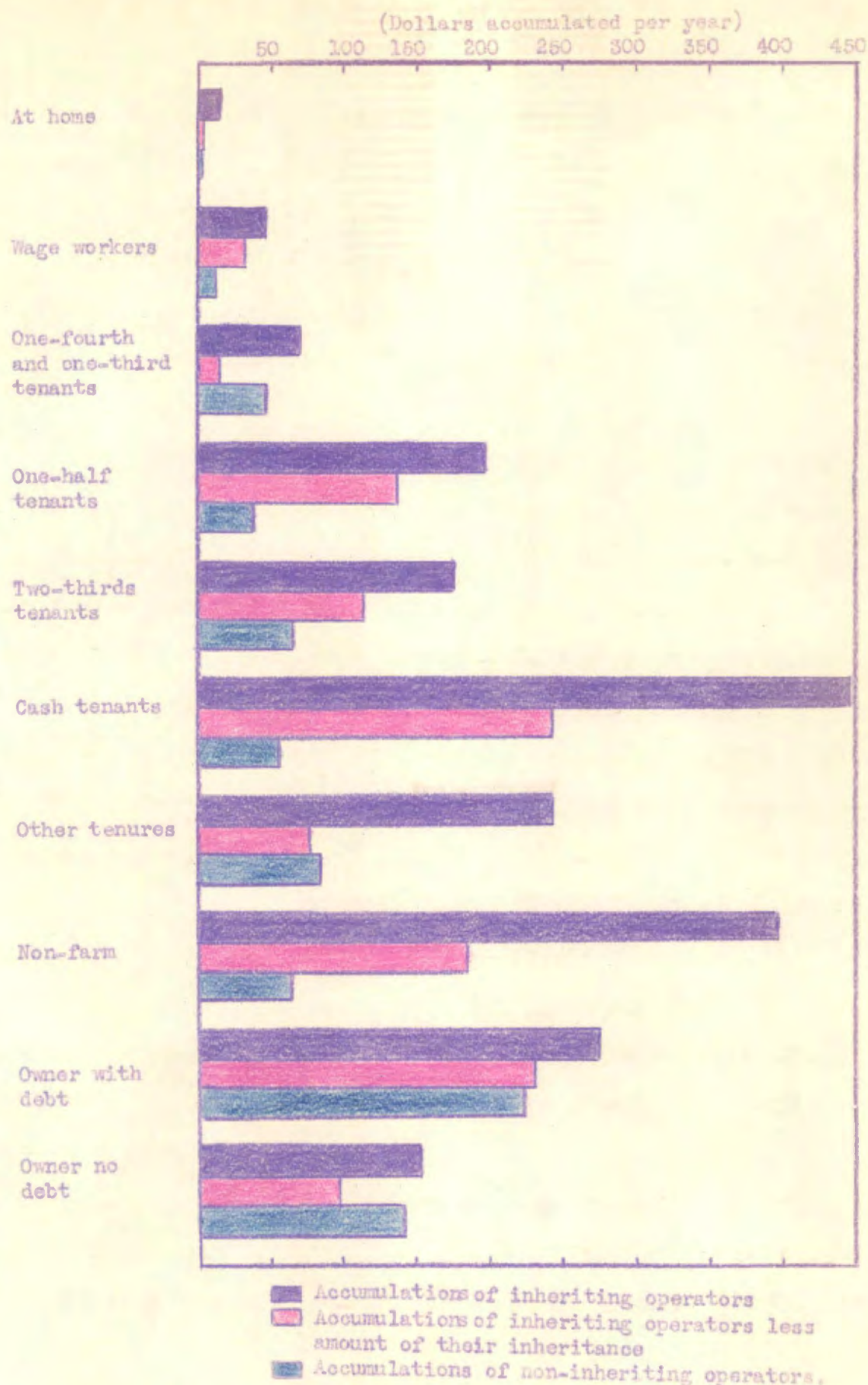


Figure 37. Effect of Inheritance on Accumulation of Wealth per Year, by Tenure of Operators, 457 Operators, Selected Counties, Tennessee

This accumulation was all in the world war period, and accrued from land speculation of a few of the farmers enumerated. With these few cases excluded the trend for the owner no-debt group is the same as for the other tenures.

The tenures in which the accumulation of wealth per year was greatest did not necessarily correspond with the tenure having the greatest total accumulation, due to the difference in the average number of years spent in each tenure.

Owners and Tenants Compared. Owner operators showed a tendency to stay fewer years in the tenures where they accumulated wealth the fastest, whereas there was little relationship between the accumulations of tenants and the number of years spent in the respective tenures. The owner group did not yet own their land at the time they accumulated the greatest average amount per year. Cash tenants, one-half tenants, and non-farm operators were the most favorable tenures for accumulation of wealth of inheriting operators. After adjusting for the effect of inheritance "encumbered owner" was of equal importance to the tenures listed. Among the non-inheriting owners the two-thirds tenure was more inducive to accumulations of wealth than the cash-tenant tenure.

Non-inheriting tenants showed less difference in the rate of accumulation of wealth than inheriting tenants, their greatest accumulations being while they were encumbered owners. This is explained by the fact that most of the non-inheriting tenants who had been owners had sold their farms and were at the time tenants expecting to buy again when they found suitable farms.

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The inheriting tenants accumulated much less per year after deducting the amount inherited (Table XXXIV). They reported frequent and heavy losses in the higher tenures, as contrasted with the gains of the non-inheriting tenants in those tenures. The net loss of the inheriting tenants was reported while operating as cash tenants, owners with debt, and owners without debts. After deducting the amount of their inheritance a loss was shown for the non-farm group as well.

TABLE XXXIV. AVERAGE ANNUAL ACCUMULATIONS OF WEALTH OF INHERITING AND NON-INHERITING OWNERS AND TENANTS, AND THE ACCUMULATIONS OF INHERITING OPERATORS AFTER DEDUCTING THE AMOUNT INHERITED, SELECTED COUNTIES, TENNESSEE

(Dollars per year)

Tenure	All Inheriting Operators	Inheriting Operators Less the Amount Inherited	Non-Inheriting Operators
All cases	134	82	35
Owners	158	98	68
Tenants	30	9	15

The annual accumulations of wealth by inheriting tenants was much greater in Williamson County than in either Madison or Montgomery counties. After deducting the amount of their inheritance their accumulations were less than the non-inheriting tenants. The same tendency was true for the inheriting and non-inheriting owners except that there was less difference between counties for the owners.

White and Colored Compared. Colored non-inheriting operators (all tenures) accumulated an average of only nine dollars per year of farm operation, with an average loss of one dollar per year, as compared with thirty-one dollars, with one dollar loss, for the inheriting colored

operators (Table XXXV). However, after deducting the amount of the inheritance only thirteen dollars per year was accumulated by the inheriting operators; an indication of the homogeneity of the colored farm operators. The colored inheriting operators were able to accumi-

TABLE XXXV. AVERAGE ANNUAL ACCUMULATIONS OF WEALTH OF 457
WHITE AND COLORED FARM OPERATORS, SELECTED COUNTIES,
TENNESSEE

Color	Average Accumulations of Wealth of Operators	Average Accumulations of Operators Less the Amount Inherited	Non-Inherit- ing Opera- tors
All cases	134	82	36
White	146	89	56
Colored	31	13	9

late more per year in Madison County than in Montgomery, and more in each of these counties than in Williamson County. There was practically no difference between the counties for the non-inheriting colored operators.

White operators succeeded in accumulating about 60 percent more wealth per year of farm operation in Williamson County than in either Madison or Montgomery counties irrespective of their inheritance. The same relationship existed between both the inheriting and non-inheriting operators.

Wide differences exist between the rate of accumulating wealth between the white and colored, favoring the white. Individual cases were found to vary greater among the white than among the colored operators. It may also be noted that only a few of the better colored operators accumulated as much as the average for all cases, and only a small proportion of the white operators were in the lower brackets.

County differences indicate a greater influence from inheritance of farm wealth in Williamson County than in Montgomery or Madison, Madison being influenced least (Table XXXVI). The difference in ability of the inheriting and non-inheriting operators is associated with rate of accumulating wealth between the counties.

TABLE XXXVI. AVERAGE ANNUAL ACCUMULATION OF WEALTH OF 457 FARM OPERATORS, SELECTED COUNTIES, TENNESSEE

County	Average Accumulations of Wealth of Operators	Average Accumulations of Operators Less the Amount Inherited	Non-Inheriting Operators
All cases	134	82	35
Madison	102	68	26
Montgomery	112	64	29
Williamson	165	72	62

Summary

1. The rate at which wealth was accumulated, by the 457 farm operators in the study, varied (1) between tenure classes, (2) between white and colored, (3) between inheriting and non-inheriting operators, and (4) between counties.

2. The significance of a given tenure differed (1) between inheriting and non-inheriting operators (2) between owner — operators and tenants, (3) between white and colored operators, and (4) between the counties studied.

3. The lower tenure groups had a greater proportion of non-inheriting operators than inheriting operators, the greater portion of these non-inheriting operators being located in Madison County.

4. The higher tenure groups were nearly equal in the percentage of inheriting and non-inheriting operators, except in the case of the unencumbered owners of whom there were approximately 2 1/2 who had inherited to 1 non-inheriting.

5. The lower tenure groups contained more colored operators, and fewer who had at one time been owners.

6. Colored tenants accumulated more per year than colored owners.

7. More of the non-inheriting farm operators had been engaged in non-farm occupations than had the inheriting operators.

8. Non-inheriting farm operators spent more years in the lower tenures than the inheriting operators.

9. Colored farm operators left their paternal farms at an earlier age than white operators.

10. The inheriting operators of each tenure class accumulated more than the non-inheriting operators even after the amount of their inheritance had been deducted.

11. The non-farm years in the operators experience served as an important wealth accumulating period. Over half of the net wealth accumulated during these years was from inheritance. More frequent and greater losses were reported while engaged in non-farm pursuits.

12. Inheritance seems to have been an important factor in the returning to the farm of farm reared families after engaging in non-farm occupations.

13. Inheriting farm operators accumulated over four times as much wealth as non-inheriting operators, and two and one-half times as much after deducting the amount of their inheritance from their total accumulations.

14. Owners accumulated more wealth than tenants in both the inheriting and non-inheriting groups, the inheriting owners accumulating two and one-half times as much as non-inheriting owners.

15. Inheriting tenants accumulated far less than the owners, a greater portion of the tenants wealth being due to inheritance.

16. The accumulation of wealth was greater per farm operator in Williamson County than in either Madison or Montgomery counties.

17. The annual accumulation of wealth increased with advancement in tenure until the ownership stage was reached. The higher tenure groups accumulated wealth much faster than the lower tenures.

18. Because of the relatively low value of labor the higher tenure groups are aided in accumulating wealth much more rapidly than the lower tenures.

19. Owner operators showed a tendency to stay fewer years in the tenures where they accumulated wealth the fastest, whereas there was little relationship between the accumulations of tenants and the number of years spent in the respective tenures.

20. After deducting the amount of their inheritance, the accumulations of inheriting tenants was less than that of non-inheriting tenants.

21. White operators succeeded in accumulating about 60 percent more wealth per year of farm operation in Williamson County than in either Madison or Montgomery, irrespective of their inheritance.

22. Colored operators showed more homogeneity, between both tenures and counties, than did white operators.

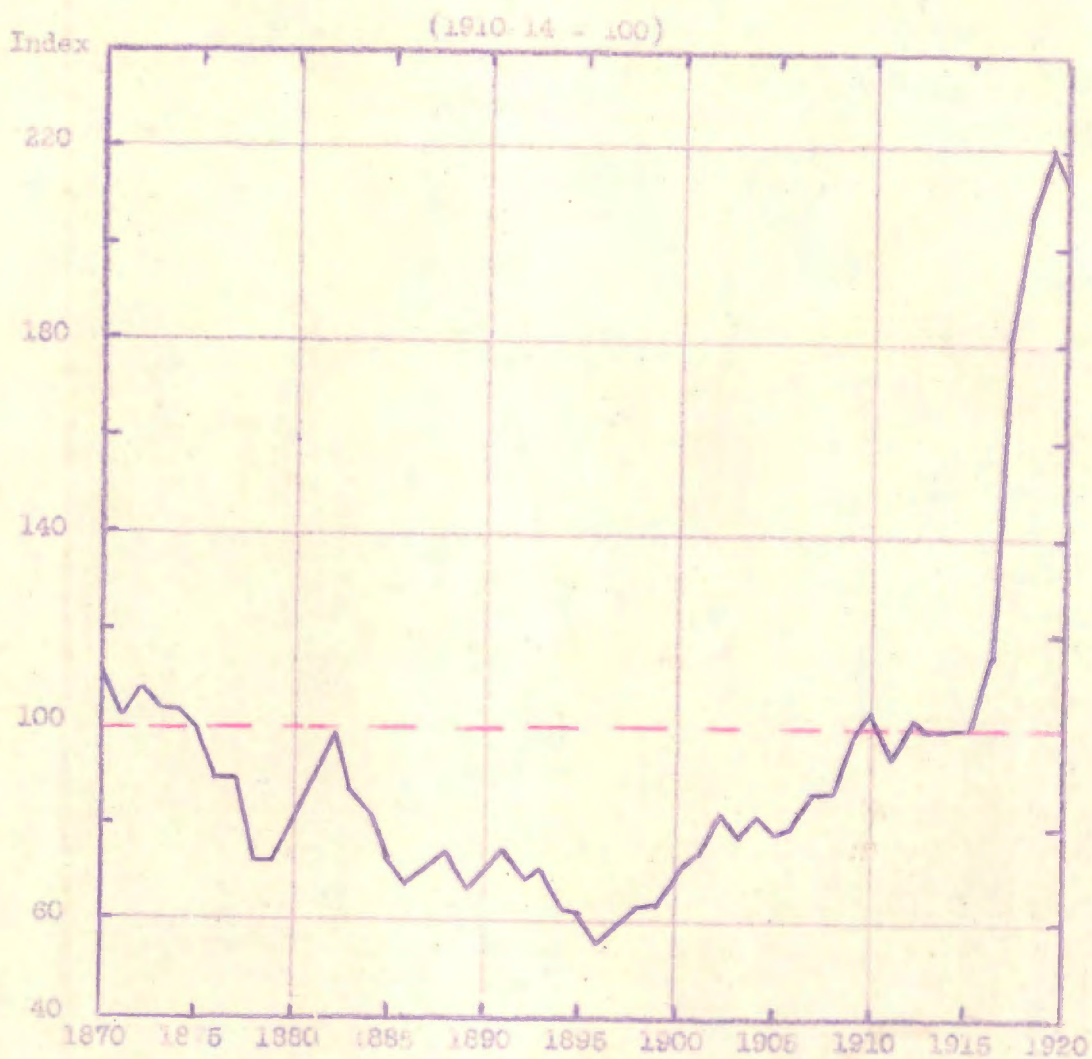
CHAPTER IV

EFFECT OF TIME AND AGE OF FARM OPERATOR ON ACCUMULATION OF WEALTH

Effect of Time on Accumulation of Wealth

The accumulation of wealth by farm operators is influenced by several factors, among which are (1) the age of the operator, and (2) the period of time in relation to the economic cycle. The most productive period of a man's life is while he is in middle age. His wealth may, however, be accumulated much faster during either youth or his old age, depending on the economic conditions affecting his business. Considering an ever-normal situation, a farm operator should accumulate more after passing middle age due (1) to the returns on the capital which he has saved, and (2) to the lesser demands for living after his children have established homes for themselves. With these points in mind, we may examine some actual records of farm wealth accumulation to determine what effect the economic conditions of a given period, and the age of the operator, had on the wealth accumulation.

Trend of Wholesale Prices of Farm Products and Wealth Accumulation. Changes in price level are closely associated with the rate of accumulation of wealth, when measured in terms of money. An index of wholesale prices of farm products makes possible a direct comparison of different periods of time with respect to the rate at which wealth may be accumulated by all farm operators (Figure 38). The abnormally high prices during the World War period were accompanied by much



Source: Warren, G. F. and Pearson, F. A. Prices, p. 25.
John Wiley and Sons, Inc., New York, 1933.

Figure 38. Index of Wholesale Prices of Farm Products in the United States, 1870-1920

greater accumulations of wealth by all tenures of farm operators than during any other period covered by this study (Table XXXVII). About the same percentage increase was found for both inheriting and non-inheriting operators at this time. The years 1886 to 1890 were also more favorable

TABLE XXXVII. ACCUMULATION OF FARM WEALTH AS INFLUENCED BY TIME, 457 FARM OPERATORS, SELECTED COUNTIES, TENNESSEE

Period	Average Accumulation per Operator for 5-Year Period		
	Inheriting Operators	Non-Inheriting Operators	All Operators
1866-70	\$75	\$110	\$92
1871-75	212	77	144
1876-80	471	211	346
1881-85	1123	147	623
1886-90	1556	226	861
1891-95	1014	201	603
1896-00	747	309	491
1901-05	902	264	554
1906-10	1940	399	1013
1911-15	2027	606	1146
1916-20	4808	1157	2859

Source: Computed from Appendix Table VII.

for wealth accumulation than earlier periods, although not as favorable as the ten years previous to the outbreak of the World War.

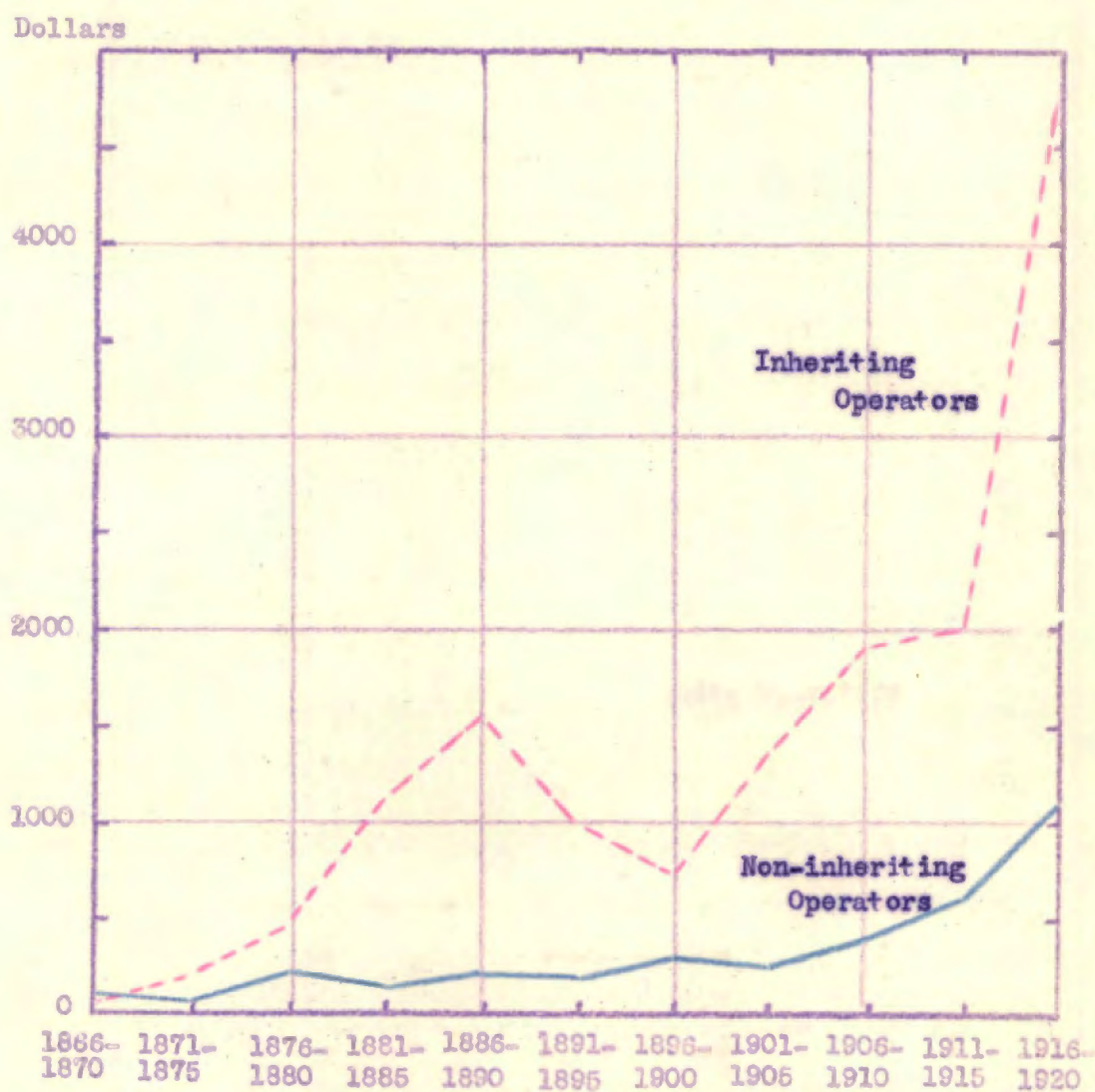
Wealth accumulation of non-inheriting farm operators was more sensitive to short time fluctuations of economic conditions, as indicated by the wholesale price of farm products, than was the wealth accumulations of inheriting operators. This is because the accumulations of wealth by non-inheriting operators represents the difference between their farm income and their family living expenses. There is a slight lag, however, between the wholesale

price of farm products and the accumulations of wealth of non-inheriting operators. It was further noted that the changes in the accumulation of wealth by non-inheriting operators were not as great as the fluctuations of wholesale prices of farm products (Figure 39).

The average wealth accumulated by inheriting farm operators greatly exceeded that of the non-inheriting operators (Table XXXVII and Figure 39). The only period in which non-inheriting operators accumulated more than inheriting operators was from 1866 to 1870. This figure is due to the small number of cases represented in the non-inheriting group, and to the relatively large accumulation by one operator at that time. The period immediately following the Civil War was characterized in Tennessee by small savings of farm operators. As the operators gradually accumulated wealth they were able to leave some for their decedents, who in turn were able to use this for increased accumulations.

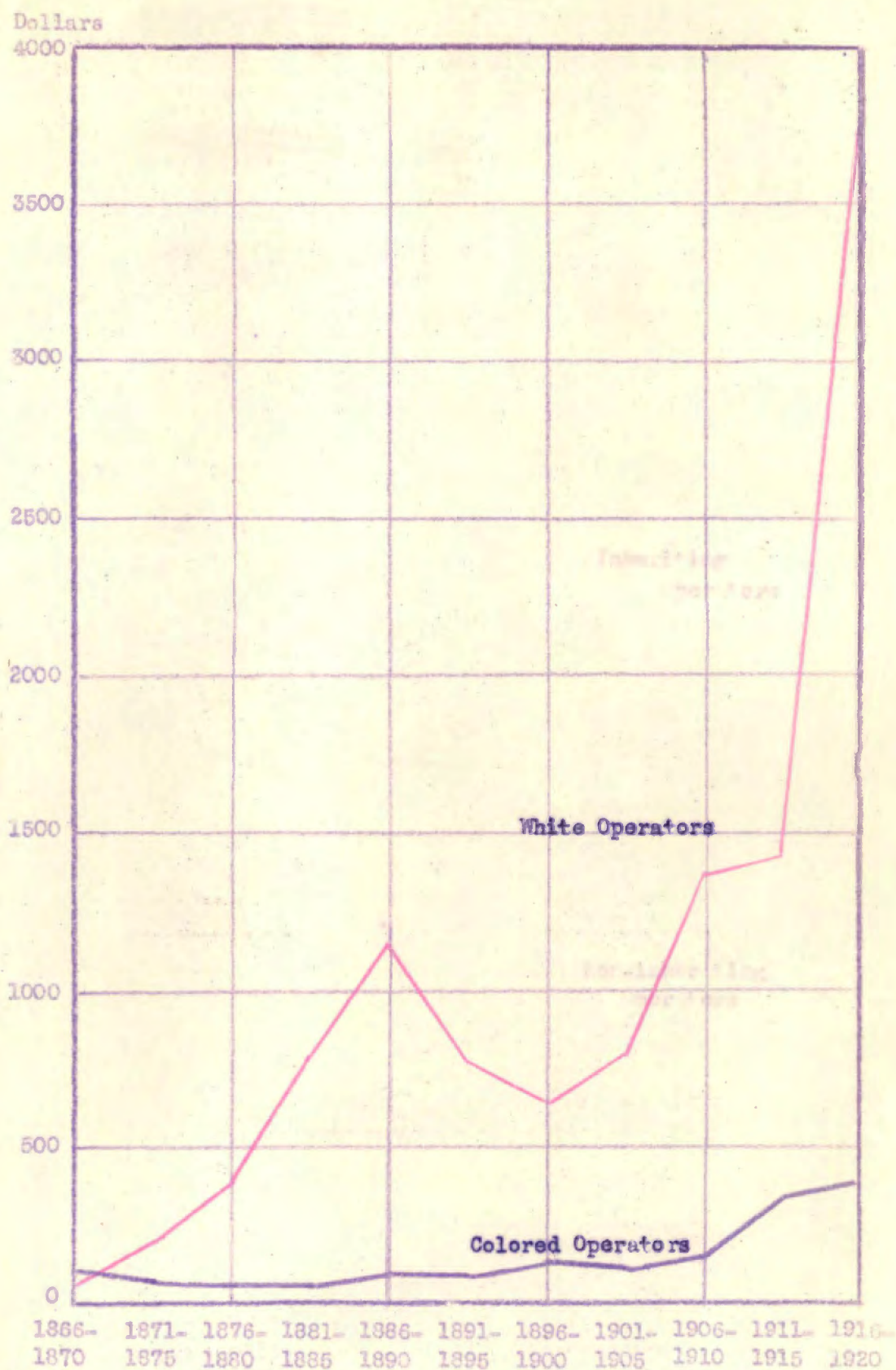
A peak in wealth accumulations per operator occurred during the period 1886 to 1890, about five years following the peak, in 1880 to 1885, of wholesale prices of farm products. A lag of five years is noticed continuously in a comparison between wealth accumulated by inheriting operators and the wholesale price of farm products. This lag is due to the time between its accumulation and when it is passed on to the heirs.

Accumulations of White and Colored Operators. It was shown in the preceeding chapter that colored farm operators were more similar in tenure, accumulation of wealth, and between counties, than were the white operators. It is also found that they showed much less change in the accumulation of farm wealth from one period to another (Figure 40). Accumulations of wealth by white operators increased from an average of \$75 per operator for the



Source: Table XXXVII.

Figure 39. Wealth Accumulated per Operator by Five-Year Periods,
Selected Counties, Tennessee



Source: Table XXXVIII.

Figure 40. Average Accumulations of Wealth of Colored and White Operators, by Five-Year Periods, 1866 - 1920

five-year period 1866 to 1870 to \$3787 per operator for the five-year period 1916 to 1920 (Table XXXVIII). White and colored inheriting operators show a similar trend in rate of accumulating wealth, but the colored operators always accumulated less than white operators.

The rate of accumulating wealth by the colored farm operators, in comparison with white operators, indicates that they are making progress in improving their economic position. Colored operators have accumulated more with each succeeding five-year period from 1876-1880, but their gains have not been as great proportionally as those of white operators.

TABLE XXXVIII. AVERAGE ACCUMULATIONS OF WEALTH BY COLORED AND WHITE FARM OPERATORS, BY FIVE-YEAR PERIODS, 1866 TO 1920

Period	Colored			White		
	Inheriting	Non-inheriting	All colored	Inheriting	Non-inheriting	All white
1866-70	\$ -	\$110	\$110	\$75	\$ -	\$75
1871-75	-	77	77	212	-	212
1876-80	200	33	66	496	274	408
1881-85	100	64	69	1180	108	791
1886-90	42	112	100	1718	417	1152
1891-95	70	95	91	1104	273	772
1896-00	143	133	135	823	466	661
1901-05	206	91	112	1025	469	807
1906-10	154	154	154	2208	571	1383
1911-15	1075	182	340	2159	831	1430
1916-20	899	268	394	5327	1775	3787
Average	\$ 529	\$ 168	\$ 232	\$ 2730	\$ 919	\$ 1914

Source: Based on Appendix Table VII.

Accumulations of Owners and Tenants. Owner-operators were able to accumulate more wealth than tenants in all periods considered in this study

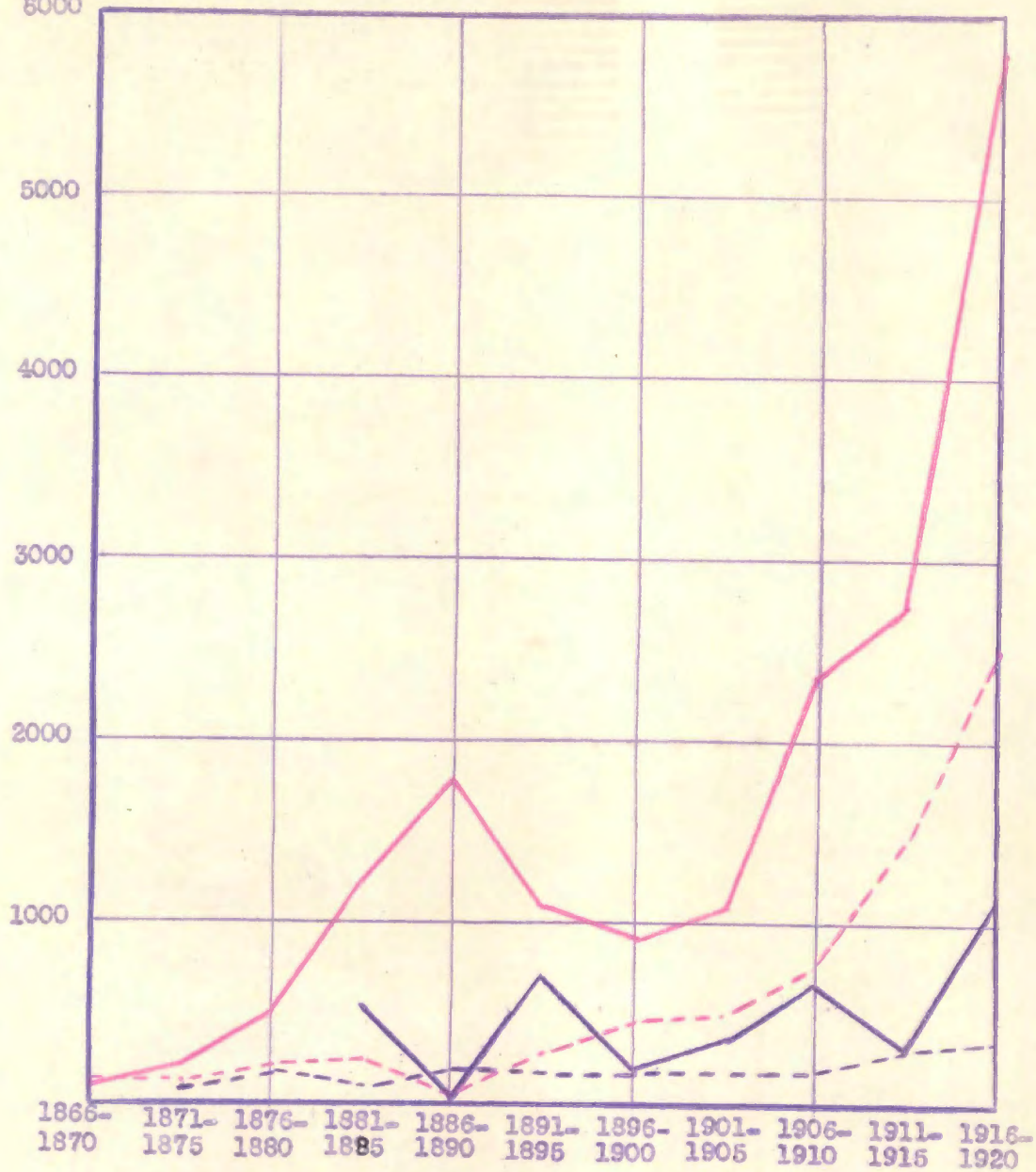
(Table XXXIX). Following the close of the Civil War the disrupted condition of Tennessee Agriculture was such that no group of farmers were able to save much, in spite of the fairly high prices for farm products. But in spite of the declining prices of farm products from 1866 to 1890 the inheriting farm owners accumulated more with each succeeding five-year period, while the non-inheriting owners showed no appreciable gain in accumulations until after the upturn in price of farm products about 1896 (Figure 41). This difference in wealth accumulations is attributable to the inheritance of the owner operators. It is also evident that those

TABLE XXXIX. AVERAGE ACCUMULATION OF WEALTH BY OWNERS AND TENANTS, BY FIVE-YEAR PERIODS, 1866 TO 1920

Period	Owners			Tenants		
	Inheriting	Non-inheriting	All owners	Inheriting	Non-inheriting	All tenants
1866-70	\$ 75	\$ 110	\$ 93	\$ -	\$ -	\$ -
1871-75	212	100	180	-	62	62
1876-80	471	203	404	-	189	189
1881-85	1191	250	916	550	99	164
1886-90	1779	27	1290	48	197	173
1891-95	1079	261	837	705	170	280
1896-00	892	442	709	195	224	218
1901-05	1075	508	909	336	163	199
1906-10	2365	769	1744	642	219	301
1911-15	2750	1467	2280	518	322	352
1916-20	5810	2530	4662	1086	348	516
Average	\$ 2973	\$ 1276	\$ 2363	\$ 629	\$ 261	\$ 335

Source: Computed from Appendix Table VII.

receiving the inheritance had to be in position to use it to advantage; that is, they had to be reasonably good managers. It was pointed out in the preceding chapter that part of the difference in accumulations by inheriting and non-inheriting operators is probably due to training as well as to financial assistance.

Dollars
6000

Legend

— Inheriting owners	— Inheriting tenants
- - - Non-inheriting owners	- - - Non-inheriting tenants

Source: Table XXXIX.

Figure 41. Average Accumulation of Wealth by Farm Owners and Tenants, by Five-Year Periods, 1866 to 1920

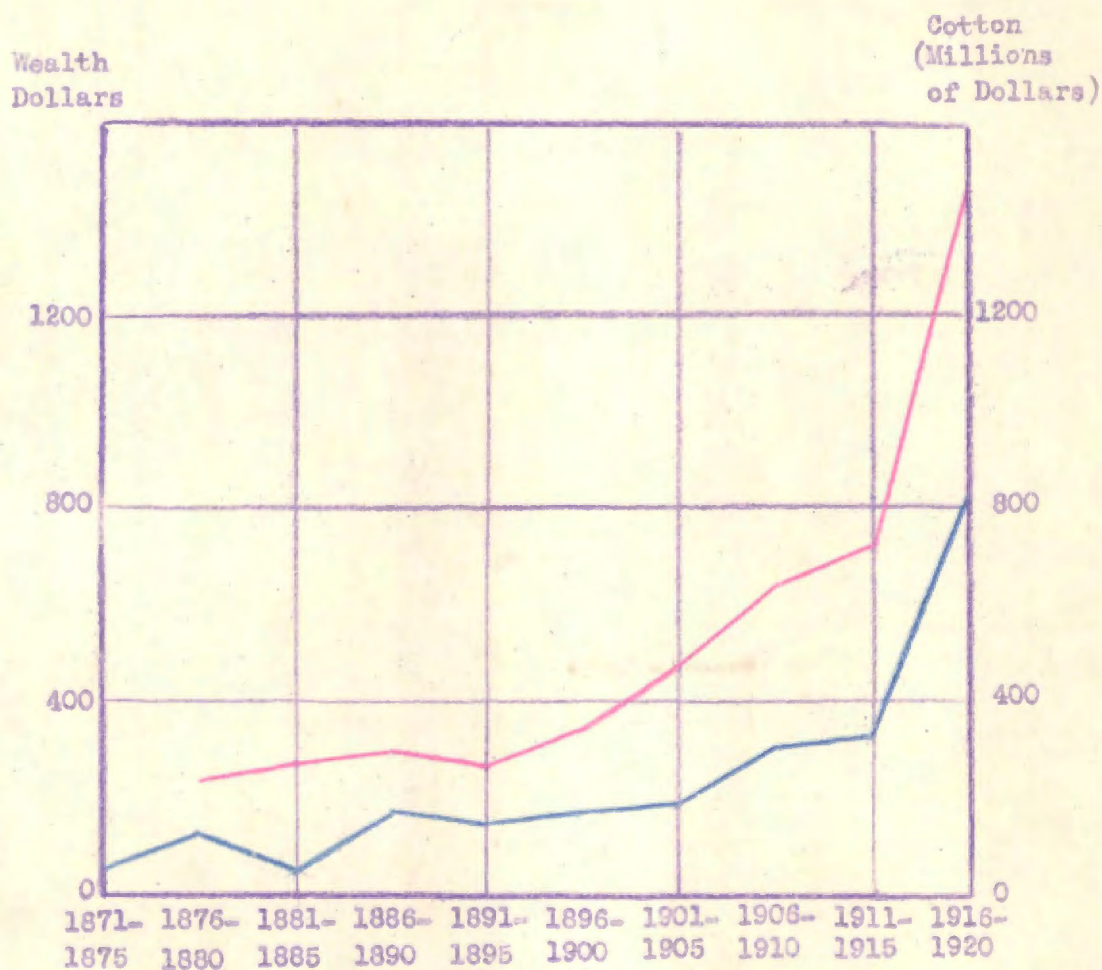
Inheriting tenants did not show any definite relationship to prices of farm products as indicated by their accumulations of wealth. They did, however accumulate more than non-inheriting tenants in all periods except 1886 to 1890, in which period only a very few inheriting tenants reported any accumulations. As compared with non-inheriting owners, the inheriting tenants showed greater irregularity of wealth accumulations and less dependence upon the price of farm products.

The non-inheriting tenants were the most uniform in wealth accumulations from period to period. This groups is dominated by the colored tenants of Madison and Montgomery counties.

Accumulations of Wealth by Counties. Wealth accumulation of white inheriting owners (Figure 40-41) is responsible for the difference existing between inheriting and non-inheriting operators (Figure 39), between colored and white operators (Figure 40), and between owners and tenants (Figure 41).

Non-inheriting operators of Madison County depended largely on cotton for their farm incomes, as shown by the correlation between the farm value of cotton and their accumulation of wealth (Figure 42). It was shown earlier (Figure 39) that the accumulations of non-inheriting operators increased with an increase in the wholesale price of farm products. In Madison County, agriculture during the period studied consisted primarily of cotton production. With a one-crop type of agriculture the accumulations of wealth of farm operators would naturally follow the farm value of that product.

A situation similar to Madison County's relation to cotton might be expected in Montgomery County in relation to tobacco. There is, however, little relation between the farm value of tobacco and the accumulation of farm wealth in Montgomery County. This is attributed to the fact that tobacco had not reached such a relatively important position in Montgomery County



Legend

- Non-inheriting operators
- Farm value of cotton

Source: Agricultural Statistics, 1937, U.S.D.A., p. 88.

Figure 42. Accumulation of Wealth by Non-Inheriting Farm Operators in Madison County, and the Farm Value of Cotton

as had cotton in Madison during the period studied.

In Williamson County the accumulation of farm wealth by non-inheriting operators followed closely the wholesale price of farm products, except for the period after the Civil War, which was one of readjustment in the agriculture of the region.

Losses. Losses were reported for farm operators in all tenures, and for all periods studied. The amount of losses per operator showed no uniformity between tenures for all periods studied (Figures 43 and 44). The average losses for non-inheriting operators was twenty-seven dollars for owners and thirty dollars for tenants. No losses were reported for either non-inheriting owners or non-inheriting tenants prior to 1880.

Average losses for inheriting operators was sixty-five dollars, compared with twenty-nine dollars for non-inheriting operators. Inheriting owners lost an average of thirty-eight dollars per operator, compared with twenty-seven for non-inheriting owners.

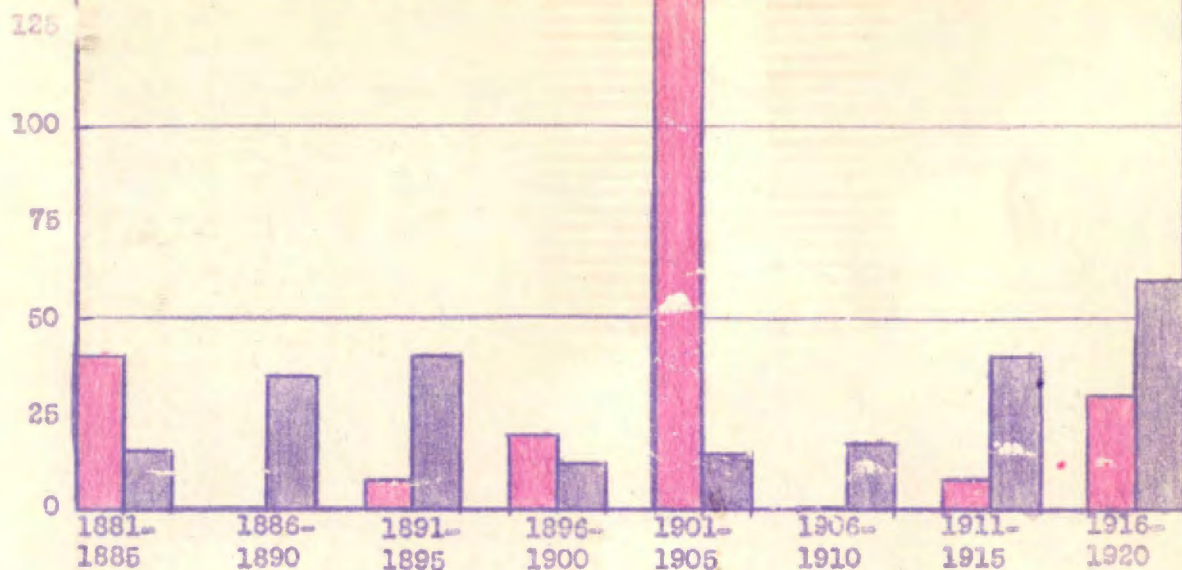
Inheriting tenants showed an average loss of one hundred sixty-four dollars per operator. This loss was about equal per operator for Williamson and Montgomery Counties, being \$231 and \$227 respectively. Madison County averaged \$117 loss per inheriting tenant.

White operators had more frequent, and larger, losses per operator than colored operators. Inheriting white operators showed a wide range in losses from one period to another (Figure 46). Non-inheriting operators lost more uniformly than inheriting operators, although they reported no losses earlier than 1880 (Figure 45).

Conditions Affecting Accumulations and Losses of Farm Wealth. The foregoing discussion indicates the inadequacy of available data for a complete

Dollars

93



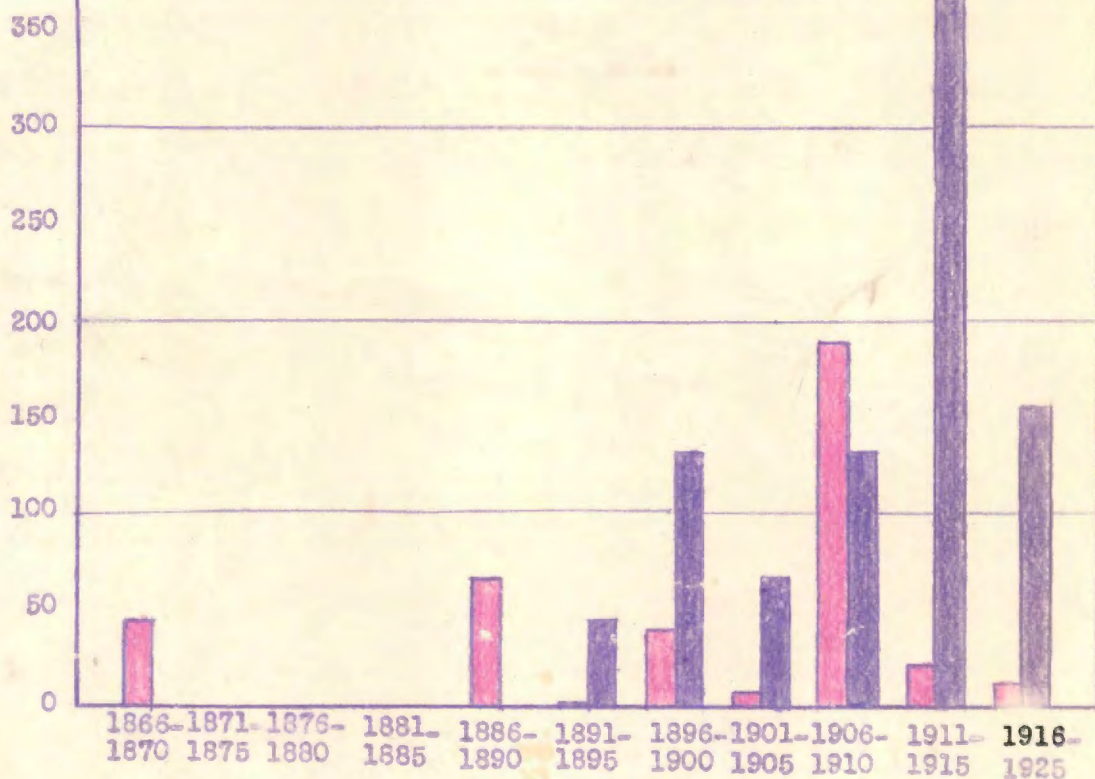
Source: Based on Appendix Table VII

Owners

Tenants

Figure 43. Average Losses of Non-Inheriting Owners and Tenants per Operator, by Five-Year Periods, 1880-1920, Selected Counties, Tennessee

Dollars



Source: Based on Appendix Table VII

Owners

Tenants

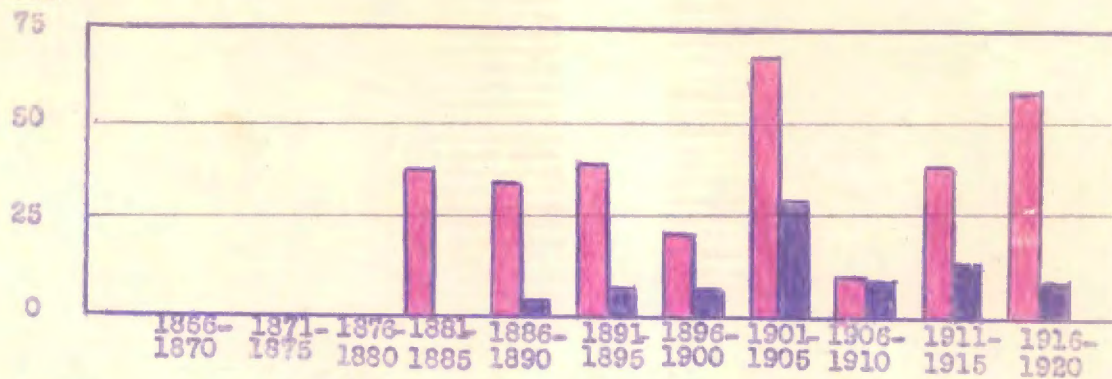
Figure 44. Losses of Inheriting Owners and Tenants per Operator, by Five-Year Periods, 1880-1920, Selected Counties, Tennessee

analysis of losses of farm operators. Several factors are suggested as possible reasons for the losses to farm operators during this period. The years following the Civil War were abnormal in that there was considerable readjustment necessary arising from the freeing of the slaves, and the recapitalizing of farm operations with limited credit available. The agricultural expansion of the entire country resulted in changes in the type of farming in all areas. The wholesale price of farm products fell until 1896, then rose until 1920. Losses were more frequent and larger from 1896 to 1920, for the operators studied, but their gains were even greater, so the net result was an increase in accumulations. The Granger movement, followed by the Farmers Alliance, is indicative of the unrest that accompanied the period of falling prices, from the Civil War to 1896.

It should be remembered, in making comparisons of the farmers enumerated, that they may not have been truly representative of the agricultural situation at any given period except for the period in which the schedules were taken. It is possible that the more industrious and adventurous individuals in the areas considered moved on to the expanding agricultural areas of the west. Then too, those farm operators who were unable to compete successfully with their neighbors may have been compelled to cease farming before the records of this study were taken. A third reason for the possible non-comparability of the data for the various periods is that in the early periods all of the farmers studied were young men. Only those who were young during the early periods of the study would have lived to be enumerated as farm operators in 1920-21.

With these points in mind, it is suggested that a further study of losses and gains in the accumulation of farm wealth is desirable, using the same farm

Dollars

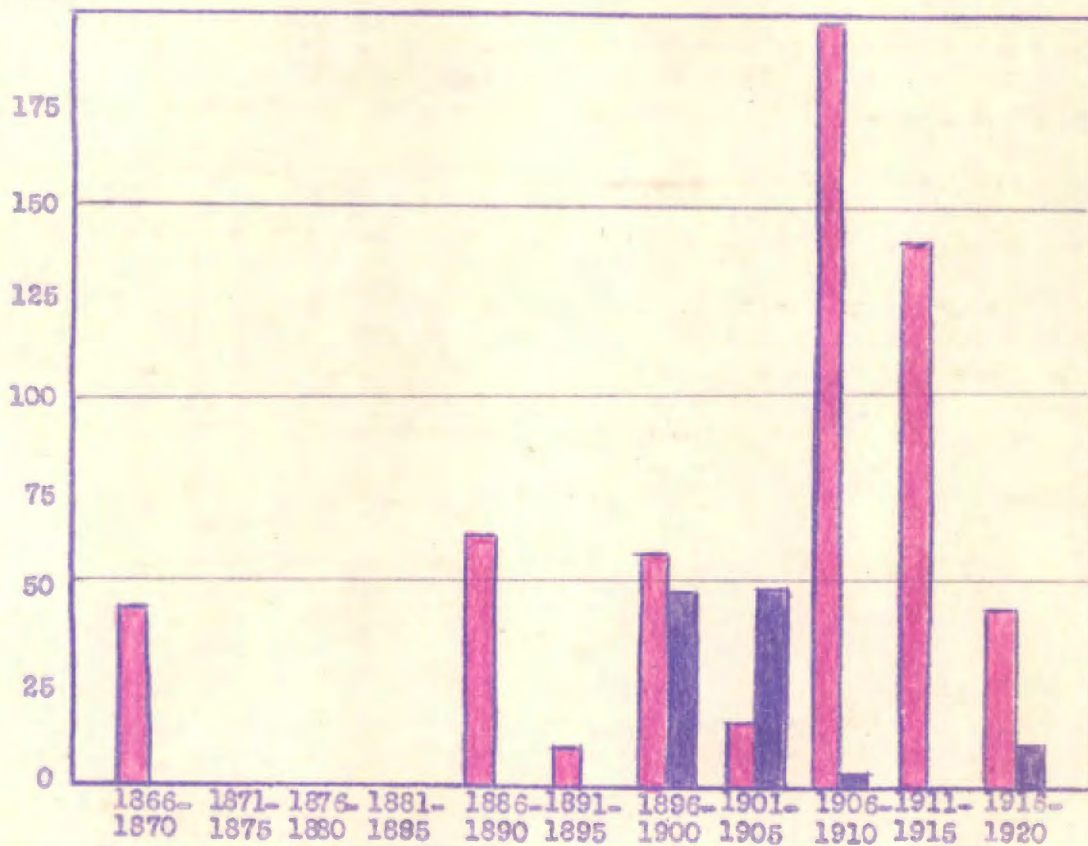


Source: Based on Appendix Table VII

Legend
■ White ■ Colored

Figure 45. Losses of Non-Inheriting White and Colored Operators, per Operator, by Five-Year Periods, 1866-1920, Selected Counties, Tennessee

Dollars



Source: Based on Appendix Table VII.

Legend
■ White ■ Colored

Figure 46. Losses of Inheriting White and Colored Operators, per Operator, by Five-Year Periods, 1866-1920, Selected Counties, Tennessee.

operators at succeeding intervals, in order that a complete history of all operators entering into, or ceasing to farm be secured, and which would be truly representative of the farming situation in a given area.

Effect of Age on the Accumulation of Farm Wealth

Effect of Age on Labor Income. Records of farm operators have been studied to determine the relation of age to earnings. McCord⁽¹⁾ found in a Pennsylvania study that "The younger men tended to make the higher labor incomes, while those 55 years old or older made less than average incomes. Those 70 years old or older were able to about maintain themselves; that is to pay all expenses, interest at 5 per cent on money invested, and have a few dollars for their year's labor. In few other lines of activity could one find men 70 years of age and older able to make a living and earn interest on their investment in the business. The interesting point, however, is that the younger men were able to make materially larger incomes". McCord's study shows a decrease in labor income with each ten years increase in age of the operator (Table XL). A similar

TABLE XL. THE RELATION OF AGE OF THE OPERATOR TO LABOR INCOME;
570 FARM OPERATORS, TIOGA COUNTY, PENNSYLVANIA

Age Group	Labor Income per Farm
Under 30 years	\$758
30 - 39	633
40 - 49	446
50 - 59	434
60 - 69	210
70 years and over	94
Average	\$442

Source: McCord, page 18 (see Footnote 1).

(1) McCord, J. E., A Farm Management Survey of Tioga County, Pennsylvania, The Pennsylvania State College, School of Agriculture and Experiment Station, State College, Pennsylvania, Bulletin 282, Nov. 1932, p. 18.

relationship was found in Livingston County, New York, by S. W. Warren (Table XLI).

TABLE XLI. RELATION OF AGE OF OPERATOR TO LABOR INCOME, LIVINGSTON COUNTY, NEW YORK

Age	1908	1918	1928
Under 30 years	\$694	\$283	\$779
30 - 39	687	416	755
40 - 49	633	286	517
50 - 59	636	136	141
60 - 69	485	- 60	184
70 or more	314	-222	- 98

Source: Warren, S. W., An Economic Study of Agriculture in Northern Livingston County, New York. Cornell University Agricultural Experiment Station, Ithaca, New York, Bulletin 539, May 1932, p. 171.

A study of unpublished data at the Tennessee Agricultural Experiment Station, on 150 farms indicates a greater earning capacity from 41 to 50 years of age than for either older or younger farm operators, with younger operators earning more than those in the under groups (Table XLII).

TABLE XLII. RELATION OF AGE OF OPERATORS TO LABOR INCOME, CROCKETT COUNTY, TENNESSEE

Age of Operator	Labor Income per Operator
Under 30 years	\$197
31-40	158
41-50	261
51-60	150
61-70	39
71 and over	129

Source: Crockett County Farm Management Survey, 1936, unpublished data. Tennessee Agricultural Experiment Station, Knoxville, Tennessee.

There is some difference in the times at which these studies were made, which makes the parallel findings even more significant than they would have

been had all studies been made at, or near the same time; the distribution of the cases over a period of years tends to give a more accurate indication of the relation of age to income than would be the case at a given time. A change in economic cycles would be expected to affect the income of farm operators, varying somewhat according to the time the operator began farming.

The earning power of industrial workers has been found to decrease with increasing age. "It is a fact that the earning power of modern industrial workers is, on the average, virtually lost at an age between sixty-eight and sixty-nine; and that nearly half of those over sixty-five are wholly incapacitated." (2)

The accumulation of farm wealth is a reflection of the operators labor income, and of the use of that income. While the operator is young he accumulates more from his labor income than from the interest on his investment. As his capital is increased the interest is added to his labor income, making his total wealth greater.

A rising or falling price level will materially affect the accumulations of wealth through the changes in inventory. During a period of rising prices interest rates tend to rise, because of the increased demand for capital. Wages are last to rise, but when prices continue to rise over quite a period of time the effect of the higher wages is felt in comparing two periods. Rising prices, interest, and labor tend to have a cumulative

(2) Denby, Charles, Jr., Do We Need State Old Age Pensions? Yes. The Annals, Vol. 170, November 1933, p. 95.

effect on the accumulation of farm wealth.

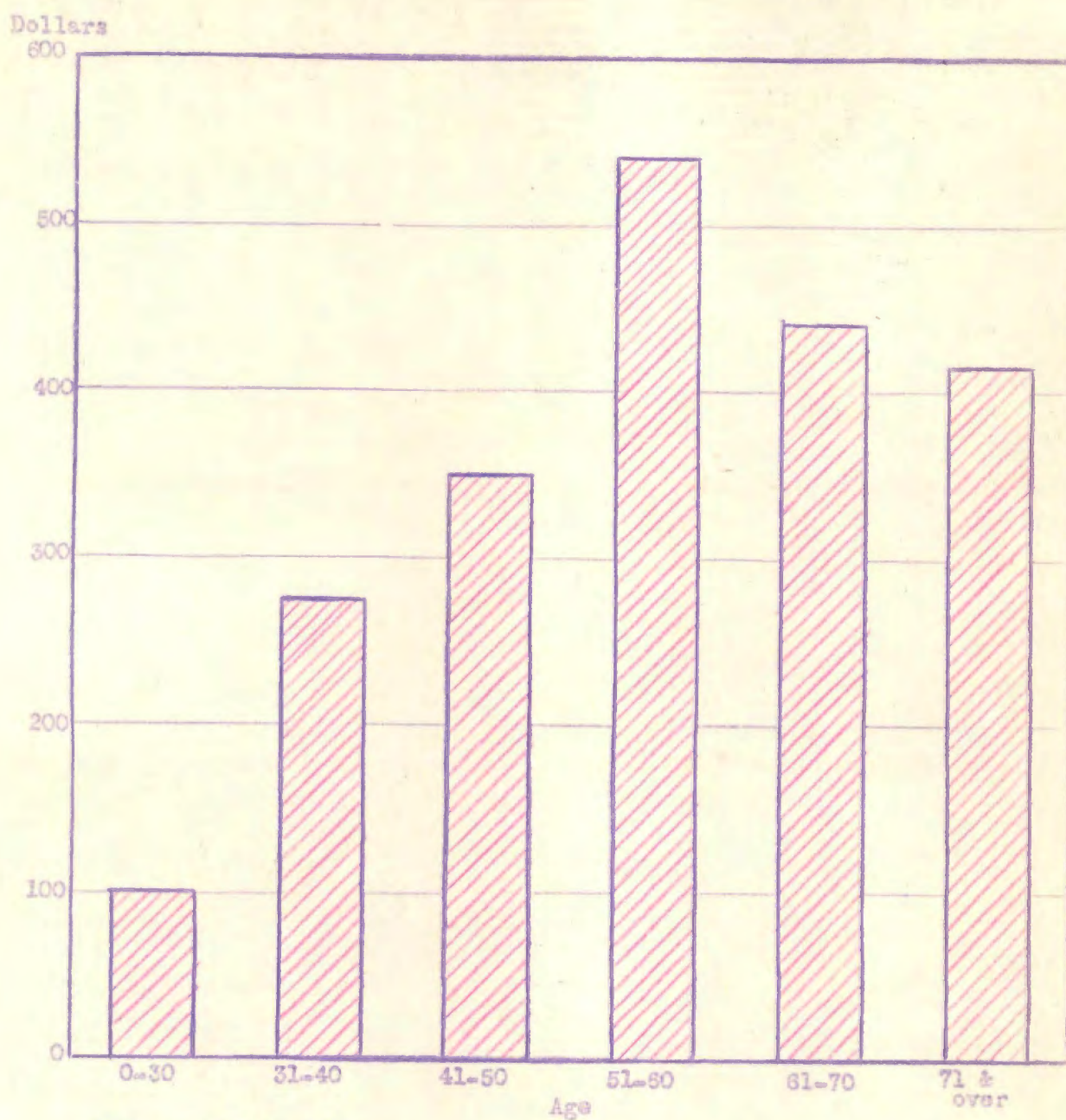
The Effect of Age on the Accumulation of Farm Wealth per Year. In this study the combined effects of rising prices, increasing interest rates and increasing labor are shown (Table XLIII). Assuming a decrease in labor income, as evidenced by McCord and Warren in Pennsylvania and New York, with increasing age of operators, the greater accumulations of wealth with each succeeding ten year increase in age, to 60 years of age, is probably due to an increase in the value of the inventory and an increase in the amount of interest received from invested capital.

TABLE XLIII. RELATION OF AGE OF OPERATOR TO ACCUMULATION OF FARM WEALTH, SELECTED COUNTIES, TENNESSEE

Age of Operator	Accumulation of Wealth per Year
0 - 30	\$101
31 - 40	275
41 - 50	349
51 - 60	541
61 - 70	442
71 and up	415

Source: Computed from Appendix Table VIII

After reaching 60 years of age the labor income is reduced, as shown earlier (Tables XL, XLI, XLII); yet accumulations have continued to increase, though not so rapidly as before the age of 60 (Table XLIII). The greater the rate of increase in prices of farm products the greater will be the accumulations of farm wealth in the older age groups, compared with the younger farm operators, due to their already having a larger inventory, and more capital invested, with wages being the last to increase. Figure 47



Source: Table XLIII

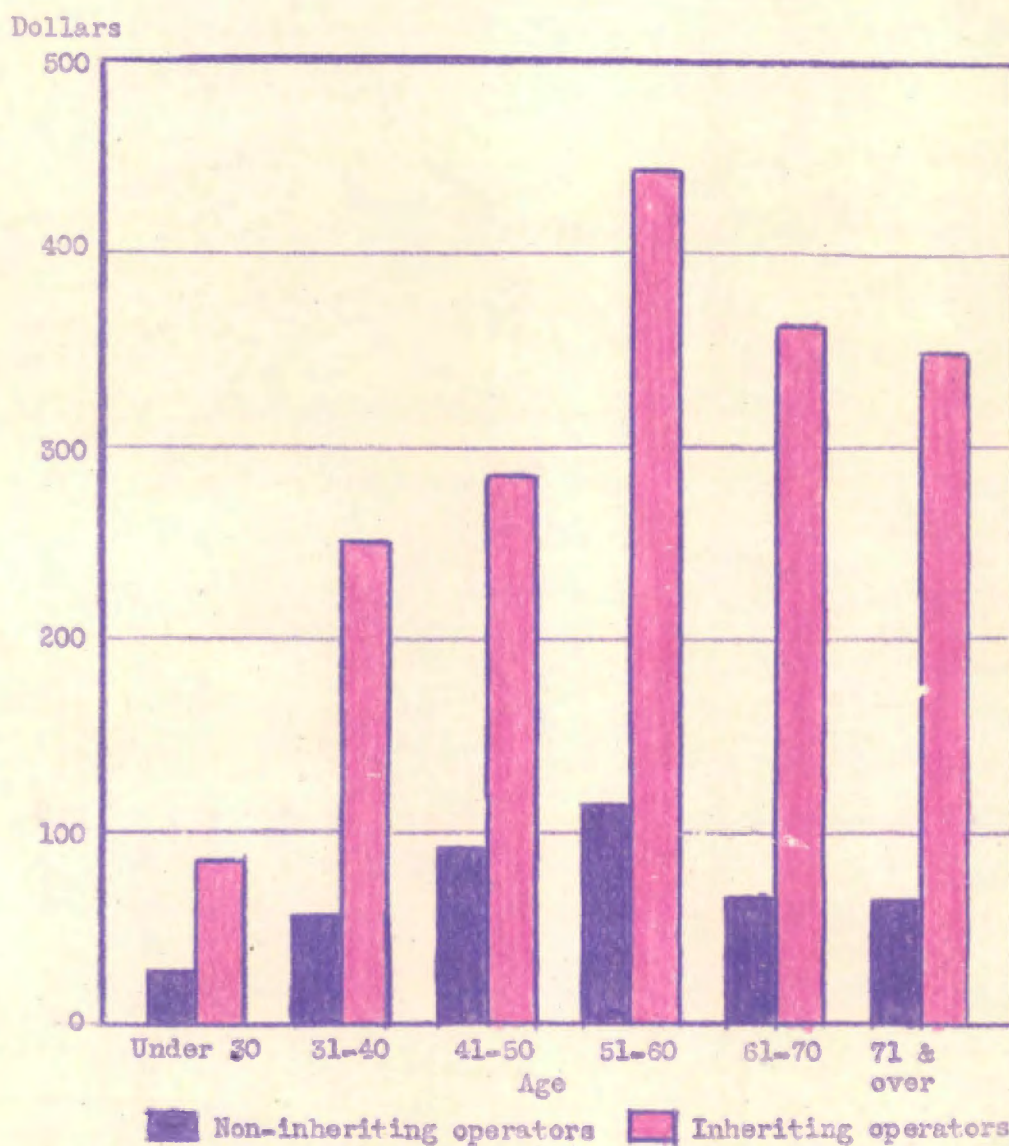
Figure 47. The Relation of Age of Operator to the Annual Accumulation of Farm Wealth; Selected Counties, Tennessee.

shows the annual accumulations of wealth per operator in relation to age of operator, in selected counties of Tennessee.

The accumulations of wealth given here is more indicative of the relation of age of operator to the accumulation of farm wealth than would be the case if all records covered only one year. The number of changes of wealth of farm operators was greatest for the lower age group, and decreased with succeeding ten-year average increase in age. There were 405 changes in wealth, by the 457 cases studied, before the operators reached the age of 30 years. The number of changes in wealth for succeeding age groups were 366, 245, 158, 58, and 14 changes for each ten year increase in age.

Effect of Age on Accumulation of Farm Wealth by Inheriting and Non-Inheriting Operators. Inheriting farm operators accumulated more per year for each age group than non-inheriting operators, the difference being greater in the age groups over 50 years of age (Figure 48). It was shown in Chapter II that a large proportion of inheriting operators received their inheritance before reaching fifty years of age. With the receipt of farm wealth in the form of inheritance, interest and increases in inventory tends to increase irrespective of the operator's ability as a laborer. His ability as an entrepreneur will influence the amount of wealth coming from interest and inventory change. When the influence of a rising price level is also considered, the significance of inheritance is shown. It should be kept in mind, however, that more advanced training and better opportunities are often afforded those who have inherited, or who are yet likely to inherit.

Considering that half of the inheritances recorded were under \$1000 (Figure 25) and that they were mostly received during the first twenty



Source: Based on Appendix Table VIII.

Figure 48. The Relation of the Age of Inheriting and Non-Inheriting Farm Operators to the Annual Accumulation of Farm Wealth, Selected Counties, Tennessee

years of farm operation (Figure 24) it may be concluded that the advantages gained, by even the small inheritances, over farm operators who received no inheritance, was the most important factor in the difference in accumulation of wealth by inheriting and non-inheriting operators.

Colored operators showed greater homogeneity in accumulations of wealth between age groups, for both inheriting and non-inheriting operators, than did white operators. The average annual accumulations of inheriting colored operators was greatest (\$190) from 31 to 40 years, and dropped rapidly with each succeeding ten year increase in age. No appreciable differences were noted between the accumulations of wealth, by age of operator, for the colored operators in the three counties studied.

Non-inheriting tenants accumulated less per year than inheriting tenants, and showed greater uniformity for the various age groups. Inheriting tenants showed no uniformity of wealth accumulations, by age, due in all probability to the small numbers represented in the older age groups.

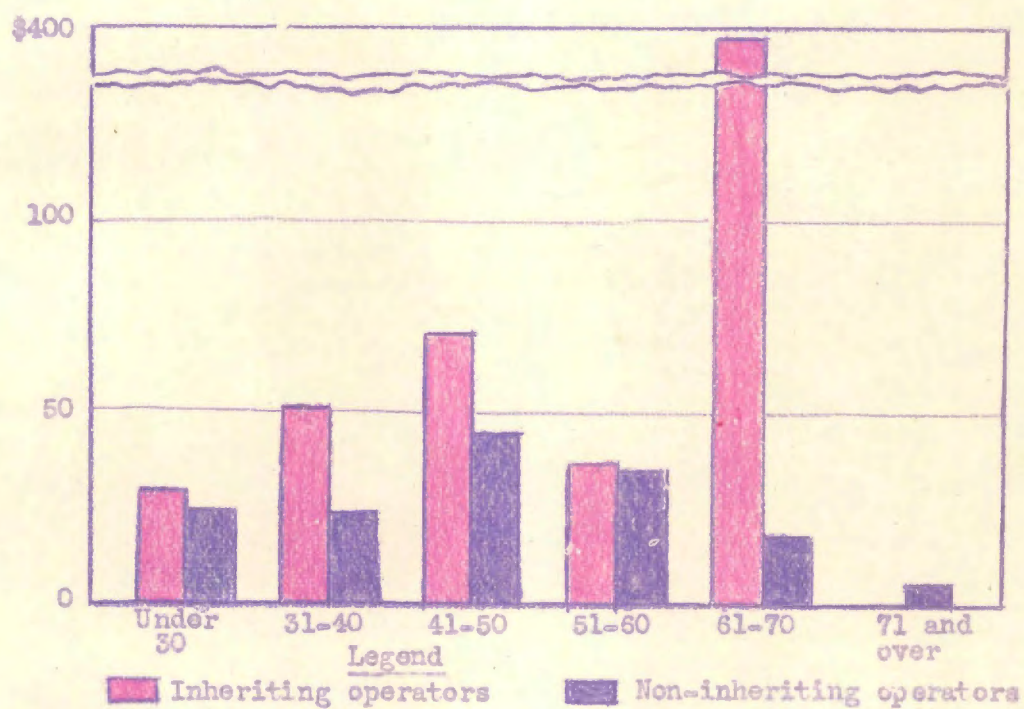
Losses at Various Ages. The inheriting tenants reported greater annual losses than any other group, most of their losses occurring between the ages of 40 and 60 years (Table XLIV, Figure 49). The losses in some

TABLE XLIV. LOSSES INCURRED BY FARM OPERATORS, BY AGE AT TIME OF LOSS; SELECTED COUNTIES, TENNESSEE

(Dollars)

Age	All Operators	Inheriting Operators	Non-Inheriting Operators
Under 30	26	29	25
31-40	36	52	24
41-50	56	70	44
51-60	36	37	36
61-70	215	398	18
71 and over	3	-	6

Source: Based on Appendix Table VIII.



Source: Table XLIV.

Figure 49. Losses Incurred by Farm Operators, by Age at Time of Loss, Selected Counties, Tennessee

age groups nearly equalled the total accumulations, leaving only a small net gain.

The inheriting operators between 61 and 70 years of age showed an abnormally large average loss due to the unusually heavy losses of a few operators. A difference of a year or two in the ages of these heavy losing operators would have distributed the losses over the higher and next lower age groups. It will be noted that no losses were reported for inheriting operators over seventy years of age. The inheriting operators showed greater variation in the amount of losses from one age group to another than the non-inheriting operators.

Since the inheriting operators accumulated much more than the non-inheriting operators (Figure 48) it was possible for them to lose more heavily. The same percentage loss would, therefore, be greater, as measured in dollars, for the inheriting operators than for the non-inheriting operators. In all likelihood the losses of inheriting operators would not so materially affect their standards of living as would the losses of non-inheriting operators.

White farm operators in all age groups showed greater losses than colored operators. Apparently they took greater risks, as they had more to lose. Colored operators lost most heavily from 41 to 50 years of age, showing a similar trend to that of the white operators (Table XLV).

Owner operators experienced fewer and smaller losses than tenant operators, the inheriting operators generally losing more than non-inheriting operators (Table XLVI). Non-inheriting tenants showed greatest uniformity of losses in the various age groups. This class included the majority of colored operators, and the white operators who had reached the older ages

without having become owners, or probably were not heirs.

Inheriting tenants lost more than any other group. These tenants usually inherited amounts insufficient to make a very large payment on a farm, or to buy more or better livestock and farm equipment, thus subjecting

TABLE XLV. LOSSES OF WHITE AND COLORED FARM OPERATORS AT TEN YEAR AVERAGE AGE PERIODS, SELECTED COUNTIES, TENNESSEE

Age	White		Colored	
	Inheriting Operators	Non-Inheriting Operators	Inheriting Operators	Non-Inheriting Operators
Under 30	\$33	\$37	\$ 9	\$ 4
31-40	55	31	17	15
41-50	75	62	31	21
51-60	39	52	12	18
61-70	425	28	25	1
71 and over	-	-	-	8

Source: Appendix Table VIII.

themselves to greater risk of non-payment of additional capital borrowed and to greater livestock losses and equipment maintenance.

The inheriting tenants that experienced the greatest losses were white operators (Table XLV and XLVI). Some of the tenants in this group had at

TABLE XLVI. LOSSES OF OWNERS AND TENANTS AT TEN YEAR AVERAGE AGE PERIODS, SELECTED COUNTIES, TENNESSEE

Age	Owners		Tenants	
	Inheriting Operators	Non-Inheriting Operators	Inheriting Operators	Non-Inheriting Operators
Under 30	33	32	20	22
31-40	21	14	178	28
41-50	37	54	209	37
51-60	15	9	214	53
61-70	223	1	1538	36
71 and over	-	-	-	13

Source: Appendix Table VIII.

one time been owners but had lost that status. Others included were young tenants who may yet become owners at a more advanced age. Some operators had reverted to lower tenures but had regained their tenure status. There are apparently several reasons, to be found in such irregularities, for the increase in the amount of losses of inheriting tenants with each ten year increase in age. The fewer cases reported in the older age groups makes direct comparison impractical from data now available.

Summary

1. Accumulation of farm wealth is influenced by age of operator, and the decade in relation to the economic cycle.
2. A farm operator normally accumulates more per year after passing middle age, due to returns on the capital which he has saved, and to lessened demands for family living.
3. Abnormally high prices during the World War period were accompanied by much greater accumulations of wealth by all tenures of farm operators than any other period covered by this study.
4. Wealth accumulations of non-inheriting operators were more sensitive to short time fluctuations of economic conditions than were those of inheriting operators.
5. White and colored inheriting operators are similar in their patterns of wealth accumulation, but colored operators always accumulated less than white operators.
6. Colored operators accumulated more with each succeeding five year period after 1876-1880, but their gains were not as great proportionally as were those of white operators.

7. Owner operators were able to accumulate more than tenants in all periods considered in this study.

8. Wealth accumulations of the white inheriting owners are probably to a large extent responsible for the difference in net worth existing between inheriting and non-inheriting operators; between colored and white operators, and between owners and tenants.

9. Losses were suffered by farm operators in all tenures, and during all periods studied.

10. White operators had more frequent and larger losses, per operator, than colored operators and showed a wider range in the amount of losses from one period to another.

11. Younger men were able to earn materially larger incomes, their earning capacity decreasing with increasing age.

12. A rising or falling price level will materially affect the accumulations of wealth through changes in inventory.

13. Rising prices, higher interest rates, and higher wages tend to have a cumulative effect on the accumulation of farm wealth.

14. The greater the rate of increase in prices of farm products the greater the accumulations of farm wealth in the older age groups, compared with younger farm operators, due to their already having a larger inventory, and more capital invested, with wages being the last to increase.

15. Considering that half of the inheritances recorded were under \$1000, and that they were mostly received during the first twenty years of farm operation, it may be concluded that the advantages gained, from even the small inheritances (over farm operators who received no inheritance) was one of the most important factors in the difference in accumulation of farm

wealth by inheriting and non-inheriting operators.

16. Colored operators showed greater homogeneity in accumulation of wealth, between age groups, for both inheriting and non-inheriting operators, than did white operators.

CHAPTER V
FARM LEASES

Provisions for Farm Improvements Contained in
Tennessee Farm Leases

Farm leases on Tennessee farms, contain a wide variety of provisions relative to improvements and maintenance of the farm, not directly associated with the tenants' business. Of 210 farm leases studied in three counties, Madison, Montgomery, and Williamson, 63 had some agreement between landlord and tenant regarding improvements (Table XLVII).

TABLE XLVII. PROVISIONS FOR FARM IMPROVEMENTS CONTAINED IN
FARM LEASES IN THREE TENNESSEE COUNTIES, BY COLOR, AND
TYPE OF LEASE

County	Share Lease		Cash Lease		Cropper Lease	
	Number of Leases	With Pro- visions	Number of Leases	With Pro- visions	Number of Leases	With Pro- visions
<u>Madison</u>	<u>25</u>	<u>4</u>	<u>17</u>	<u>3</u>	<u>39</u>	<u>1</u>
White	12	2	7	2	16	1
Colored	13	2	10	1	23	-
<u>Montgomery</u>	<u>10</u>	<u>9</u>	<u>4</u>	<u>1</u>	<u>62</u>	<u>31</u>
White	7	7	3	1	29	15
Colored	3	2	1	-	33	16
<u>Williamson</u>	<u>24</u>	<u>5</u>	<u>10</u>	<u>2</u>	<u>19</u>	<u>7</u>
White	19	3	10	2	15	3
Colored	5	-	-	-	4	2

Source: Survey Schedules.

More cropper and share tenants have provisions for improvements than cash tenants. A greater proportion of the tenants in Montgomery County had some

understanding with their landlord as to improvements than in either Madison or Williamson Counties.

Provisions for improvements varied greatly as to who was to make the improvements. Variations from requiring the tenant to work a given number of days free, to improvements being made entirely by the landlord were found. The prevailing principle seems to be for the landlord to furnish the material and the tenant to perform the necessary work, the tenant's reward being the use of the improvement. In some cases, however, the tenant was paid for his labor. In the case of cash tenants deductions of part of the rent was sometimes made by the landlord, for improvements made by the tenant with the landlord's permission.

Fencing was the most frequently mentioned improvement, but building remodeling and construction, roadway building, land clearing, and other improvements were mentioned, indicating that almost anything contributing to the betterment of the farm might be included.

The most significant point in this situation is that the landlord and tenant are considering improvements when entering into their contractual relationships. If they are accustomed to considering improvements now they may be expected to consider soil conservation, land utilization, and other long-time agricultural improvement practices in the future.

Provisions Regarding Specific Farm Practices and Management

Management and specific farm practices are often considered when drawing up leases on Tennessee farms. In some cases the management is not specifically mentioned but is implied by custom, and by the terms of the

rental contract. Of the 211 contracts studied 152 reported some form of management provision, or some specific farm practices to be followed, or not to be followed. There was no significant difference in proportion of all colored and white tenants for whom some provision regarding management or farm practices were made (Table XLVIII). A higher percent of the cropper leases for the colored operators than for the white operators contained provisions regarding management or farm practices.

TABLE XLVIII. PROVISIONS REGARDING SPECIFIC FARM PRACTICES AND MANAGEMENT ON 114 WHITE AND 97 COLORED FARMS IN THREE TENNESSEE COUNTIES, BY COLOR AND TYPE OF LEASE

County	All Tenants		Share Lease		Cash Lease		Cropper Lease	
	No. Reporting Provisions	Percent	No. Reporting Provisions	Percent	No. Reporting Provisions	Percent	No. Reporting Provisions	Percent
Madison	47	22.5	15	7.1	7	3.3	25	11.8
White	21	18.4	9	7.9	2	1.8	10	8.8
Colored	26	26.8	6	6.2	5	5.2	15	15.5
Montgomery	68	32.2	10	4.7	2	0.9	56	28.5
White	32	28.1	7	6.1	1	0.9	24	21.1
Colored	36	37.1	3	3.1	1	1.0	32	33.0
Williamson	37	17.5	16	7.6	6	2.8	15	7.1
White	30	26.3	13	11.4	6	5.3	11	9.6
Colored	7	7.2	3	3.1	-	-	4	4.1
All white	83	72.8	29	25.4	9	7.9	45	39.5
All colored	69	71.1	12	12.4	6	6.2	51	52.6

Source: Survey Schedules.

Variations from complete control by the tenant to complete control of all operations by the landlord are to be found. In many cases only a few points are mentioned, such as spreading of manure, time to cultivate, crops to raise or not to raise, or time to quit work in the evening. Other cases

are reported in which there is mutual agreement, after some discussion, of the practices to be followed. It is indicated that neither landlord nor tenant has complete authority in such cases. Sometimes the landlord only makes suggestions, while in other cases the tenant is practically required to accept what the landlord requests.

Landlords exercised a greater degree of supervision over the farm business and labor of cropper tenants than over the share or cash tenants. Cash tenants more often had complete control of the farm than share tenants. This supervision by the part of the landlord indicates greater experience and ability, which accrues to the benefit of the tenant, and is reflected in the type of contract used.

These specific farm practices and management provisions are an indication of the desirable flexibility of farm lease provision, making for greater equitableness between landlord and tenants.

Method for Comparing Contributions and Receipts of Landlord and Tenant

A study of the contract between a landlord and tenant is one of the best methods of determining whether or not the lease is equitable. A value should be placed on each item entering into the farm business, either the known cash value or a fair estimate. Below is a form for use in planning an equitable lease or in reviewing the year's business to determine its fairness to each party.

All figures should be entered by mutual agreement, and should represent a fair allowance for each item. It is desirable to have the items separated to facilitate analysis. Not all items will appear in any given situation,

so will be disregarded after it has been determined that the item in question does not enter the contract. For example, a given farm may have no woodland pasture, no expense for tractor fuel, or no income from honey.

Problems of valuation of property, interest, depreciation, repairs, insurance, taxes, wages, management, and others are discussed on pages 120 to 132 inclusive.

The totals of each party's contributions and receipts will serve as a check for determining the fairness of the contract between landlord and tenant. When the total contributions and receipts have been calculated, the proportion of each party's receipts should equal the proportion of his contributions. If they are unequal, adjustment can be made either by changing the proportion of some items of the contribution, or by changing the division of certain receipts.

Item	Description	Value	Labor	Inter- est	Depre- cia- tion	Re- pairs	In- sur- ance, Fire	Risk Against Loss Other Than Fire	Taxes	Total
Real Estate										
Land in crops										
Pasture, cleared										
Pasture, woodland										
Woodland, not pastured										
Garden										
Truck patches										
Farm yard										
Barn lots										
Lanes and roadways										
Idle land										
Waste land										
Tenants house										
Barn										
Other buildings										
(list separately)										
Space in owners bldgs.										
used by tenant										
Fence for pasture										
Fence for crop land										
Garden fence										
Truck patch fence										
Poultry fence										
Fence for barn lots										
Fuel										
Water system										
Posts and lumber										
Sand, gravel, or stone										
Other real estate										

Carried forward

CAPITAL CONTRIBUTION (continued)

[illegible]

OPERATING CONTRIBUTIONS

Item	Description	L	T
Supplies			
Fertilizer			
Lime			
Seed (list each kind used)			
Plants			
Grease			
Oil			
Tractor fuel			
Twine			
Baling wire			
Bones, bags, crates, etc.			
Spray materials			
Stock dips			
Disinfectants			
Salt			
Feed for team			
Feed for other livestock			
Feed bought			
Bedding			
Other supplies			
Services			
Veterinary			
Shearing			
Shoeing			
Use of auto			
Telephone			
Marketing			
Freight			
Hauling			
Storage			
Credit endorsement			
Commissions			
Advertising			
Registration fees			
Service fees			
Thrashing			
Hulling seed			
Scarifying			
Cleaning			
Ginning			
Stile filling			
Feed grinding			
Baling			
Seed testing			
Seed treatment			
Other services			
Carried forward			

RECEIPTS

Item	Description	L	T
Crop Receipts			
Grain (List each separately)			
Seed sold			
Pasture			
Hay			
Straw			
Bedding			
Cotton and cottonseed			
Tobacco			
Fruit			
Vegetables			
Peanuts			
Other			
Livestock Receipts			
Cattle sales			
Hog sales			
Sheep and lamb sales			
Goat sales			
Horse & mule sales (including jacks and jennets)			
Milk or B.F.			
Eggs			
Wool			
Meat			
Poultry sales			
Receipts of service fees			
Others			
Other receipts			
Labor (On crops & not otherwise listed)			
Team labor			
Machinery & equipment hired out			
AAA payments			
Honey			
Timber			
Others			
Total			

SUMMARY

Item	Receipts		Contributions	
	L	T	L	T
Crop Receipts			X	X
Livestock receipts			X	X
Other receipts			X	X
Total receipts			X	X
Capital contributions	X	X		
Operating contributions	X	X		
Other contributions	X	X		
Total contributions	X	X		
Receipts less contributions				

How Certain Items Should Be Valued

Valuation of Property. - Farm real estate is variously valued, depending to some extent, on the purpose for which it is appraised. Tax assessed value, selling price, capitalized rent, speculative value, and agricultural value are types of valuations used for various purposes.

Tax assessment of farms vary greatly from farm to farm depending on size and value of the farm, assessment at previous appraisal, and the influence of the owner with the assessor. Tax appraisals in this locality average about two thirds of the values estimated by the farm owners. This appraisal is sometimes used in comparing the values of similar farms rather than as a value for actual farming. ⁽¹⁾

Selling price is quite variable, depending on the terms of sale, advertisement, location, reasons for selling, number of buyers, and the buyers'

(1) Farm Management Study of 151 farms in Overton County, Tennessee, unpublished data, Tennessee Agricultural Experiment Station.

whim. Cash sales are usually lowest, easier terms commanding higher prices. Over a period of time, in an agricultural community the selling price tends to equal the true value for farming, but may be very different for a given farm at any stated time, and therefore is unreliable when used alone.

Valuations may be figured by capitalizing the rent received when the same rental had been paid for a considerable period. A small change in rent will materially change the valuation. This method of appraising farm real estate is unsatisfactory where a share of the crop is paid as rent, due to the wide fluctuations in yield from year to year. On this basis values may be high one year and low the next.

In some places land values change rapidly, irrespective of ability to produce. Such influencing factors as nearness to urban centers, alternative uses, prospects of new roads, electric power lines, railroads, or governmental land purchase may cause changes in land values from the standpoint of possible resale.

The actual value of the land for the purpose for which it is to be used should be the basis of determining the valuation. On the farms under consideration the land is being used exclusively for agriculture. The productive capacity of the land is the determining factor in the valuation. Normal seasons and prices should be used, rather than the yields and prices for any one year.

Interest. - Interest is the value of the contribution of invested capital in the farm business for the year. The rate of interest to use may be figured from several points of view, all of which have merit, and all reach about the same conclusion when all factors are considered. The rate of interest is dependent on the risk involved in the investment, the frequency of reinvesting, the abundance of capital, comparative advantages of alternate investments, the cost of administering, and whether or not they are taxable.

Investments that are amply secured, with little likelihood of loss, command lower interest rates than when there is a greater element of risk involved. The greater the risk, the higher the rate of interest must be to compensate for the risk. An investment that is continuous over a long period of time attracts lower interest rates than short time investments.

The necessity for finding new investments, and the intervening time with no interest accruing, make the more frequent turnover of capital less attractive as an investment, thus demanding a higher rate of interest. Farm investments may be divided into long and short term, for the purpose of determining a fair rate of interest, the long term investment being real estate and the short term being chattel property.

In a new country capital is relatively scarce, with a high rate of interest, but as the country grows older savings and accumulations of capital reduce the gains to be secured from investments, with a corresponding reduction of interest. Present interest rates are much lower than they were in the earlier days of this country. With a choice of several places to invest a given sum the capitalist will choose the investment yielding the greatest return. As fewer suitable alternatives are available the rate of interest is lowered. On a given farm there may be limited capital, but the rate allowed should approximate that for similar capital in the community.

The cost of administering capital may be quite variable, depending upon the above items, method, time, and place of payment of interest and principal, influence the cost of administration. Large cash payments at infrequent intervals are usually more desirable to the creditor than frequent small payments. Payments in kind are less desirable, as they require time and expense

for liquidation.

Weighing the above points, we may assume that the interest rate for farm real estate should be comparable with other conservative investments. If the tax on the farm is considered as a separate item of expense, the interest rate should be more nearly that of tax exempt securities. The mortgage rate of interest normally includes some allowance for administrative costs, alternative investments, and risk, and is therefore higher than justifiable for the investment alone, if these factors are otherwise compensated for. In no case should the allowed interest rate be greater than the mortgage rate. A rate approximating the tax exempt bond rate seems fair for estimating the value of the contribution of the owners real estate to the farm business. The personal property investment, having a higher rate of turnover and consequently a greater administrative cost may well be allowed a somewhat higher rate of interest.

Depreciation. - Assuming that the land itself is stable in value, depreciation can be limited to improvements and chattels, the most important of which are buildings, fences, machinery, and livestock. The depreciation of buildings varies greatly with the type of construction, use, and amount and kind of repairs. The materials used, the soundness of construction, and the solidness of the foundation greatly affect the length of life of buildings. The original cost of construction from which the value of the building materials at the end of the useful life has been subtracted, may be divided by the years of useful life to determine the annual depreciation. For example a building may have cost \$500.00 to construct; its estimated useful life is 25 years, and its value at the end of that time may be \$25.00. The annual depreciation will be $\frac{\$500 - \$25}{25}$ or \$19.00.

The use to which a building is put influences both the rate of depreciation and the amount of repairs. Buildings used for housing livestock are subjected to greater wear than buildings for storage only. When the buildings are maintained in nearly their original condition a low rate of depreciation should be charged, as the added cost of repairs will tend to offset the depreciation.

Often the original cost of construction is unknown. A fair appraisal value may be taken to substitute for the original cost. Cost of replacement is hardly accurate, as the building in question is no longer new, or could not be replaced at its present utility value. The cost of replacement is also quite variable from year to year, depending upon the price of materials and the wages paid.

Fences normally depreciate at a more rapid rate than buildings; the kind of fence, construction, and stock fenced against being the more important factors in determining the rate of depreciation. The same method is used in estimating the depreciation on fences as on buildings. Due to the shorter life, and the more constant value of materials, the cost of replacement may be used to better advantage for fences than for buildings. If cost of replacement is used as a base, allowance must be made for the difference in condition, and probable length of life, between a new fence and the one being appraised. Little or no allowance for scrap value is made for fences, depending to some extent on the kind of material. Steel posts depreciate but little, if they do not rust.

The depreciation of farm implements and equipment varies greatly from farm to farm, and with different implements. The amount used, care taken, age, and kind of machine have a marked effect on the length of life.

Case (2) says of machinery depreciation, "A depreciation of 10 per cent annually on the cost of new machinery is usually considered a fair charge to cover depreciation of machinery as a whole. Certain types of machinery wear out more quickly than others; also the amount of use, kind of care, and age of machines will determine the actual rate of depreciation. It will normally vary from 7 to 15 per cent on different farms. Such implements as gas engines and tractors used heavily will have a heavier depreciation charge."

If, after a few years, it can be seen that the machine will last longer, or will wear out more quickly than was at first estimated, the annual depreciation can be adjusted accordingly. Depreciation, then, is the actual decrease in value during the year, and is chargeable to the business of that year.

Repairs. - Repairs should be distinguished from depreciation. Repairs are usually considered as the cost of keeping the items in question in a useful condition, aside from normal wear. Examples of building repairs are new window panes, replacement or renailling of siding boards, or fixing a hole in the roof. Fence repairs include the replacement of broken posts, restapling the wire, restretching the barbwire, or mending broken line and stay wires; machinery repairs are such items as a new plow-share, sharpening cultivator shovels, a new section bar for the mower, or a new gear for the grain drill.

Repairs are usually the small replaceable parts, but may include items so large that the machine, fence, or building is worth more than it was before the repairing was done. It will then last longer than originally

(2) Case, H.C.M., An Analysis of Farm Leases for the Corn Belt States, Report of the Farm Lease Committee of Financial Section, American Life Convention, St. Louis, Mo., October 1, 1932.

estimated, because of the repair. If the cost of the repair was about equal to the usual cost of repairs plus the allowance for depreciation, no depreciation need be charged for that year. If the amount exceeds this expenditure there has probably been an appreciation in value, with a correspondingly longer life. In such a case the usual cost of repairs and allowance for depreciation should be allowed, and the additional expenditures treated as an investment. In the case of buildings, repairs are not made every year and may be proportionally larger when they are made. The average annual cost of repairs should be used in arriving at the contribution of the owner to the farm business for any one year.

Insurance. - Insurance is payment for the risk of loss. Investments in buildings and their contents, fences, and chattel property are subject to complete loss by fire, wind, flood, tornado, etc. These losses may never occur on a particular farm, but may cause complete loss on another farm. Because of the possibility of loss the owner is entitled to compensation in proportion to the risk involved. In some cases the owner does not care to assume this risk, and pays an insurance company to do so. In either case it is a contribution to the farm business for which the landlord should be compensated.

The rate of insurance will vary considerably. As the chance of loss increases the rate will increase. If the insurance is carried with an insurance company the actual cost to the landlord should be allowed as his contribution to the farm business, provided the full value of the property is covered by the insurance. If the landlord assumes the risk himself he is entitled to the same rate of compensation as he would have to pay the insurance company to take the risk.

Buildings and their contents are generally insured at a greater cost per \$100 of value than fences and machinery, because of the greater chance of destruction. However, when the machinery is stored in the buildings for the greater portion of the time it should take the same rate as the buildings themselves. Fences may be insured at a low rate where there is little danger from fire, but in communities where there is much burning of forests, grass, or old debris the rate of insurance will be higher. About two thirds of the rate paid for building insurance may be paid for the insurance of fences.

Tax. - Usually all, or the greatest proportion, of the tax must be paid by the landlord from his share of the farm receipts. When the interest rate is allowed at a similar rate to that of tax exempt securities, the tax should be considered as a contribution of the landlord. If, on the other hand, the interest rate is as high as is paid on non-tax-exempt securities no allowance need be made for tax in estimating the landlord's contribution to the farm business.

On a few farms the tenant may pay the taxes as a part of the rental agreement. If such is the case the tax should be considered as a contribution of the tenant similar to cash rent.

Feed Bought. - Farms keeping livestock often buy a portion of the protein feed. This is particularly true in feeding dairy cows, poultry, and hogs. Feed of this kind represents adding fertility to the farm through the manure. If the tenant buys such feed for his own livestock he is enriching the land by adding to its fertility. If the landlord keeps livestock to which he feeds more than is produced on the place he is entitled to credit for the fertilizing value of the feed.

Wages for Labor. - Labor is one of the largest contributions of the tenant to the farm business. The fact that a man is a tenant instead of a farm laborer is, in part, influenced by his experience and ability. In spite of any superior ability, the allowance for labor should be the same as the prevailing wage for farm labor. Income above this amount is creditable as entrepreneur's risk rather than labor.

The landlord's labor is worth no more as labor than the tenants, if allowance is made for his contribution as a manager. For the same work done, the value of the labor required is no greater if performed by one person than by another.

There is often some difference in the daily wage between summer and winter, but the length of day is a factor. For purposes of estimating the value of the labor contribution to the farm business, the wage paid for an average day's work is reasonable.

Team Labor. - Two bases for estimating the value of the work done by horses or mules are: first, a proportionate share of the cost of maintenance; and second, the amount commonly paid for the use of teams in the community. The cost of maintenance will include the cost of the feed, proportionate share of the annual building costs for housing, veterinary expense, interest on investment, labor for care, depreciation due to increasing age, and insurance against loss or unsoundness.

It is quite difficult to estimate the cost of maintenance of a team because of variations in the elements involved. Feed prices often are doubled in the course of a year. A favorable winter may lower feed requirements, where pasture is available. Housing costs will remain about constant from year to year. Veterinary expense is extremely variable and cannot be

accurately estimated for a few animals on one farm for any year, but can be fairly well estimated over a period of years, or for a large number of livestock. Interest, depreciation, insurance, and care are fairly uniform from year to year.

Factors determining the cost of maintenance are estimates, so a value for team labor, based on these estimates, can be no more accurate than the estimates themselves. Another disadvantage of using the cost of maintenance as a value of horse or mile labor is that part of the time they are idle. The question here is what portion of this idle time is chargeable to the tenants crops, and what portion to the work they do that is not connected with the landlord-tenant relations?

The current price paid for team hire is a simpler method for determining their contribution to the farm business. Here it is necessary to get the number of days actually worked and multiply by the daily wage. The principle is that the team is worth the same as the amount for which another team could be hired. In some sections a man works two days for the use of a team for one day, thus establishing the team wage at double the amount paid for a man's labor.

Value of Management. - It is generally accepted that the ability to manage well should receive compensation. Bausman⁽³⁾ found from a study made in Delaware that the experience of the landlord made considerable difference in the value of the supervision he could render to the tenant. Visits made to the farm by the landlord for his own personal satisfaction, or to look after other interests, can hardly be classed as supervision.

(3) Bausman, R. O., Farm Tenancy in Delaware, University of Delaware Agricultural Experiment Station Bulletin No. 178, August 1932, p. 61.

"If, on the other hand, the purpose of the visit were to advise with the tenant relative to the farm business, it may be termed supervision",⁽⁴⁾

In cases where the landlord has only a limited knowledge of farming it is questionable if the supervision is of much value as a contribution to the farm business. Bausman concluded⁽⁵⁾ that, "The active and retired farmer landlords and the professional landlords, by virtue of their experiences, were in a position to give their tenants useful supervision".

Any allowance made for the supervision and management given by the landlord is necessarily an estimate. An adjustment must be made for each individual, as the returns for management would be affected by the ability to manage. On some farms the landlord may spend his entire time managing the farm and overseeing the work of the tenants and laborers. Such a landlord should be compensated accordingly.

Some tenants may be more capable of management than their landlords. Others, though not skilled managers, are able to make more as a tenant under their own management than they could make as a farm laborer. When such is the case they too should be allowed some compensation for their ability as managers.

With a low interest rate for the landlords investment, some allowance should be made for management. This can be estimated at the cost of securing a disinterested party to look after the landlord's interests and to direct the work of the tenant.

(4) Ibid, p. 23.

(5) Ibid, p. 111.

Risk. - Risk is the chance taken in farming. There may be loss from flood, hail, drought, insects, tornado, or other natural phenomena. When one engages in farming he invests capital and labor, with the expectation that it will yield a suitable return on his investment, plus a sum for his willingness to engage in a business which may result in a loss. The risk may be entirely with the landlord, or with the tenant. Usually there is some risk on the part of each, but it is not always in equal proportions. On cropper farms the landlord takes a greater share of the risk than the tenant, while on cash rental farms the tenant assumes much of the risk.

Miscellaneous Items. - Sometimes the landlord furnishes transportation in order to expedite the farm work. A repair part for the mower or corn drill may make a big difference in the harvest, depending on the weather. If the landlord goes for the repairs, or takes the tenant he should be allowed compensation sufficient to repay him for his trouble.

Landlords are often in better bargaining positions than tenants, and can buy fertilizers and supplies for less than the tenant. This is a saving to himself and to the tenant as well, and is a service to the tenant which the tenant could not render for himself. Credit is often advanced the tenant by the landlord in any of several forms, such as payment for fertilizers and supplies, endorsing notes, or guaranteeing accounts. At times cash is loaned.

These, and other miscellaneous items are mostly in the nature of a service for which the landlord is entitled to compensation, and they should not be overlooked when the landlord's returns are figured.

Distribution As Between Cropper and Laborer. - In a contract between a landlord and cropper, where the cropper works some for the landlord in

addition to making a crop, the question arises as to how much of the landlord's contribution is given as part consideration for producing the crop, and how much is in part payment for labor. It must be determined whether the landlord gave him some land to farm, and "furnishing", so as to have an available labor supply when needed, or whether he hired the cropper part time as a contribution in addition to his crop.

Inasmuch as these two are often so inter-related, it is difficult to say what the true situation really is. To avoid confusion, a division may be made, if desired, according to the amount of the tenants receipts as a cropper, and the amount received as a farm laborer. Items of the landlord's contribution applying directly to the crop should be excluded when dividing the items chargeable to the tenant as cropper and as a laborer.

To illustrate, a landlord provides a tenant with a house, barn, garden, truck patch, pasture, and fuel valued at \$150. In addition he provides the requisites for a crop, valued at \$75. He hires the tenant for eighty days during the year for \$60. The tenant receives \$120 from his share of the crop. On this basis the tenant received one third of his income from labor for the landlord, and two thirds as a cropper. The \$75 is a direct contribution to the crop so does not enter the problem. The \$150 is divided on the basis of two thirds (\$100) to the tenant as a cropper, and one third (\$50) as a laborer.

Analysis of Contributions and Receipts Under Three
Types of Leases

Following are three examples of the contributions and receipts of landlords and tenants on three farms, each with a different type of rental contract. These farms are located in the northeastern part of Middle Tennessee, on what is known as the Eastern Highland Rim (Figure 50). The soil of this area is mostly of limestone origin. The region shows considerable erosion because of hilly topography, and the cropping system. Corn is the principal crop. The area is above the state average in percentage of improved farm land, with 46 per cent. Eighty per cent of the area is in farms. (6) The three farms included in this study are of about average agricultural value for their communities.

The records, from which the summaries and analyses are made, were taken on the farm for the 1936 crop year. Since 1936 was a year of severe drought, an estimate of a normal year is given in each case, based on average yields and prices. Some communities received a local shower or two in 1936, which gave them a slight advantage over the surrounding territory. The landlords were contacted first, followed by an interview with the tenants. Collateral data was secured by neighborhood visitations.

Rental contracts vary from farm to farm, and from one locality to another. What may be a fair distribution of income in one case may be unfair in another, depending upon the contributions to the farm business by each party. The joint working of a cropper and landlord is considered

(6) Inventory of Land Use in Tennessee, C. E. Allred, et al., p. 20,
Tennessee Agricultural Experiment Station Monograph No. 5,
February 1936.



Figure 50. Area Represented by Study of Leases

as a farm unit, separate from the other farm operations of the landlord.

The analyses of these three farm leases points out the degree of equitability for both landlord and tenant, under the situations in which they are in operation.

Example of a Cropper Contract

This cropper farmed on this place in 1936 and is making a crop in 1937, but will move at the end of the 1937 crop year. The topography of the farm is rolling, for the most part, rising at the rear of the farm to a small mountain. Most of the farm is cleared and in crops.

TABLE XLIX. STATEMENT OF CONTRIBUTIONS AND RECEIPTS

Contributions			
Name of Item	Description	Landlord	Tenant
Land			
Interest	\$320.10 @ 5%	\$16.01	0
Tax	\$2.30 per \$100 valuation	7.36	0
Buildings			
Interest	\$121 @ 5%	6.05	0
Tax	\$2.30 per \$100 valuation	2.79	0
Insurance	\$2.25 per \$100 valuation	2.32	0
Depreciation	Present value less junk value divided by estimated unused length of life	6.30	0
Repairs	Materials only	4.00	0
Fences			
Interest	\$25.54 value @ 5%	1.28	0
Insurance	\$1.50 per \$100 valuation	.38	0
Depreciation	Present value divided by unused length of life	2.18	0
Repairs	Materials only	1.25	0
Machinery and equipment	Value of use on tenant crop	4.00	.50
Operating supplies & expenses	Seed, fertilizer, etc.	9.75	14.33
Team Labor			
Work on crop	35 days @ \$1.50 per day	52.50	0
Other work for tenant	4 1/2 days @ \$1.50 per day	6.76	0
Management	Entirely by landlord	10.00	0
Labor	88.8 days @ 75¢ per day	.30	66.30
		\$133.23	\$81.13

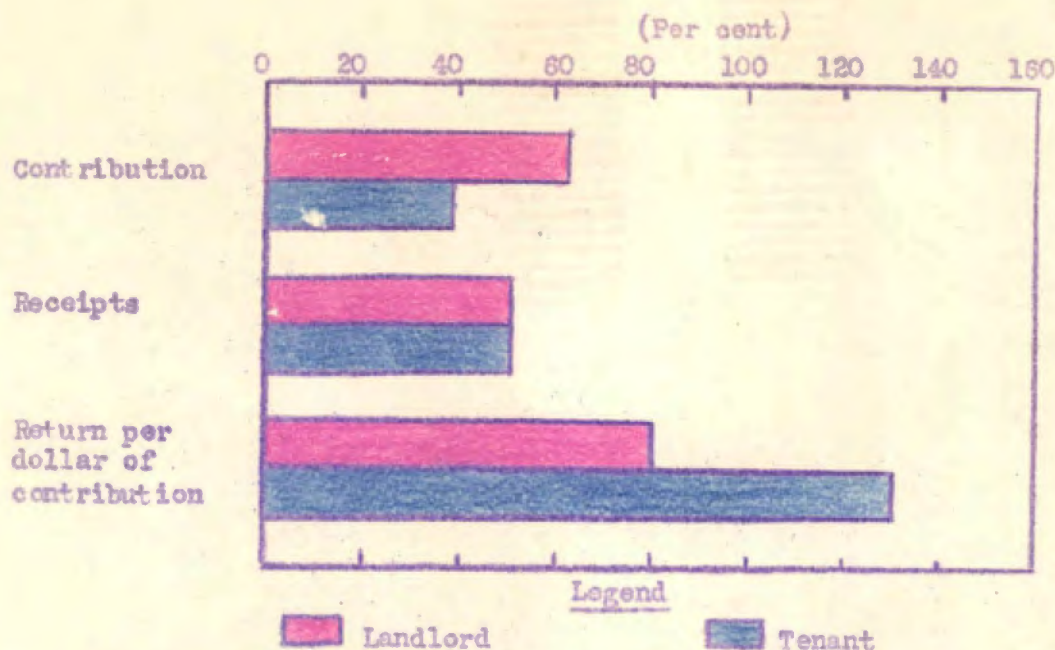
(continued)

TABLE XLIX. STATEMENT OF CONTRIBUTIONS AND RECEIPTS (cont.)

Name of Item	Description	Receipts	
		Landlord	Tenant
Corn AAA payments	200 bushels @ \$1.00	\$100.00	\$100.00
	One half each	6.59	6.59
Tenants work for landlord for pay	Gross farm income	\$106.59	\$106.59
	9 1/2 days @ \$1.00	0	9.50
	64 days @ 75¢		48.00
	Tenants income from labor alone	0	\$ 57.50

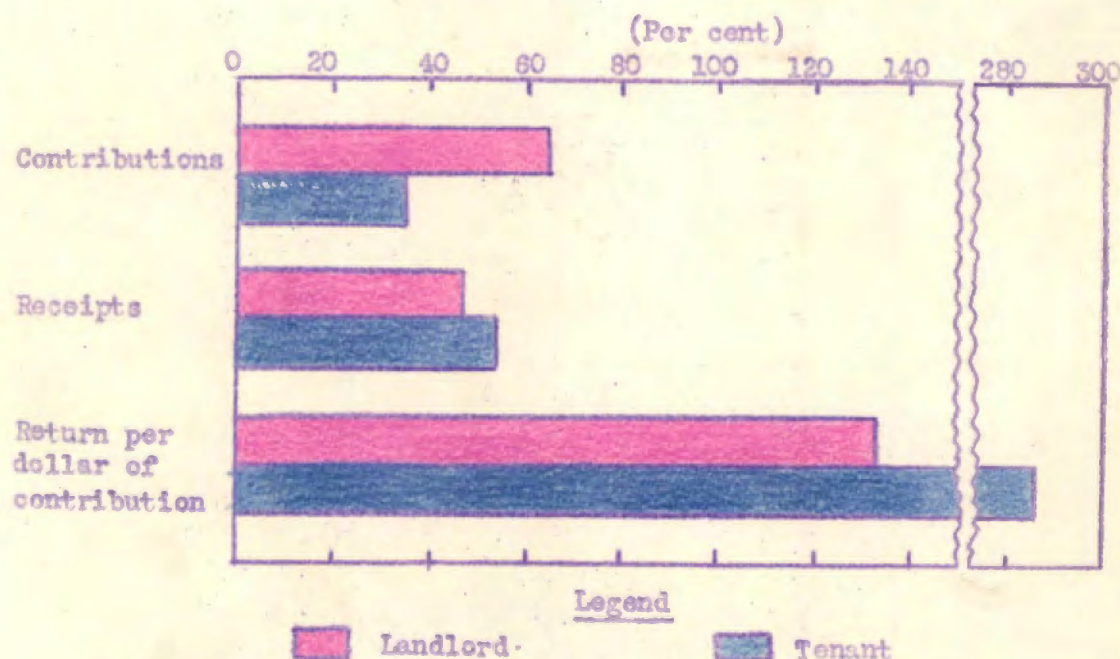
Distribution of Contributions and Receipts. - The total contribution to the farm business was \$214.36, of which \$133.23, or 62 per cent, was contributed by the landlord, and \$80.13, or 38 per cent, by the tenant. The gross farm income was \$213.18, and was divided equally between both parties. This division of receipts represents a return to the landlord of \$0.80 per dollar of contribution, and \$1.31 to the tenant, while the return for the farm business as a whole was \$0.99 per dollar of contribution (Figure 51). To be more equitable the receipts should be divided in the same proportion as the contribution. If such were the case, the landlord would have received \$132.17, a gain of \$25.58, and the tenant would have received \$81.01. On this basis the return per dollar of contribution would have been \$0.99 each for both landlord and tenant, the same as for the farm as a whole. The net return for the landlord was a net loss of \$26.64, or 20 per cent, and for the tenant a net gain of \$25.46 or 31 per cent, whereas an equitable distribution of the receipts, in proportion to the contribution of each party, would have shared the net loss of \$1.18, the landlord losing \$0.73 and the tenant \$0.45.

In addition to the farm business as a cropper, the tenant worked as a laborer for the landlord a total of 73.5 days, yielding him a cash wage of



The landlord contributed more to the farm business than the tenant, but received less return on his contribution, due to the division of the receipts with respect to the contributions.

Figure 51. Percentage Distribution of Contributions and Receipts of a Landlord and Tenant on a Cropper Farm, 1936



The landlord contributed nearly two thirds of the total contributions to the farm business and received less than half of the total receipts, thus making his return per dollar of contribution far less than for the tenant.

Figure 52. Percentage Distribution of Contributions and Receipts of a Landlord and Tenant on a Cropper Farm, 1937

\$57.50. The value of the tenants total receipts from the farm and his labor combined was \$164.09.

Estimated Returns for an Average Year. - Since the 1936 crop year was one of severe drought, an estimation of the returns for a normal season is given. Based on the ten-year average yield⁽⁷⁾ of corn, and the 1936 average yield,⁽⁸⁾ the yield for this field would be 19 bushels per acre. This yield would have returned 266 bushels, an increase of 66 bushels. At the average price⁽⁹⁾ of 75.1¢ per bushel the return would have been \$199.76, 24 cents under the actual 1936 return.

Probable Changes for the 1937 Crop Year. - For the crop year 1937 some changes were to be made in the contributions and division of receipts of each party. Instead of fourteen acres of corn on land appraised at \$15 per acre, the tenant is putting out 18 acres of corn on land valued at \$20 per acre. He also has three acres of wheat on land valued at \$20 per acre. The tenant receives all of the wheat raised. This year the tenant will probably work only half as much for the landlord for pay. All other contributions are estimated to be the same.

These changes in the farm business will increase the landlords contribution \$43.12, as follows: land \$15.33, team labor \$21, machinery and equipment \$1.14, operating supplies and expenses \$2.79, and management \$2.86; and will increase the tenants contribution \$13.84, as follows: machinery and equipment \$0.14, operating supplies and expenses \$3.20, and labor \$10.50. The receipts will be increased \$127.67 for the landlord and \$163.67 for the tenant. With this increase, the contributions to the farm business will be

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- (7) "Ten Year (1923-1932) Average Acreage and Yield by Counties, Tennessee", U.S.D.A., Division of Crop and Livestock Estimates, cooperating with the University of Tennessee, August 20, 1936.
 (8) "Farm Management Survey based on 131 Farms", Department of Agricultural Economics, University of Tennessee, unpublished data.
 (9) "Regional Differences in Tennessee Price of Corn, Tennessee and United States", Department of Agricultural Economics, University of Tennessee.

\$176.35, or 65.0 per cent, and \$94.97, or 35.0 per cent, for landlord and tenant respectively. The receipts will likewise be increased to \$234.26, or 46.4 per cent for the landlord and \$270.26, or 53.6 per cent for the tenant (Figure 52). This marked increase in receipts is due to the per acre yield of corn. In 1936 it was 14.2 bushels, while the estimated yield for 1937 on the better land is 30 bushels per acre.

Since the landlord contributes 65 per cent of the total to the farm business he is at an even greater relative disadvantage than for the year 1936. A more equitable distribution of the receipts would be \$327.94 for the landlord and \$176.58 for the tenant.

It is evident from a study of this farm that the tenant is receiving more than his equitable share of the farm receipts, based on the percentage of the total contribution supplied by the tenant. The farm business, from the standpoint of the tenant, is not a well balanced enterprise for the efficient use of his labor over the year, or over the growing season. The tenant's crop is too small to provide a good living, if depended upon alone, hence such units are usually operated as a part time business, the operator being employed either by the landlord or at some other business during the remainder of the year.

A three fifths, two fifths distribution of receipts between landlord and tenant would have been more equitable for 1936, but would have somewhat favored the tenant. This division would have prevented part of the landlords heavy loss of 20 per cent of his contribution, while the tenant was making a profit of 31.4 per cent.

An increase in the size of the farm business is desirable in order to decrease the overhead expense per unit of product.

Example of a Two Thirds Crop-Share Tenant

A typical tenant farm operating on a verbal lease is analyzed, for the crop year 1936. An estimate for a normal season is given for comparison. In this case the tenant rented the farm as a whole, and is charged with all of the land, including waste and idle land which he might cultivate or pasture if he chose. This tenant sublet three acres for corn. The return for these three acres was distributed one third to the landlord, one sixth to the tenant for use of his workstock and equipment, and one half to the cropper. The cropper was related to the tenant. This farm was severely affected by the drought.

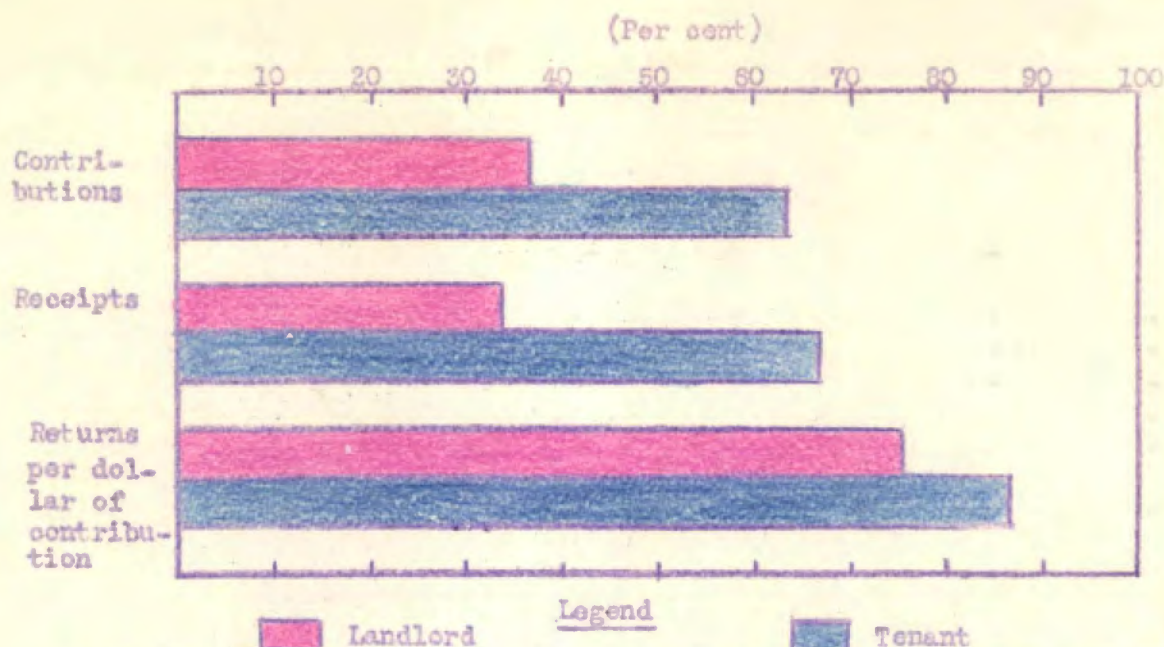
TABLE L. STATEMENT OF CONTRIBUTIONS AND RECEIPTS

Contributions			
Name of Items	Description	Landlord	Tenant
Land	100 acres	\$47.80	
Interest	\$956 @ 5%	\$47.80	0
Tax	\$2.30 per \$100 valuation	21.99	0
Buildings			
Interest	\$357 @ 5%	17.85	0
Tax	\$2.30 per \$100 valuation	8.21	0
Insurance	\$2.25 per \$100 valuation	8.03	0
Depreciation	Value at end of useful life - \$40	16.47	0
Repairs	Material only	6.00	0
Fence			
Interest	\$161 @ 5%	8.05	0
Tax	\$2.30 per \$100 valuation	3.70	0
Depreciation	Will last about 12 years	13.41	0
Repairs	Materials only	5.75	0
Insurance	\$1.50 per \$100 valuation	2.42	0
Implements and equipment	Landlord owns \$108, tenant \$85		
Interest	at 5%	5.40	4.25
Tax	\$2.30 per \$100 valuation	2.48	1.96
Depreciation	Junk value \$23	6.00	8.00
Repairs	Not including labor	3.00	11.70
Insurance	\$1.50 per \$100 valuation	1.62	1.28
Operating supplies and expenses	Seed, fertilizer, etc.	31.95	76.60
Team labor	86.5 days @ \$1.50 per day		129.75
Labor	170 days @ \$0.75 per day	1.50	126.00
Management	Both parties contribute to mgt.	15.00	10.00
Hired labor	36 days at \$0.75 per day		27.00
Total contributions		\$226.63	\$396.54

TABLE L. STATEMENT OF CONTRIBUTIONS AND RECEIPTS (continued)

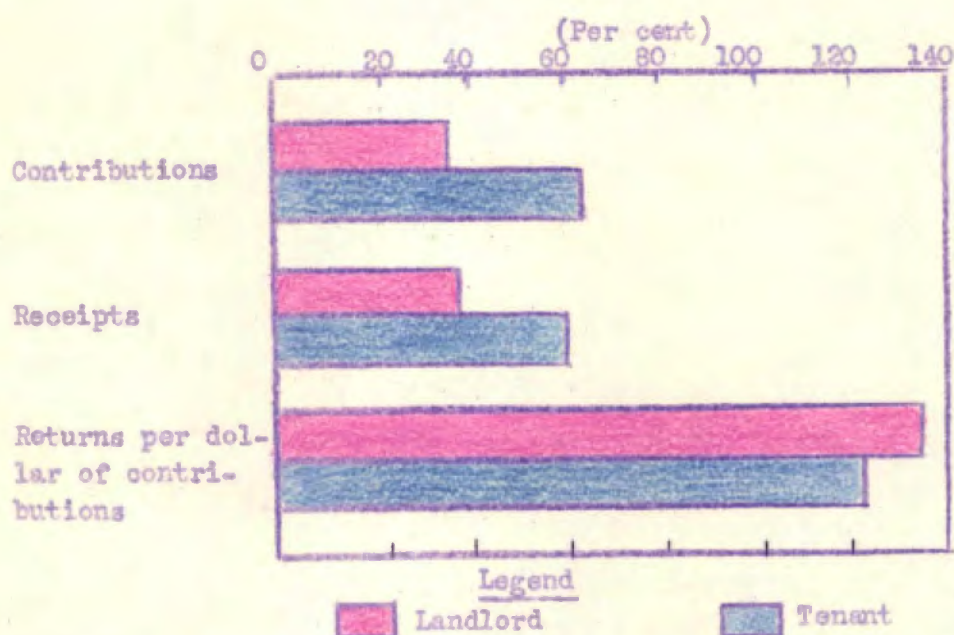
Receipts			
Name of Items	Description	Landlord	Tenant
Corn	300 bushels @ \$1.00 22a	100.00	200.00
Corn on sub- leased land	24 bushels @ \$1.00 3a	16.00	8.00
Wheat	22 1/2 @ \$1.00	11.25	11.25
Sorghum	16 gal. @ 75¢	4.00	8.00
Sweet potatoes	15 bushels @ 85¢	4.25	8.50
Lumber	Proceeds divided equally	14.25	14.25
Wood	30 rick @ \$1.00 - less labor 20 days @ \$0.75	0	15.00
Produce	Poultry & garden produce given landlord	5.00	
Hay	6 tons of weeds cut from wheat stubble	0	45.00
Tobacco	308 pounds	15.00	30.00
	Gross farm income	\$169.75	\$340.00

Distribution of Contributions and Receipts. - On this farm the landlord contributed \$226.63, or 36.4 per cent, and the operator \$396.54 or 63.6 per cent of the total contributions to the farm business. They received in return \$169.75, or 33.3 per cent, and \$340.00, or 66.7 per cent, respectively. This return is equivalent to \$0.75 per dollar of contribution by the landlord and \$0.86 for the operator, or \$0.82 for the farm business as a whole (Figure 53). The net loss is mostly attributable to the drought rather than poor management, as the tenant appears to be about average for the community. The receipts were divided one third to the landlord and two thirds to the tenant, except wheat which was divided equally. The tenant was given half of the income from lumber as payment for his labor of cutting and hauling. The tenant was also given his wood by the landlord, and what forage he could cut from the wheat stubble for hay. Ordinarily the landlord would receive one third



Contributions and receipts both approximated the two-thirds, one-third distribution but the tenant lost less than the landlord due to the slight difference in the distribution of contributions between the two parties.

Figure 53. Percentage Distribution of Contributions and Receipts of a Landlord and Tenant on a Two Thirds, One Third Crop-Share Leased Farm, 1936.



This distribution of receipts and contributions between landlord and tenant is nearly equitable to both parties, but favors the landlord slightly.

Figure 54. Percentage Distribution of Contributions and Receipts of a Landlord and Tenant on a Two Thirds, One Third Crop-Share Leased Farm, for a Normal Year

of the hay. Although the landlord lost only 34 cents more than the tenant, \$56.88 and \$56.54 for landlord and tenant respectively, the landlord's loss represented 25.1 per cent of his contribution while the tenant's loss was only 14.3 per cent.

Estimated Returns for an Average Year. - A normal crop year would have returned a profit to this farm business instead of a loss. The corn crop is the only enterprise that yielded a greater return in 1936 than it would yield in a normal season. Even here the difference is too small to be significant. The greatest difference is in the case of wheat, which was a near failure in 1936, but yields an average⁽¹⁰⁾ of about 8.7 bushels per acre. There is normally a hay crop harvested, which is divided between the landlord and tenant. In the year 1936 the hay crop was a complete failure on this farm.

The landlord would receive \$304.35, or 38.7 per cent of the total receipts in a normal season, and the tenant \$481.30, or 61.3 per cent (Figure 54). In a normal season then, the landlord would have a slight advantage over the tenant, whereas in a poor year the tenant lost less than the landlord. If the landlord would furnish the grass seed his contribution would be increased to \$247.11, or 39.8 per cent of the total, thus making his contribution approximately two fifths of the total. He would then be entitled to two fifths of the receipts instead of one third.

Example of a Half and Half Crop-Share Tenant

The general terms of rental of this farm resembles that of the preceeding farm. It differs chiefly in the fact that the landlord does not contribute any of the implements and equipment and in the distribution of income. This farm has more

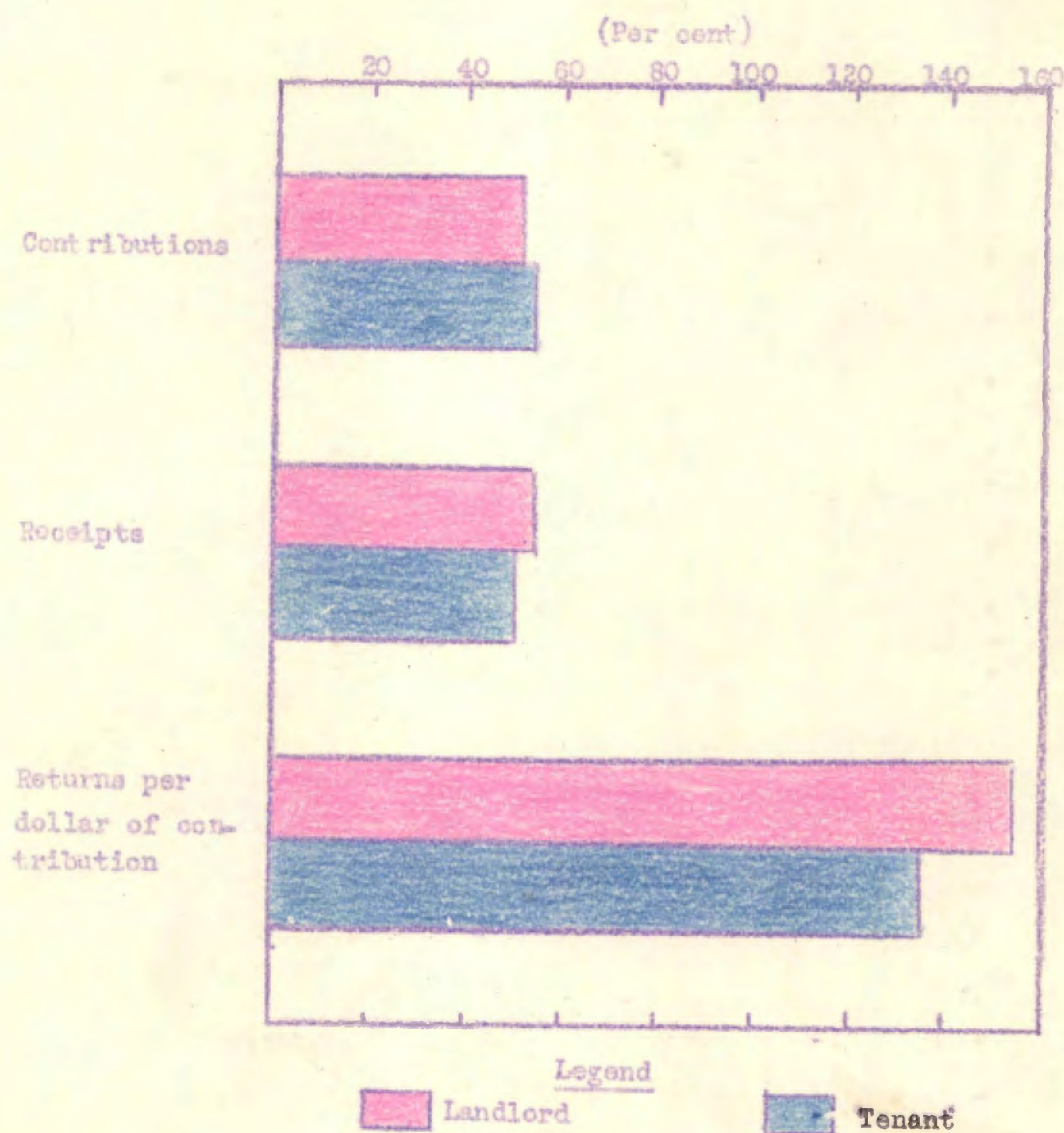
(10) Division of Crop and Livestock Estimates, op. cit., p. 19.

gently rolling topography than the average of the community. This retards erosion and makes far easier cultivation. No important changes have been made in the contract between landlord and tenant since the original was drawn fifteen years ago, either as to crops grown or acres operated.

TABLE LI. STATEMENT OF CONTRIBUTIONS AND RECEIPTS

Contributions			
Name of Items	Description	Landlord	Tenant
Land	183 acres		
Interest	\$3445 @ 5%	\$172.25	0
Tax*	\$2.30 per \$100 assessed valuation (\$1500)	34.50	0
Buildings			
Interest	\$625 valuation @ 5%	31.25	0
Depreciation		26.50	0
Insurance	\$2.25 per \$100 valuation	16.04	0
Repairs	Average annual cost	5.00	0
Fence	470 rods used by tenant		
Interest	\$188 @ 5%	9.40	0
Depreciation	Present value divided by remaining years	11.40	0
Insurance	\$1.50 per \$100 valuation	2.82	0
Repairs	Materials only	2.75	0
Implements and equipment			
Interest	\$95.50 @ 5%	0	4.78
Depreciation		0	9.50
Insurance	\$1.50 per \$100 valuation	0	1.43
Repairs	All repairs excluding labor	0	11.35
Team labor	122.5 days @ \$1.50	0	183.75
Labor	217.2 days @ 75¢	1.50	161.40
Operating supplies and expenses	Seed fertilizer, etc.	19.50	35.85
Management		20.00	5.00
Total contributions		\$ 350.95	\$413.06
Receipts			
Corn	875 bushels @ \$1.00	\$ 437.50	\$437.50
Hay	8 tons @ \$20	80.00	80.00
Peas	3 bushels @ \$2.00	0	6.00
Wood	Value of wood less labor of cutting	22.00	12.25
AAA payments		22.00	22.00
Gross farm income		\$ 539.50	\$557.75

* Includes all tax on land, buildings, and fences.



The return per dollar of contribution is greater for the landlord than for the tenant due to the relative difference between the contributions and receipts of each party.

Figure 55. Percentage Distribution of Contributions and Receipts of a Half and Half Crop-Share Leased Farm, 1936.

Distribution of Contributions and Receipts. - During the 1936 crop year the landlord contributed \$350.93, or 45.9 per cent, to the farm business, and received \$539.50, or 49.2 per cent of the total receipts, while the tenant contributed \$413.06, or 54.1 per cent. This distribution of contributions and receipts yielded the landlord \$1.54 per dollar of contribution and the tenant \$1.35, while the farm as a whole returned \$1.49 (Figure 55).

With such an even division of receipts, 49.2 per cent and 50.2 per cent for landlord and tenant respectively, a more even distribution of the contributions of each party could well be effected. If the landlord furnished all of the fertilizer and seed his contribution would be increased to \$379.43 or to 49.7 per cent, and the tenants contribution reduced to \$384.56, or to 50.3 per cent, which corresponds favorably with the present division of receipts between the two parties. This is the change suggested by the tenant, when asked what adjustments could be made that would make for a more equitable lease arrangement.

In a more average season the situation would be but little altered. Even though the yield would be increased, a lower price would return only \$11.01 more for the landlord, and \$11.00 additional for the tenant. So small an increased return would not change the proportion of the receipts going to each party. Since the increase is entirely in the value of hay, it would save the tenant from purchasing additional feed, as was the case in 1936.

Summary

1. - In determining the respective contributions to a farm business the true agricultural value of the land for the type of farming followed should be used.
2. - A rate of interest approximating the tax exempt bond rate is a fair valuation of the contribution of the farm real estate to the current year's business. Interest on personal property may be allowed at a higher rate than for real estate.
3. - Depreciation represents the decrease in value of property used during the year. It is determined by dividing the number of years of useful service into the estimated value.
4. - Repairs are the actual cost of keeping the item in question in working condition.
5. - Insurance is a payment for the risk of losing. The landlord should be compensated for this risk in an amount corresponding to the cost of insuring through an insurance company.
6. - Tax is a part of the landlord's contribution to the farm business. If paid by the tenant it should be treated as cash rent.
7. - Allowance for labor should be the same for both landlord and tenant, and should be the same as for hired labor of that community.
8. - The value of team labor may be estimated by determining the cost of maintenance, or by the number of days worked multiplied by the local wage paid for team labor.
9. - Management varies greatly between individuals and between different types of farming. It may be evaluated as the cost of hiring a manager.

10. - Service items of the landlord which result in a saving to the tenant should be considered in arriving at the division of receipts between landlord and tenant.

11. - Landlords sometimes employ their tenants part time, at work aside from their farm operations. Others rent their hired help a small crop to keep them available for labor when needed. It is sometimes desirable to distinguish between the landlords' contribution to the tenant as a cropper and as a farm laborer.

12. - Feed produced elsewhere and fed on the farm adds fertility through the manure of the animals fed. The cash value of this fertility is a contribution of the party buying the feed.

13. - On the cropper farm studied the landlord contributed more to the farm business than the tenant, and received less return on his contribution. This was due to the division of receipts in comparison with the contributions of the landlord and tenant.

14. - A normal season would have made no difference in the relative relationship between cropper and landlord.

15. - The changes to be put into effect on the cropper farm in 1937, if a normal season, will give the tenant an even greater relative advantage in the distribution of receipts.

16. - On the two thirds crop-share farm, the contributions and receipts are fairly equitable, but the tenant lost less than the landlord, due to a slight difference in the distribution of contributions between the two parties.

17. - A normal season would have changed the advantage from the tenant to the landlord, but the difference would have been less than for the year studied.

18. - In the case of the half and half crop-share lease, the landlord experienced an advantage over the tenant, receiving a greater return per dollar contribution than did the tenant.

19. - On these three farms some small adjustments could easily be made, to make the rental contract more equitable.

20. - The rental contracts in use are determined by custom, with some modifications according to the bargaining power of the contracting parties. They are usually concerned with the current year's operations only.

21. - Neither landlords nor tenants were entirely satisfied with the rental contract, but did not suggest many changes for permanent betterment.

22. - Tenants' cash income was usually considerably less than the value of his receipts. A fairly large portion of his crop was fed to livestock, the products from which were used for home consumption.

CHAPTER VI

RECOMMENDATIONS, AND POINTS NEEDING FURTHER STUDY

Aspects Needing Further Study

Definitions of Tenures. For a comprehensive study of land tenure problems, and to make possible more direct comparisons of studies covering different parts of the United States, it is desirable that tenures be defined in the same way in all studies. At present each study must state the conception of the tenures which will be used.

The United States Bureau of the Census gives the following definitions of tenants: "Tenants are farm operators who operate hired land only. In the present report (1930) separate figures are shown for three classes of tenants - namely, (1) cash tenants who pay a cash rental, as \$7 per acre for crop land or \$500 for the use of the whole farm; (2) croppers who are defined as share tenants, to whom landlords furnish all the work animals; and (3) all other tenants, including those giving a share of the products for the use of the land or a share for part and cash for part."⁽¹⁾

Farm Management research workers in various southern institutions define croppers as agricultural workers who receive a part of the crop which they work, as pay for their labor. Often the same men, or their families,

(1) Fifteenth Census of the United States, 1930, Agriculture, Tennessee, First Series, p. 5.

are hired by the landlord for work in addition to their crop, for which they receive cash wages. With this discrepancy in terminology it is difficult to make direct comparisons of data based on the two conceptions.

No mention is made in the Census of farm operators who do not own the land they operate and yet pay no rent for it.

Changes in Net Worth. Changes in tenure from one period to another may be an expression of changes in net worth of the operator, or caused by a change in social-economic conditions during the period considered. It sometimes happens that it is to a farm operator's advantage to rent the land he operates rather than own it. Under such conditions the farm operator would secure a greater net worth than he would as an owner.

This study gives some information on losses incurred by tenure class, by color of operator, and by the period when the losses occurred. However, the data were too limited for a comprehensive study of changes in net worth. The only reference at hand to any study relating directly to the changes of net worth of farm operators is a "Summary of Settler's Progress,"⁽²⁾ which is not complete enough, nor general enough in application to throw much light on the problem.

A study of changes in net worth, and in the number of man and horse work units, together with changes in the number and kind of animal units in the farm business, would be of more value in determining the advancement of a farm operator than would a study of changes in tenure. "Tenure" contains an element of social standing in some sections, making comparisons on that basis of less significance than on the basis mentioned above.

(2) Black, J. D., and Gray, L. C., Land Settlement and Colonization in the Great Lakes States, United States Department of Agriculture, Bulletin 1295, pp. 67-70.

How Many Tenants Are Desirable? It is generally conceded that some tenancy is desirable in an agricultural community. The percentage of farms operated by tenants varies greatly between states, between counties within a state, and between communities. What may be desirable in one community may not be workable in another, with the result that a given percentage may not be the desirable proportion for the entire agricultural industry. Before a constructive, long time program for tenant betterment can be undertaken it would be desirable to determine what proportion of tenants would best serve the needs of each type of community. In this determination several points may be considered. It is evident that there may be some overlapping, but adjustments could be made to allow for that.

Tenancy has long been labeled as one step up the agricultural ladder. In some cases this has been true, while in others there have been changes back and forth along the rung without permanent advancement. For farm operators who are able to use the tenant step as a means of advancement it is good. How many farmers are able to do this may be influenced by a number of factors. From the standpoint of progress, it seems that that proportion of tenancy is desirable which will permit the farm operators to continue the accumulation of something for old age, above the cost of living for their families. What this proportion is may vary within a given county but would help to determine the amount of tenancy desirable.

It often happens that young farm boys marry and must start farming for themselves before they have had the benefit of managerial responsibility. Although serving as a tenant is not the only way to secure such experience, it is one good way. The proportion of farm operators who could be benefitted by a training period as a tenant may vary according to the type of farming

practiced, and in different communities. The longer the desirable training period the greater will be the proportion of tenancy that will be advantageous to a given farm community. What this proportion should be under various conditions might well be given further study.

In some parts of the country tenants operate farm lands while the farm estate is being settled among the heirs, after the death of the owner. Except when operated by the administrator, executor, or other special agent, it is necessary that a tenant operate the farm to prevent complete financial loss of overhead expenses, and to prevent the land from deteriorating due to idleness. It might be possible to devise some other method of operation that would meet the above needs, but it seems better to use tenancy either as it is, or in a modified form, than to discard it wholly for some other form of farm operation. Since only a few farm estates are settled per year, and they are often settled before a crop can be grown, it is evident that the tenants who operate these farms, if even for a single year, are contributing to the good of society and themselves. These tenants constitute a very small proportion of the total, but it is believed that there is a desirable place for an undetermined number of tenants of this kind.

The position of part owners in an agricultural community has not been studied as completely as may be desirable. For the most part their social standing may be similar to that of full owners. However, since they rent land in addition to their own holdings, they are in business competition with tenants for the use of land. A farmer may thus rent additional land while his children are at home to supply more labor, and later lease his own farm to a tenant because of his children's having left the paternal

home, and he is physically unable to farm as much as when he was young. Part owners will always have some influence on the number of tenants desirable.

Ownership of farms by farm minded urban workers makes a desirable arrangement for some industrious farmers who have insufficient capital to become owners. Where an urban dweller depends on his salary for his living, and has the farm as an investment and a place for recreation, he is not likely to demand large cash returns. In many such cases he returns his share of the farm income to the farm in the form of improvements, maintenance, and restoration. He may also grant much more lenient terms of rental, from the standpoint of finances, in exchange for reservations he may wish to make. Tenants, in such cases, are able to maintain a position in the community similar to that of owners. There is no drain of farm wealth to the city in the form of interest, and no depreciation of the farm due to demand for large principal payments, as would be the case if the operators were paying for the farms.

The standard of living is not necessarily dependant on the tenure of the farm operator. Some operators have deliberately chosen to be tenants rather than owners with limited capital. Still others work more efficiently under supervision than upon their own initiative.

During the past sixty years tenancy has increased. At the same time there has been an increase in the number and extent of government services. To what extent one is responsible for the other might be worthy of study. This point would also be important in determining what per cent of tenancy is desirable.

Other factors may need consideration, and some of those mentioned may overlap considerably, but they are points that need clarification before we will be in position to set up a long time tenure program to improve the present system.

Effect of Inheritance of Farm Wealth on Urban to Farm Migration.

Migration of farm population has been studied from various angles, and for various purposes.⁽³⁾ Migration of farm wealth by inheritance has also been studied⁽⁴⁾ and the probability of inheriting land has been touched upon,⁽⁵⁾ but little has been done to determine the effect of inheritance of farm wealth on the return of farm reared people to the farm. This thesis gives some evidence of a relationship between the inheritance of farm wealth and return to the farm from non-farm occupations, but a more detailed study would be desirable to determine to what extent inheritance may be a factor in urban-to-rural migration.

Migration of Wealth by Inheritance. The net migration of farm population was from farms to city or village in Tennessee prior to 1930.⁽⁶⁾ This shift of population was accompanied by the movement of farm wealth by inheritance. From 1930 to 1935 Tennessee had a net migration to farms from cities.⁽⁷⁾ Under existing inheritance laws the heir is legally entitled to

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- (3) Beck, P. G., and Lively, C. E., Movement of Open Country Population in Ohio, Ohio Agricultural Experiment Station, Bulletin 489, Sept. 1931.
Lively, C. E., and Foett, Frances, Population Mobility in Selected Areas of Rural Ohio, 1928-1935, Ohio Agr. Exp. Sta., Bul. 582, June 1937.
- (4) Tetresh, E. D., Migration of Agricultural Wealth by Inheritance, Two Ohio Counties, Ohio Agr. Exp. Station, Mimeograph Bulletin No. 68, Sept. 1933.
- (5) Dickens, Dorothy, Occupations of Sons and Daughters of Mississippi Cotton Farms, Mississippi Agricultural Experiment Station Bul. No. 318, May 1937, p. 52.
- (6) Folsom, J. C., and Baker, O. E., A Graphic Summary of Farm Labor and Population, U.S.D.A. Misc. Pub. No. 265, Nov. 1937, p. 30.
- (7) Ibid., p.31.

a share of the estate, regardless of residence. Mr. E. D. Tetreau⁽⁸⁾ has made a study of the migration of agricultural wealth by inheritance in two Ohio counties, under conditions somewhat different from those found in the greater part of Tennessee. Since migration is so significant in Tennessee, it is probable that wealth is also following the same trend. The extent to which this is true will probably vary between areas, and would be expected to have a bearing upon the tenure of farm operators.

Effect of Time of Inheriting a Farm on the Likelihood of Later Losing the Farm. The general economic condition of the country, and the level of the farm commodity price curve, are important factors in the possibility of an heir losing his inheritance. One might assume that if the inheritance were received during a period of high prices, with interest rates fairly high, and possibly considerable borrowed capital based on current values, that the heir would be in greater danger of losing his inheritance than if he were to receive it when prices were lowest. The amount of debt of the parental estate, and the assuming of new debts by the heir at the time of inheriting, may be expected to have some influence on future losses.

Recommendations

Any recommendations in regard to tenancy should be made with a view to improving all agriculture. Some of the ills commonly attributed to tenancy may be only associated with tenancy, and not dependent upon tenancy. The brighter aspects of our tenure system may be obscured by some of the ills that are found in the same agricultural region. A comprehensive study

(8) Tetreau, op. cit.

of tenancy should include an analysis of the tenant situation, a comparison with other tenures, and the possibility of alternative opportunities for the cases studied. There appears to be a greater range of opportunities today for a farmer to advance through his own labor and managerial ability than at any time during the history of this country.

Training Young Farmers. Farm operators receive much of their fundamental knowledge of farming while at home as boys on the paternal farm. The completeness of this training may depend on the kind and size of the home farm, the type of farming practiced in the community, and the diligence with which the father conducts his farm business. It is not surprising that the son of a shiftless farmer often does not rise above that level. On the other hand, the son of a diligent, hardworking, painstaking, thrifty, far sighted, farmer might be expected to advance farther up the agricultural ladder, even though the father's misfortunes may have prevented his own rise in tenure.

Accompanied by the home training that creates progressive farmers are some social and civic activities which supplement and strengthen the influence of the home. The teachings of our churches, schools, 4-H clubs, and other organizations can be such that the rural youth will be better able to solve the problems of operating and managing his own farm business. Emphasis on thrift and vocational guidance, with the youth participating in the farm business, in which he gains or loses accordingly as he has contributed in labor and in a managerial capacity, will be putting into practical operation the principles of education mentioned. Such training has the further advantage of giving the young married couple a better start, as they will have had an opportunity to accumulate some savings and experience

before beginning to farm for themselves.

More Diversified Farming. The State of Tennessee is so located that a wide range of farm enterprises may often be conducted on a given farm, even though a one-crop system prevails in some areas at present. A change from a one-crop system cannot be brought about in a single year, but may become a program for gradual change, according to the individual farmer's ability to meet the financial obligations involved, and his ability to manage the added enterprises.

A more continuous demand for productive labor is one important advantage of diversified farming, which can be secured by adding enterprises with peak labor requirement at a time when the major enterprise demands but little attention. A crop with labor requirement coming after cotton has been laid by, and before the picking season, would utilize a farmer's time to better advantage than would a greater acreage of cotton, because more of his days will be spent in a type of labor that adds directly to his farm income. It will also allow for a more continuous employment of hired labor, at lower cost because of its being continuous, and because of the more productive nature of the employment. The farm laborer thus employed would have a greater total income per year, even though the rate per hour, or per day, might be lower.

Also a greater net income may be expected from a diversified farm program than from a one-crop system, where the operator does the work, since more of the work is productive and there is less idle time. The distribution of the income throughout the year is also more desirable, for the average family, than for it to be received in one sum, since an income distributed over the year can be budgeted to greater advantage, and eliminates

carrying charges. The adding of several enterprises to the farm business assures a greater distribution of the income during the year.

Family Owned Farms. Many Tennessee farms are too small for a family to earn more than a subsistence. In some cases this may have been due to subdividing the estate among the heirs. In other cases the tenants desire to operate only enough land to employ them during the periods that the crop demands attention.

It was found in this study that farm owners had inherited more than tenant operators, and that those who received some inheritance were more likely to become owners than those who did not, even though the amount of the inheritance was small. Since owners are more likely to leave an inheritance to their children than are tenants, continuous family ownership of farms is increased.

For the most part, ample credit appears to be available to meet the needs of farmers who are capable of successful ownership, even though they may now be farm laborers or tenants.

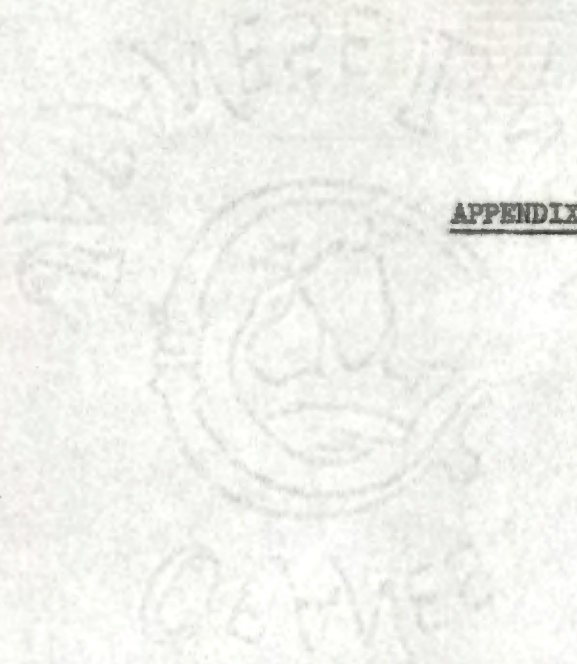
As long as ownership is not especially profitable the percentage of tenancy is likely to remain high, or even increase. In order to increase ownership of farms by their operators something should be done to make ownership by the operating family more desirable. One factor that would aid in this objective would be a revision of the farm real estate tax system. Some arguments against this proposal are recognized, and it is suggested simply because it would be one method of encouraging ownership. Other undesirable features might possibly outweigh this advantage.

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APPENDIX

APPENDIX TABLE I. TENANTS, BY COLOR, TENNESSEE, 1935

Counties	Croppers		Tenants		Counties	Croppers		Tenants	
	White	Col- ored	White	Col- ored		White	Col- ored	White	Col- ored
Anderson	111	4	444	10	Lauderdale	807	1007	847	492
Bedford	316	96	843	81	Lawrence	500	8	1604	24
Benton	135	3	612	4	Lewis	44	-	206	2
Bledsoe	202	14	149	7	Lincoln	884	303	1385	101
Blount	370	16	427	14	Loudon	282	16	386	13
Bradley	260	25	534	9	McMinn	434	10	612	20
Campbell	161	1	453	1	McNairy	383	31	1265	54
Cannon	274	5	442	5	Macon	418	19	800	17
Carroll	569	225	1429	179	Madison	687	1170	850	516
Carter	89	2	331	2	Marion	96	7	266	12
Cheatham	393	31	382	27	Marshall	199	62	639	37
Chester	287	137	721	70	Mauzy	437	158	1353	211
Claiborne	376	7	924	3	Meigs	99	8	219	9
Clay	190	3	444	5	Monroe	355	4	694	7
Cocke	590	9	657	10	Montgomery	1070	537	674	168
Coffee	210	3	606	5	Moore	224	26	273	11
Crockett	685	311	1132	161	Morgan	44	-	304	1
Cumberland	57	-	133	-	Obion	471	46	1140	24
Davidson	171	16	726	58	Overton	368	-	1208	1
Decatur	122	23	662	18	Perry	83	3	439	12
DeKalb	425	10	752	6	Pickett	123	-	217	-
Dickson	509	45	481	47	Polk	257	12	464	5
Dyer	961	191	1640	90	Putnam	446	16	1032	12
Fayette	429	2337	608	1914	Rhea	167	8	375	7
Fentress	95	-	398	-	Roane	171	4	399	5
Franklin	364	34	822	42	Robertson	1173	420	760	89
Gibson	920	645	2104	270	Rutherford	804	425	972	133
Giles	746	408	1310	242	Scott	37	0	471	-
Grainger	371	8	426	7	Sequatchie	42	-	86	-
Greene	1393	29	893	9	Sevier	413	-	694	7
Grundy	59	-	237	-	Shelby	496	2277	1146	1986
Hamblen	218	18	324	16	Smith	454	79	886	21
Hamilton	231	25	848	55	Stewart	409	28	279	11
Hancock	391	6	240	2	Sullivan	523	1	461	-
Hardeman	499	836	743	480	Sumner	663	89	1113	54
Hardin	260	14	1017	28	Tipton	833	1155	1007	569
Hawkins	746	12	587	11	Trousdale	192	56	226	17
Haywood	522	1797	616	1332	Unicoi	78	-	244	-
Henderson	461	70	1031	42	Union	214	-	366	-
Henry	558	230	853	76	Van Buren	78	1	141	3
Hickman	26	1	530	23	Warren	214	11	738	30
Houston	130	13	174	5	Washington	515	9	635	5
Humphreys	91	-	597	8	Wayne	291	8	764	8
Jackson	259	11	785	1	Weakley	581	75	1698	62
Jefferson	517	6	374	9	White	217	3	384	6
Johnson	153	-	182	4	Williamson	450	205	930	137
Knox	361	10	1164	29	Wilson	279	96	814	83
Lake	115	16	409	50	Total	35381	16098	64681	10449

Source: Census of Agriculture, 1935.

APPENDIX TABLE II. PERCENT TENANCY IN TENNESSEE, 1880 AND 1935

Counties	1880	1935	Counties	1880	1935
Anderson	27.6	26.6	Lauderdale	65.5	76.0
Bedford	37.9	42.9	Lawrence	21.7	52.3
Benton	24.9	39.9	Lewis	24.8	45.5
Bledsoe	31.5	33.6	Lincoln	36.8	58.2
Blount	21.9	27.7	Loudon	37.9	42.1
Bradley	16.4	41.4	McMinn	18.8	37.6
Campbell	31.6	26.3	McMurry	39.9	55.0
Cannon	30.0	37.8	Macon	28.1	42.5
Carroll	31.8	30.9	Madison	34.0	65.7
Carter	25.4	14.1	Marion	22.3	29.2
Cheatham	37.9	47.5	Marshall	32.5	40.4
Chester	*	60.4	Maury	41.6	48.9
Claiborne	29.6	31.0	Meigs	21.9	41.5
Clay	35.2	38.6	Monroe	35.9	34.8
Cocke	33.7	38.4	Montgomery	31.2	57.8
Coffee	16.0	36.2	Moore	40.9	53.1
Crockett	47.7	67.5	Morgan	9.2	24.1
Cumberland	23.4	16.8	Obion	36.4	49.4
Davidson	44.9	28.5	Overton	25.6	46.5
Decatur	42.0	49.5	Perry	42.6	45.9
DeKalb	29.4	41.8	Pickett	*	30.4
Dickson	29.2	39.9	Polk	27.8	53.4
Dyer	57.3	71.1	Putnam	22.0	41.4
Fayette	67.1	84.2	Rhea	29.0	40.8
Fentress	29.5	33.1	Roane	41.8	31.4
Franklin	30.1	45.2	Robertson	18.2	55.8
Gibson	39.1	56.9	Rutherford	44.2	49.2
Giles	28.5	56.2	Scott	25.5	27.5
Granger	32.2	30.5	Sequatchie	30.1	22.3
Greene	22.5	37.0	Sevier	24.0	37.2
Grundy	20.6	30.7	Shelby	55.4	71.6
Hamblen	32.0	30.7	Smith	33.8	45.1
Hamilton	31.6	37.9	Stewart	35.6	41.3
Hancock	33.3	31.1	Sullivan	25.0	25.0
Hardeman	48.3	70.8	Sumner	20.7	39.9
Hardin	40.0	53.1	Tipton	52.1	73.3
Hawkins	25.0	30.8	Trousdale	30.2	46.6
Haywood	57.9	80.1	Unicoi	23.6	26.9
Henderson	28.5	30.3	Union	19.6	26.7
Henry	28.5	45.3	Van Buren	20.1	39.9
Hickman	24.8	32.8	Warren	20.8	35.8
Houston	26.9	38.9	Washington	15.1	30.1
Humphreys	26.3	43.3	Wayne	33.9	59.3
Jackson	41.4	43.0	Weakley	38.3	46.6
Jefferson	19.1	36.3	White	29.7	30.4
Johnson	12.7	17.6	Williamson	44.2	48.3
Knox	24.8	28.9	Wilson	30.0	31.9
Lake	75.1	80.3	Average	34.5	46.2

Source: Census of Agriculture.

* No data available.

APPENDIX TABLE III. INHERITANCE: AGE DISTRIBUTION, BY COUNTY, TENURE, AND COLOR OF THOSE WHO DID AND DID NOT INHERIT MONEY OR PROPERTY; AGE DISTRIBUTION AT TIME OF INHERITING, TENNESSEE

County and Color	Age Class	Number in Each Group at Time of Taking Record						Number in Each Group at Time of Inheritance *		
		Inherited			Not Inherited			Owner	Tenant	Total
		Owner	Tenant	Total	Owner	Tenant	Total			
<u>Madison</u>	0-25	-	-	-	-	1	1	18	7	25
	26-35	4	1	5	2	7	9	21	3	24
	36-45	9	4	13	7	11	18	7	1	8
	46-55	9	5	14	4	1	5	5	-	5
	56-	12	1	13	6	3	9	-	-	-
	Total	34	11	45	19	23	42	51	11	62
	0-25	1	1	2	-	2	2	1	5	6
	26-35	1	3	4	-	7	7	4	2	6
	36-45	1	2	3	-	13	13	-	-	-
	46-55	1	1	2	3	13	16	-	1	1
	56-	-	-	-	1	7	8	-	-	-
	Total	4	7	11	4	42	46	5	8	13
<u>Montgomery</u>	0-25	1	-	1	2	4	6	7	-	7
	26-35	1	1	2	7	7	14	18	4	22
	36-45	5	1	6	3	7	12	14	3	17
	46-55	9	4	13	9	7	16	8	3	9
	56-	18	2	20	4	7	11	6	-	6
	Total	34	8	42	27	32	59	51	10	61
	0-25	-	2	2	-	2	2	2	2	4
	26-35	1	-	1	-	10	10	3	-	3
	36-45	2	-	2	7	6	13	2	-	2
	46-55	4	-	4	5	13	18	2	-	2
	56-	2	-	2	4	5	9	-	-	-
	Total	9	2	11	16	36	52	9	2	11
<u>Williamson</u>	0-25	-	3	3	-	4	4	25	10	35
	26-35	5	4	9	2	10	12	25	2	27
	36-45	18	2	20	4	5	9	27	1	28
	46-55	26	2	28	5	4	9	21	3	24
	56-	28	3	31	7	3	10	12	1	13
	Total	77	14	91	18	26	44	110	17	127
	0-25	-	-	-	-	1	1	-	1	1
	26-35	-	1	1	-	1	1	-	-	-
	36-45	-	-	-	-	2	2	-	1	1
	46-55	-	1	1	2	2	4	-	1	1
	56-	-	1	1	2	1	3	-	-	-
	Total	-	3	3	4	7	11	-	3	3
457 cases		158	45	203	88	166	254	226	51	277

* Some cases inherited at several times, hence this total is larger than total inheriting operators.
Source: This survey.

**APPENDIX TABLE IV. INHERITANCE: DISTRIBUTION OF
THOSE WHO INHERITED, BY COUNTY, TENURE, COLOR,
AND AMOUNT OF INHERITANCE, TENNESSEE**

County	Amount of In- heritance (Dollars)	Owners		Tenants		Total Number Who Inherited by Amount of Inheritance
		White	Col- ored	White	Col- ored	
Madison	0 - 250	4		6	6	16
	250 - 499	5		1		6
	500 - 999	6	2	2		10
	1000 -1999	7		2	1	10
	2000 -2999	3	1			4
	3000 -3999	1				1
	4000 and up	8	1			9
	Total	34	4	11	7	56
Montgomery	0 - 250	3	7	2	2	14
	250 - 499	2	1	4		7
	500 - 999	9		2		11
	1000 -1999	9	1			10
	2000 -2999	3				3
	3000 -3999	1				1
	4000 and up	7				7
	Total	34	9	8	2	53
Williamson	0 - 250	2		3	2	7
	250 - 499	8		4		12
	500 - 999	15		2	1	18
	1000 -1999	20		2		22
	2000 -2999	13				13
	3000 -3999	4		1		5
	4000 and up	15		2		17
	Total	77	0	14	3	94
Total by color		145	13	33	12	203
Total by tenure		158		45		

203 cases who inherited

Source: This survey.

APPENDIX TABLE V. INHERITANCE; CHANGES MADE AT TIME OF INHERITING (MONEY, PROPERTY), BY COUNTY AND COLOR, BY AMOUNT OF INHERITANCE, TENNESSEE (continued)

Change of Tenure	White										Colored					Total	Percent of All Inheriting
	\$0-250					\$250-499					\$500-999						
	\$0-250	250-499	500-999	1000-1999	2000-2999	3000-3999	4000 & up	Total	\$0-250	250-499	500-999	1000-1999	2000-2999	3000-3999	4000 & up		
Williamson																	
Wage worker	1	6	10	1	3		3	1	2	1							3
No change																	
To tenant																	
To owner																	
Other																	
Tenant	2	4	6	9	6		6	1	33	7							
No change																	
To owner																	
Other																	
Owner	2	7	2	3		1	4	12	17	3							
No change																	
More land																	
Other																	
Non-farm to farm	1	2	1		2		4	10									
Unknown & other changes	1	1		1				1									
Total (White & Colored)																	
Wage worker	2	24	6	9	11	2	9	1	6	3	1	8	9	17	46	34.7	
No change																	
To tenant																	
To owner																	
Other																	
Tenant	5	11	4	3	16	8	37	1	7	5	8	1	9	69	18	34.7	
No change																	
To owner																	
Other																	
Owner	1	4	1	8	4	13	19	3	4	3	1	10	1	17	46	23.8	
No change																	
More land																	
Other																	
Non-farm to farm	2	2	2	2	2	6	1		3		6	16	3	17	46	5.8	
Unknown & other changes																	
Total Inheriting	60	45	61	61	61	166	50	20	5	36	277	100.0					

APPENDIX TABLE VIa. 145 WHITE OWNERS RECEIVING SOME INHERITANCE,
SELECTED COUNTIES, TENNESSEE

Tenure	Total Cases	Total Years in Each Tenure	Average Years in Each Tenure	Total Net Wealth	Wealth Accumulated per Year	Wealth Accumulated per Operator
<u>Madison</u>						
At home	23	669	29.1	\$23475	\$ 45	\$1021
Wage workers	5	34	6.8	2050	60	410
One-fourth & one-third tenants	3	10	3.3	2800	280	933
One-half tenants	5	30	6.0	3950	132	790
Two-thirds tenants	2	15	7.5	850	57	425
Cash tenants	3	13	4.3	3150	242	1050
Other tenures	5	59	11.8	11515	195	2303
Non-farm	6	104	17.3	25050	241	4175
Owner with debt	12	219	18.3	53910	246	4492
Owner no debt	18	544	30.2	107900	198	5994
Total	34	1697		\$234650	\$138	\$6901
<u>Montgomery</u>						
At home	34	706	20.8	\$6575	\$ 9	\$193
Wage workers	7	24	3.4	1500	62	214
One-fourth & one-third tenants	2	8	4.0	800	100	400
One-half tenants	12	118	9.8	40 7 50	345	3396
Two-thirds tenants	4	7	1.8	600	86	150
Cash tenants	7	24	3.4	13100	546	1871
Other tenures	16	133	8.3	39875	300	2492
Non-farm	7	81	11.6	8550	106	1221
Owner with debt	17	222	12.3	62320	281	3666
Owner no debt	31	500	16.1	110680	221	3570
Total	34	1823		\$284750	\$156	\$8375
<u>Williamson</u>						
At home	77	1652	21.4	\$22500	\$ 14	\$292
Wage workers	13	95	7.3	7250	76	558
One-fourth & one-third tenants	15	109	7.3	8380	77	559
One-half tenants	28	222	7.9	87260	393	3116
Two-thirds tenants	10	63	6.3	8890	141	889
Cash tenants	23	168	7.3	127625	760	5549
Other tenures	13	126	9.7	28850	229	2219
Non-farm	23	230	10.0	173650	755	7550
Owner with debt	49	729	14.9	220550	303	4501
Owner no debt	46	548	11.9	39775	73	865
Total	77	3942		\$724730	\$184	\$9412

(continued)

APPENDIX TABLE VIa. 33 WHITE TENANTS RECEIVING SOME INHERITANCE,
SELECTED COUNTIES, TENNESSEE
(continued)

Tenure	Total Cases	Total Years in Each Tenure	Average Years in Each Tenure	Total Net Wealth	Wealth Accumulated per Year	Wealth Accumulated per Operator
<u>Madison</u>						
At home	11	233	21.2	\$1065	\$ 5	\$ 97
Wage workers	1	2	0.5	-	-	-
One-fourth & one-third tenants	4	54	14.0	175	3	44
One-half tenants	11	49	4.4	1235	26	117
Two-thirds tenants	3	18	6.0	1725	96	575
Cash tenants	6	29	4.8	-1525	-53	-254
Other tenures	2	17	8.5	1800	94	800
Non-farm	3	13	4.3	1150	88	383
Owner with debt	3	15	5.0	- 250	-17	- 83
Owner no debt	-	-	-	-	-	-
Total	11	430		\$5225	\$ 12	\$ 475
<u>Montgomery</u>						
At home	8	162	20.2	\$ 25	\$.15	\$ 3
Wage workers	6	31	5.2	600	19	100
One-fourth & one-third tenants	1	8	8.0	1200	150	1200
One-half tenants	8	134	16.8	3025	23	378
Two-thirds tenants	2	5	2.5	-	-	-
Cash tenants	3	18	6.0	800	44	267
Other tenures	-	-	-	-	-	-
Non-farm	4	14	3.5	-	-	-
Owner with debt	1	5	5.0	-	-	-
Owner no debt	2	19	9.5	-350	-18	-175
Total	8	396		\$5300	\$ 13	\$ 663
<u>Williamson</u>						
At home	14	289	20.6	\$3850	\$ 13	\$275
Wage workers	-	-	-	-	-	-
One-fourth & one-third tenants	7	40	5.7	3850	96	550
One-half tenants	9	82	9.1	2100	26	233
Two-thirds tenants	3	12	4.0	7800	633	2533
Cash tenants	7	22	3.1	200	9	29
Other tenures	3	41	13.7	11000	268	4667
Non-farm	4	41	10.2	11200	273	2800
Owner with debt	2	16	8.2	-2000	-125	-1000
Owner no debt	-	-	-	-	-	-
Total	14	543		\$37800	\$ 70	\$ 2700

(continued)

APPENDIX TABLE VIa. 13 COLORED OWNERS RECEIVING SOME INHERITANCE,
SELECTED COUNTIES, TENNESSEE
(continued)

Tenure	Total Cases	Total Years in Each Tenure	Average Years in Each Tenure	Total Net Wealth	Wealth Accumulated per Year	Wealth Accumulated per Operator
<u>Madison</u>						
At home	4	81	20.2	\$500	\$ 6	\$125
Wage workers	-	-	-	-	-	-
One-fourth & one-third tenants	1	4	4.0	100	25	100
One-half tenants	1	6	6.0	2350	392	2350
Two-thirds tenants	-	-	-	-	-	-
Cash tenants	1	8	8.0	150	19	150
Other tenures	-	-	-	-	-	-
Non-farm	3	14	4.7	2950	211	983
Owner with debt	1	18	18.0	6500	361	6500
Owner no debt	3	25	8.3	1300	52	433
Total	4	156	-	\$13850	\$ 89	\$3463
<u>Montgomery</u>						
At home	9	191	21.2	\$8225	\$ 43	\$914
Wage workers	7	53	7.6	1015	19	145
One-fourth & one-third tenants	-	-	-	-	-	-
One-half tenants	4	32	8.0	1110	34	278
Two-thirds tenants	1	4	4.0	75	19	75
Cash tenants	1	11	11.0	275	25	275
Other tenures	1	5	5.0	25	5	25
Non-farm	6	40	6.7	1300	32	217
Owner with debt	3	25	8.3	625	25	208
Owner no debt	9	88	9.8	200	3	22
Total	9	449	-	\$12850	\$29	\$1428
<u>Williamson</u>						
At home						
Wage workers						
One-fourth & one-third tenants						
One-half tenants						
Two-thirds tenants						
Cash tenants						
Other tenures						
Non-farm						
Owner with debt						
Owner no debt						
Total						

(continued)

APPENDIX TABLE VIa. 12 COLORED TENANTS RECEIVING SOME INHERITANCE,
SELECTED COUNTIES, TENNESSEE
(continued)

Tenure	Total Cases	Total Years in Each Tenure	Average Years in Each Tenure	Total Net Wealth	Wealth Accumulated per Year	Wealth Accumulated per Operator
Madison						
At home	7	137	19.6	\$ 915	\$ 7	\$151
Wage workers	-	-	-	-	-	-
One-fourth & one-third tenants	-	-	-	-	-	-
One-half tenants	6	38	6.3	2010	53	335
Two-thirds tenants	1	5	5.0	-	-	-
Cash tenants	4	25	6.2	150	6	38
Other tenures	-	-	-	-	-	-
Non-farm	3	25	8.3	375	15	125
Owner with debt	-	-	-	-	-	-
Owner no debt	-	-	-	-	-	-
Total	7	230	-	\$3450	\$ 15	\$494
Montgomery						
At home	2	38	19.0	-	-	-
Wage workers	2	4	2.0	\$72	\$18	\$36
One-fourth & one-third tenants	-	-	-	-	-	-
One-half tenants	2	8	4.0	303	38	151
Two-thirds tenants	-	-	-	-	-	-
Cash tenants	-	-	-	-	-	-
Other tenures	-	-	-	-	-	-
Non-farm	-	-	-	-	-	-
Owner with debt	-	-	-	-	-	-
Owner no debt	-	-	-	-	-	-
Total	2	50	-	\$375	\$ 8	\$136
Williamson						
At home	3	62	20.7	\$760	\$12	\$253
Wage workers	2	33	16.5	465	14	233
One-fourth & one-third tenants	2	21	10.5	125	6	62
One-half tenants	3	21	7.0	445	21	148
Two-thirds tenants	-	-	-	-	-	-
Cash tenants	1	7	7.0	-	-	-
Other tenures	1	2	2.0	-	-	-
Non-farm	1	3	3.0	5	2	5
Owners with debt	-	-	-	-	-	-
Owners no debt	-	-	-	-	-	-
Total	3	149	-	\$1800	\$12	\$600

(continued)

APPENDIX TABLE VIa. 64 WHITE OWNERS, NO INHERITANCE, SELECTED
COUNTIES, TENNESSEE
(continued)

Tenure	Total Cases	Total Years in Each Tenure	Aver- age Years in Each Tenure	Total Net Wealth	Wealth Accum- lated per Year	Wealth Accum- lated per Operator
<u>Madison</u>						
At home	19	391	20.6	\$ 8	\$.02	\$.42
Wage workers	7	38	5.4	942	25	135
One-fourth & one-third tenants	3	16	5.3	3450	216	1150
One-half tenants	10	61	6.1	6775	84	678
Two-thirds tenants	4	12	3.0	6800	567	1700
Cash tenants	9	112	12.4	8625	77	958
Other tenures	1	2	2.0	350	175	350
Non-farm	7	73	10.4	4850	68	693
Owners with debt	16	160	10.0	13700	86	856
Owners no debt	8	30	3.8	19400	647	2425
Total	19	915	-	\$64900	\$71	\$3416
<u>Montgomery</u>						
At home	27	522	19.3	\$3380	\$ 6	\$125
Wage workers	2	7	3.5	1200	171	600
One-fourth & one-third tenants	2	15	7.5	3000	200	1500
One-half tenants	14	78	5.6	8920	114	687
Two-thirds tenants	2	24	12.0	570	24	285
Cash tenants	4	10	2.5	2100	210	525
Other tenures	7	53	7.6	11850	224	1693
Non-farm	11	91	8.3	15580	171	1416
Owners with debt	14	132	9.4	\$1600	239	2257
Owners no debt	19	204	10.7	16680	82	878
Total	27	1136	-	\$ 94880	\$ 84	\$ 3514
<u>Williamson</u>						
At home	18	364	20.2	\$ 540	\$ 1	\$ 30
Wage workers	6	26	4.3	1150	44	192
One-fourth & one-third tenants	4	21	5.2	1390	66	347
One-half tenants	11	110	10.0	12435	113	1130
Two-thirds tenants	2	11	5.5	300	27	150
Cash tenants	4	21	5.2	8550	407	2137
Other tenure	3	31	10.3	360	12	120
Non-farm	9	102	11.3	16625	163	1847
Owners with debt	16	154	9.6	48350	314	3022
Owners no debt	6	77	12.8	25000	325	4167
Total	18	917	-	\$114700	\$125	\$ 6372

(continued)

APPENDIX TABLE VIa. 81 WHITE TENANTS, NO INHERITANCE, SELECTED
COUNTIES, TENNESSEE
(continued)

Tenure	Total Cases	Total Years in Each Tenure	Aver- age Years in Each Tenure	Total Net Wealth	Wealth Accum- lated per Year	Wealth Accum- lated per Operator
<u>Madison</u>						
At home	23	452	19.7	\$2045	\$ 5	\$89
Wage workers	8	58	7.2	1100	19	138
One-fourth & one-third tenants	10	31	3.1	1600	52	160
One-half tenants	17	116	6.8	4680	40	375
Two-thirds tenants	6	58	9.3	1700	30	283
Cash tenants	11	86	7.8	2625	31	239
Other tenures	3	9	3.0	525	58	175
Non-farm	12	84	7.0	1350	16	113
Owners with debt	4	10	2.4	-200	-20	-50
Owners no debt	-	-	-	-	-	-
Total	23	902	-	\$15425	\$17	\$671
<u>Montgomery</u>						
At home	32	697	26.0	\$ 485	\$ 1	\$15
Wage workers	21	137	6.5	1440	11	69
One-fourth & one-third tenants	1	3	3.0	860	287	860
One-half tenants	31	370	11.9	14455	39	486
Two-thirds tenants	5	38	7.6	760	20	152
Cash tenants	6	48	8.0	3650	76	608
Other tenures	9	49	5.4	1875	38	208
Non-farm	12	86	7.2	755	9	63
Owners with debt	1	9	9.0	700	78	78
Owners no debt	5	38	7.6	3410	90	682
Total	32	1575	-	\$28370	\$21	\$867
<u>Williamson</u>						
At home	26	497	19.1	\$2500	\$ 5	\$ 96
Wage workers	11	52	4.7	535	10	49
One-fourth & one-third tenants	14	147	10.5	5225	36	373
One-half tenants	12	115	9.6	7880	69	657
Two-thirds tenants	1	2	2.0	-	-	-
Cash tenants	9	75	8.3	4075	54	453
Other tenures	2	5	2.5	850	170	425
Non-farm	14	74	5.3	4400	59	314
Owners with debt	3	34	10.3	6800	200	2267
Owners no debt	-	-	-	-	-	-
Total	26	1001	-	\$32265	\$32	\$1241

(continued)

APPENDIX TABLE VIa. 24 COLORED OWNERS, NO INHERITANCE, SELECTED
COUNTIES, TENNESSEE
(continued)

Tenure	Total Cases	Total Years in Each Tenure	Aver- age Years in Each Tenure	Total Net Wealth	Wealth Accum- lated per Year	Wealth Accum- lated per Operator
<u>Madison</u>						
At home	4	80	20.0	\$ 50	\$ 1	\$ 12
Wage workers	1	10	10.0	100	10	100
One-fourth & one-third tenants	-	-	-	-	-	-
One-half tenants	3	21	7.0	750	36	250
Two-thirds tenants	-	-	-	-	-	-
Cash tenants	4	50	12.5	550	11	137
Other tenures	-	-	-	-	-	-
Non-farm	-	-	-	-	-	-
Owner with debt	4	57	14.7	-	-	-
Owner no debt	-	-	-	-	-	-
Total	4	218	-	\$1450	\$ 7	\$363
<u>Montgomery</u>						
At home	16	291	18.2	\$ 60	\$ -	\$ 4
Wage workers	12	147	12.2	1519	10	127
One-fourth & one-third tenants	-	-	-	-	-	-
One-half tenants	12	124	10.3	3320	27	277
Two-thirds tenants	5	23	4.6	2735	119	547
Cash tenants	3	23	7.7	250	11	83
Other tenures	1	8	8.0	-	-	-
Non-farm	2	6	3.0	-50	-8	-25
Owner with debt	11	154	14.0	2266	15	206
Owner no debt	7	59	8.4	775	13	111
Total	16	835	-	\$10875	\$13	\$680
<u>Williamson</u>						
At home	4	75	18.8	\$300	\$ 4	\$ 75
Wage workers	2	24	12.0	600	25	300
One-fourth & one-third tenants	2	33	16.5	1300	39	650
One-half tenants	3	20	6.6	650	32	217
Two-thirds tenants	-	-	-	-	-	-
Cash tenants	-	-	-	-	-	-
Other tenures	-	-	-	-	-	-
Non-farm	-	-	-	-	-	-
Owners with debt	1	36	36.0	-	-	-
Owners no debt	4	61	15.2	300	5	75
Total	4	249	-	\$3150	\$13	\$788

(continued)

APPENDIX TABLE VIa. 85 COLORED TENANTS, NO INHERITANCE, SELECTED
COUNTIES, TENNESSEE
(continued)

Tenure	Total Cases	Total Years in Each Tenure	Aver- age Years in Each Tenure	Total Net Wealth	Wealth Accum- lated per Year	Wealth Accum- lated per Operator
<u>Madison</u>						
At home	42	779	18.5	\$ 145	\$ 0	\$ 3
Wage workers	21	138	6.6	1685	12	80
One-fourth & one-third tenants	14	127	9.1	3890	31	278
One-half tenants	40	559	14.0	8200	15	205
Two-thirds tenants	4	14	3.5	100	7	25
Cash tenants	21	147	7.0	3140	21	150
Other tenures	1	2	2.0	150	75	150
Non-farm	13	88	6.8	830	9	64
Owner with debt	1	2	2.0	200	100	200
Owner no debt	-	-	-	-	-	-
Total	42	1856		\$18340	\$ 10	\$437
<u>Montgomery</u>						
At home	36	668	18.5	\$150	\$ 0	\$ 4
Wage workers	30	350	11.7	2825	8	94
One-fourth & one-third tenants	-	-	-	-	-	-
One-half tenants	34	361	10.6	5012	14	147
Two-thirds tenants	3	29	9.7	415	14	138
Cash tenants	1	38	38.0	-	-	-
Other tenures	4	21	5.2	170	8	42
Non-farm	14	94	6.7	1085	12	78
Owner with debt	-	-	-	-	-	-
Owner no debt	-	-	-	-	-	-
Total	36	1559		\$9657	\$ 6	\$268
<u>Williamson</u>						
At home	7	120	17.1	\$ -	\$ -	\$ -
Wage workers	7	73	10.4	1035	14	148
One-fourth & one-third tenants	7	84	12.0	1050	12	150
One-half tenants	1	3	3.0	-	-	-
Two-thirds tenants	-	-	-	-	-	-
Cash tenants	-	-	-	-	-	-
Other tenures	1	9	9.0	-	-	-
Non-farm	2	2	1.0	300	150	150
Owner with debt	-	-	-	-	-	-
Owner no debt	-	-	-	-	-	-
Total	7	291		\$ 2385	\$ 8	\$341

(continued)

APPENDIX TABLE VI. ACCUMULATED WEALTH LESS THE AMOUNT INHERITED,
145 WHITE OWNERS, SELECTED COUNTIES, TENNESSEE

(Those Who Received an Inheritance)

Tenure	Total Cases	Total Years in Each Tenure	Wealth	Wealth Accumulated per Year	Wealth Accumulated per Operator
<u>Madison</u>					
At home	23	669	\$4490	\$ 7	\$ 195
Wage workers	5	34	1660	49	332
One-fourth & one-third tenants	3	10	2050	205	683
One-half tenants	5	30	2330	78	466
Two-thirds tenants	2	15	725	48	362
Cash tenants	3	13	3150	242	1050
Other tenures	5	59	8615	146	1723
Non-farm	6	104	17090	164	2848
Owner with debt	12	219	44610	204	3717
Owner no debt	18	544	73840	136	4102
Total	34	1697	\$158560	\$ 93	\$4664
<u>Montgomery</u>					
At home	34	706	\$- 295	\$ 0	\$ - 9
Wage workers	7	24	1500	62	214
One-fourth & one-third tenants	2	8	70	9	35
One-half tenants	12	118	37850	321	3154
Two-thirds tenants	4	7	525	75	181
Cash tenants	7	24	9160	382	1309
Other tenures	16	133	-3562	-27	-222
Non-farm	7	81	1150	14	164
Owner with debt	17	222	53890	243	3170
Owner no debt	31	500	60570	121	1954
Total	34	1823	\$160858	\$ 88	\$4731
<u>Williamson</u>					
At home	77	1652	\$2575	\$ 2	\$ 33
Wage workers	13	95	3875	41	298
One-fourth & one-third tenants	15	109	-2736	-25	-182
One-half tenants	28	222	51125	230	1826
Two-thirds tenants	10	63	5265	84	526
Cash tenants	23	168	69325	413	3014
Other tenures	13	126	20288	161	1561
Non-farm	23	230	90015	391	3914
Owner with debt	49	729	181607	249	3706
Owner no debt	46	548	29575	54	643
Total	77	3942	\$450914	\$114	\$ 5856

(continued)

APPENDIX TABLE VII. ACCUMULATED WEALTH LESS THE AMOUNT INHERITED,
33 WHITE TENANTS, SELECTED COUNTIES, TENNESSEE

(Those Who Received an Inheritance)
(continued)

Tenure	Total Cases	Total Years in Each Tenure	Wealth	Wealth Accumulated per Year	Wealth Accumulated per Operator
<u>Madison</u>					
At home	11	233	\$ 325	\$ 1	\$30
Wage workers	1	2	-	-	-
One-fourth & one-third tenants	4	54	175	3	44
One-half tenants	11	49	735	16	71
Two-thirds tenants	3	18	225	12	75
Cash tenants	6	29	-1525	-53	-254
Other tenures	2	17	875	51	438
Non-farm	3	13	-350	-27	-117
Owner with debt	3	15	-250	-17	- 83
Owner no debt	-	-	-	-	-
Total	11	430	\$ 260	\$ 1	\$34
<u>Montgomery</u>					
At home	8	162	\$ 25	\$ 0	\$ 3
Wage workers	6	31	600	19	100
One-fourth & one-third tenants	1	8	1150	144	1150
One-half tenants	8	134	1739	13	217
Two-thirds tenants	2	5	-	-	-
Cash tenants	3	18	240	13	80
Other tenures	-	-	-	-	-
Non-farm	4	14	-500	-36	-125
Owners with debt	1	5	- 300	-60	-300
Owners no debt	2	19	-350	-18	- 175
Total	8	396	\$2604	\$ 7	\$326
<u>Williamson</u>					
At home	14	289	\$1750	\$ 6	\$125
Wage workers	-	-	-	-	-
One-fourth & one-third tenants	7	40	2870	72	410
One-half tenants	9	82	2100	26	233
Two-thirds tenants	3	12	7600	633	2533
Cash tenants	7	22	-2300	-105	-329
Other tenures	3	41	3400	83	1133
Non-farm	4	41	-3800	- 93	-950
Owners with debt	2	16	-2000	-125	-1000
Owners no debt	-	-	-	-	-
Total	14	\$543	\$9620	\$18	\$687

(continued)

APPENDIX TABLE VIb. ACCUMULATED WEALTH LESS THE AMOUNT INHERITED,
13 COLORED OWNERS, SELECTED COUNTIES, TENNESSEE

(Those Who Received an Inheritance)
(continued)

Tenure	Total Cases	Total Years in Each Tenure	Wealth	Wealth Accumulated per Year	Wealth Accumulated per Operator
<u>Madison</u>					
At home	4	81	\$ -	\$ -	\$ -
Wage workers	-	-	-	-	-
One-fourth & one-third tenants	1	4	100	25	100
One-half tenants	1	6	1950	325	1950
Two-thirds tenants	-	-	-	-	-
Cash tenants	1	8	-	-	-
Other tenures	-	-	-	-	-
Non-farm	3	14	450	32	150
Owners with debt	1	18	6500	361	6500
Owners no debt	3	25	900	36	300
Total	4	156	\$ 9900	\$ 63	\$ 2475
<u>Montgomery</u>					
At home	9	191	\$7085	\$ 37	\$ 787
Wage workers	7	53	990	19	141
One-fourth & one-third tenants	-	-	-	-	-
One-half tenants	4	32	1010	32	252
Two-thirds tenants	1	4	75	19	75
Cash tenants	1	11	275	25	275
Other tenures	1	5	25	5	25
Non-farm	6	40	750	19	125
Owners with debt	3	25	465	19	155
Owners no debt	9	88	200	2	22
Total	9	449	\$10875	\$ 24	\$ 1208
<u>Williamson</u>					
At home					
Wage workers					
One-fourth & one-third tenants					
One-half tenants					
Two-thirds tenants					
Cash tenants					
Other tenures					
Non-farm					
Owners with debt					
Owners no debt					
Total					

(continued)

**APPENDIX TABLE VI. ACCUMULATED WEALTH LESS THE AMOUNT INHERITED,
12 COLORED TENANTS, SELECTED COUNTIES, TENNESSEE**

(Those Who Received an Inheritance)
(continued)

Tenure	Total Cases	Total Years in Each Tenure	Wealth	Wealth Accumulated per Year	Wealth Accumulated per Operator
<u>Madison</u>					
At home	7	137	\$ 450	\$ 3	\$ 64
Wage workers	-	-	-	-	-
One-fourth & one-third tenants	-	-	-	-	-
One-half tenants	6	38	995	26	166
Two-thirds tenants	1	5	-	-	-
Cash tenants	4	25	35	1	9
Other tenures	-	-	-	-	-
Non-farm	3	25	375	15	125
Owners with debt	-	-	-	-	-
Owners no debt	-	-	-	-	-
Total	7	230	\$1855	\$ 8	\$ 265
<u>Montgomery</u>					
At home	2	38	\$ -	\$ -	\$ -
Wage workers	2	4	72	18	36
One-fourth & one-third tenants	-	-	-	-	-
One-half tenants	2	8	120	15	60
Two-thirds tenants	-	-	-	-	-
Cash tenants	-	-	-	-	-
Other tenures	-	-	-	-	-
Non-farm	-	-	-	-	-
Owners with debt	-	-	-	-	-
Owners no debt	-	-	-	-	-
Total	2	50	\$192	\$ 4	\$ 96
<u>Williamson</u>					
At home	3	62	\$ 10	\$ 0	\$ 3
Wage workers	2	33	390	12	195
One-fourth & one-third tenants	2	21	125	6	62
One-half tenants	3	21	425	20	142
Two-thirds tenants	-	-	-	-	-
Cash tenants	1	7	-	-	-
Other tenures	1	2	-	-	-
Non-farm	1	3	5	2	5
Owners with debt	-	-	-	-	-
Owners no debt	-	-	-	-	-
Total	3	149	\$ 955	\$ 6	\$ 318

(continued)

APPENDIX TABLE VIc. ACCUMULATED WEALTH OF INHERITING AND NON-INHERITING FARM OPERATORS, TOTAL FOR SELECTED COUNTIES, TENNESSEE

All Who Inherited

Tenure	Total Cases	Total Years in Each Tenure	Average Years in Each Tenure	Total Net Wealth	Wealth Accumulated per Year	Wealth Accumulated per Operator	Percent of All Cases
At home	192	4220	22.0	\$67890	\$16	\$ 354	94.6
Wage workers	42	276	6.6	12 952	46	308	20.7
One-fourth & one-third tenants	35	254	7.3	17430	69	498	17.2
One-half tenants	89	740	8.3	144588	195	1625	43.8
Two-thirds tenants	26	129	5.0	19740	173	759	12.8
Cash tenants	56	325	5.8	143925	443	2570	27.6
Other tenures	41	383	9.3	92365	242	4265	20.2
Non-farm	60	565	9.4	224230	397	5737	29.6
Owner with debt	88	1249	14.2	341655	274	3882	43.3
Owner no debt	109	1724	15.8	259505	151	2381	53.7
Total	203 cases	9865		\$1324780	\$134	\$6526	100.0

All Receiving No Inheritance

At home	254	4834	19.0	\$ 9643	\$ 2	\$ 38	100.0
Wage workers	128	1060	8.3	14131	13	110	50.4
One-fourth & one-third tenants	57	477	8.4	21765	46	382	22.4
One-half tenants	188	1958	10.4	73077	37	389	74.0
Two-thirds tenants	32	209	6.5	13380	64	418	12.6
Cash tenants	72	610	8.5	33565	55	466	28.3
Other tenures	32	189	5.9	16130	85	504	12.6
Non-farm	96	700	7.3	45725	65	476	37.8
Owner with debt	71	748	10.5	103416	138	1457	28.0
Owner no debt	49	469	9.6	65565	140	1338	18.9
Total	254 cases	11254		\$396397	\$35	\$1561	100.0

Accumulated Wealth Less Amount Inherited (All Who Inherited)

At home	192	4220		\$16415	\$ 4	\$ 35	
Wage workers	42	276		9087	33	216	
One-fourth & one-third tenants	35	254		3804	15	109	
One-half tenants	89	740		100429	136	1128	
Two-thirds tenants	26	129		14415	112	554	
Cash tenants	56	325		78360	241	1399	
Other tenures	41	383		29641	77	723	
Non-farm	60	565		105185	186	1753	
Owner with debt	88	1249		284522	228	3233	
Owner no debt	109	1724		164735	96	1511	
Total	203 cases	9865		\$806593	\$82	\$3973	

APPENDIX TABLE VII. ACCUMULATION OF FARM WEALTH, BY FIVE YEAR PERIODS, 1866-1920, BY INHERITING OPERATORS; SELECTED COUNTIES, TENNESSEE

Period	White			Colored			Total	
	Number of Cases Re- porting	Total Gains	Total Losses	Number of Cases Re- porting	Total Gains	Total Losses	Total Gains	Total Losses
Owners								
1916 - 20	130	\$903,450	\$1750	11	\$15,825	\$100	\$819,275	\$1850
1911 - 15	49	134,630	1100	3	8,350		142,980	1100
1906 - 10	47	121,924	9700	5	1,050		122,974	9700
1901 - 05	41	48,631	150	5	800	200	49,431	350
1896 - 00	37	35,925	1325	4	650	300	36,575	1650
1891 - 95	36	40,795	50	2	215		41,010	50
1886 - 90	25	47,935	1800	2	110		48,045	1800
1881 - 85	16	20,140		1	100		20,240	
1876 - 80	11	5,455		1	200		5,655	
1871 - 75	5	1,060	90				1,060	90
1866 - 70	2	150					150	
Total	399	\$1,260,095	\$15,965	34	\$27,300	\$600	\$1,287,395	\$16,565
Tenants								
1916 - 20	28	\$38,225	\$5,750	10	\$3,030	\$150	\$41,275	\$5,900
1911 - 15	16	5,675	8,125	6	1,325		7,000	8,125
1906 - 10	13	10,575	2,200	4	335	25	10,910	2,225
1901 - 05	10	3,650	700	4	1,050	255	4,700	955
1896 - 00	9	1,925	1,450	2	215		2,140	1,450
1891 - 95	6	5,575	350	2	65		5,640	350
1886 - 90	3	175		1	15		190	
1881 - 85	2	1,100					1,100	
1876 - 80								
1871 - 75								
1866 - 70								
Total	87	\$66,900	\$18,575	29	\$6,055	\$430	\$72,955	\$19,005

Source: Tabulated from Field Schedules (continued)

APPENDIX TABLE VII. ACCUMULATION OF FARM WEALTH, BY FIVE YEAR PERIODS 1866 - 1920, BY
NON-INHERITING OPERATORS; SELECTED COUNTIES, TENNESSEE
(continued)

Period	White			Colored			Total	
	Number of Cases Re- porting	Total Gains	Total Losses	Number of Cases Re- porting	Total Gains	Total Losses	Number of Cases Re- porting	Total Gains Losses
Owners								
1916 - 20	55	\$182,140	\$2,350	21	\$10,160	\$	76	\$192,300
1911 - 15	24	43,295		6	725	60	30	44,020
1906 - 10	26	24,130	50	8	2,015		34	26,145
1901 - 05	14	10,330	2,200	6	230	500	20	10,560
1896 - 00	20	11,280	600	8	1,090		28	12,370
1891 - 95	12	3,880	120	4	300		16	4,180
1886 - 90	7	2,760		6	795		13	3,555
1881 - 85	5	1,450	275	2	300		7	1,750
1876 - 80	4	310					4	810
1871 - 75				2	200		2	200
1866 - 70				2	220		2	220
Total	167	\$280,075	\$5,595	65	\$16,035	\$560	232	\$296,110
Tenants								
1916 - 20	66	\$32,625	\$4,735	63	\$12,330	\$830	129	\$44,955
1911 - 15	55	22,345	3,020	36	6,930	563	91	29,275
1906 - 10	35	10,695	700	35	4,605	475	70	15,300
1901 - 05	19	5,140	25	33	3,310	730	52	8,450
1896 - 00	18	6,430	275	26	3,430	275	44	9,360
1891 - 95	16	3,770	1,050	15	1,510	150	31	5,280
1886 - 90	12	3,260	650	9	885	60	21	4,145
1881 - 85	7	1,040	175	5	150		12	1,190
1876 - 80	4	1,385		4	130		8	1,515
1871 - 75				3	185		3	185
1866 - 70								
Total	232	\$86,690	\$10,630	229	\$33,465	\$3083	461	\$120,155
								\$13,713

Source: Tabulated from Field Schedules.

APPENDIX TABLE VIII. ACCUMULATION OF FARM WEALTH, BY AGE OF THE FARM OPERATOR, INHERITING OPERATORS; SELECTED COUNTIES, TENNESSEE

Age	White			Colored			Total	
	Number of Cases Re- porting	Total Gains	Total Losses	Number of Cases Re- porting	Total Gains	Total Losses	Number of Cases Re- porting	Total Gains Lesses
Owners								
Under 25	48	\$41,065	\$ 90	5	\$3,010	-	53	\$44,075
26-30	52	63,766	3,500	5	815	-	57	64,581
31-35	53	96,179	150	7	10,500	200	60	106,679
36-40	59	253,500	2,175	5	700	-	62	254,200
41-45	49	84,145	1,700	6	8,475	300	55	92,620
46-50	37	234,285	1,500	2	250	-	39	234,535
51-55	39	183,425	-	3	2,700	100	42	186,125
56-60	31	179,800	1,050	2	650	-	33	180,450
61-65	19	74,130	5,200	1	200	-	20	74,330
66-70	6	27,000	600	-	-	-	6	27,000
71 and over	6	22,800	-	-	-	-	6	22,800
Total	399	\$1,260,095	\$15,965	34	\$27,300	\$600	433	\$1,287,395
								\$16,565
Tenants								
Under 25	18	\$ 5,250	\$ 200	10	\$2,365	\$225	28	\$7,615
26-30	15	20,525	550	7	1,040	25	22	21,565
31-35	15	14,150	3,200	1	100	-	16	14,250
36-40	13	8,325	2,125	1	100	-	14	8,425
41-45	9	1,875	3,175	3	460	-	12	2,335
46-50	7	1,650	1,300	3	1,225	130	10	2,875
51-55	4	5,725	475	2	390	-	6	6,115
56-60	2	-	1,450	1	375	-	3	375
61-65	2	7,800	-	1	-	50	3	7,800
66-70	1	-	6,100	-	-	-	1	-
71 and over	1	1,600	-	-	-	-	1	1,600
Total	87	\$66,900	\$18,575	29	\$6,055	\$430	116	\$72,955
								\$19,005

(continued)

APPENDIX TABLE VIII. ACCUMULATION OF FARM WEALTH, BY AGE OF THE FARM OPERATOR, NON-INHERITING OPERATORS; SELECTED COUNTIES, TENNESSEE
(continued)

Age	White			Colored			Total	
	Number of Cases Re- porting	Total Gains	Total Losses	Number of Cases Re- porting	Total Gains	Total Losses	Number of Cases Re- porting	Total Gains Losses
Owners								
Under 25	21	\$7,965	\$2,125	9	\$ 730	-	38	\$ 8,695
26-30	33	19,135	120	7	550	-	40	19,685
31-35	29	27,880	900	8	1,200	50	37	29,080
36-40	22	58,230	-	8	2,210	-	30	60,440
41-45	18	45,905	2,250	7	3,715	400	25	49,620
46-50	19	46,195	50	6	1,600	-	25	47,795
51-55	7	7,050	150	7	1,850	100	14	8,900
56-60	9	50,600	-	4	1,130	-	13	51,730
61-65	8	15,675	-	2	50	10	10	15,725
66-70	-	-	-	4	500	-	4	500
71 and over	1	1,440	-	3	2,500	-	4	3,940
Total	167	\$280,075	\$5,595	65	\$16,035	\$ 560	232	\$296,110
Tenants								
Under 25	47	\$ 16,755	\$1,380	30	\$2,815	\$ 45	77	\$19,570
26-30	50	15,725	2,020	48	6,065	360	98	21,780
31-35	38	10,295	1,675	39	6,385	500	77	16,680
36-40	32	9,660	1,200	38	7,465	825	70	17,125
41-45	18	8,260	800	24	3,420	233	42	11,680
46-50	16	8,535	1,325	21	2,535	570	37	11,070
51-55	13	11,900	25	18	3,760	10	31	15,660
56-60	7	2,810	1,700	4	175	500	11	2,985
61-65	7	2,275	-	1	100	-	8	2,375
66-70	3	400	505	3	140	40	6	540
71 and over	1	75	-	2	615	-	3	690
Total	232	\$86,690	\$10,630	228	\$33,465	\$3,083	460	\$120,155
							185	
							\$13,713	

State _____ Number _____
County _____ Date _____

Name of Operator _____ Address _____ Trading Center _____ Miles _____
Age _____ Age at marriage _____ Age schooling ended _____ Locality of childhood _____ Nationality of race _____
FARM OPERATED Total acres _____ Acres tilled _____ Acres tillable _____ Acres pasture _____
Acres buildings and grounds _____ Waste _____

[illegible]