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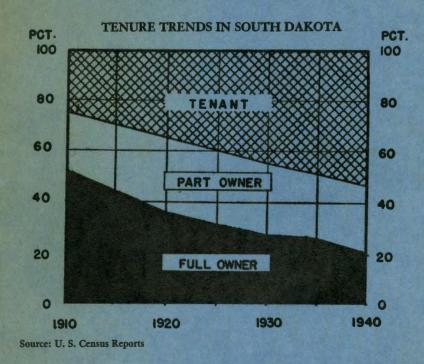
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FARM TENURE IN SOUTH DAKOTA

Some Of Its Economic and Sociological Aspects

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by

Alvin E. Coons* and Walter L. Slocum*

I. INTRODUCTION

Almost without exception county land-use planning committees have listed tenancy among the more important land-use problems in South Dakota. This concern is due to the increase in tenancy, to the growing obstacles in the way of those who wish to become land owners and to some extent to the existence of unsatisfactory relationships between landlord and tenant.

Tenancy, however, is only one aspect of the much broader land tenure picture which includes all phases of the control and use of the land.

To become a farm owner has long been considered a desirable and legitimate ambition of farm operators, or even of farm laborers. The family size, owner-operated farm has been regarded as the backbone of American agriculture.

There can be little doubt that this tradition was a product, in part at least, of the Homestead era, when land was to be had at a low money cost, even if it did frequently require considerable human endurance and effort.

At any rate, since the closing of the frontier, individual ownership of family farms has lost ground. The facts of the real world have more and more been at variance with what people have believed should be the situation in land ownership.

Modern farming is a highly commercialized enterprise, requiring for success costly equipment, oredit, and specialized marketing experience and techniques. The amount of capital required to operate a modern farm has increased to such an extent that it has become increasingly difficult for an individual to accumulate it. Furthermore, the highly commercialized nature of modern agriculture makes it dependent upon markets which may fluctuate widely. Falling farm prices, coupled with heavy debt payments contracted in the purchase of a farm may wipe out all of the farmer's equity in a few years.

From a purely economic standpoint, therefore, it may be that the long accepted view that all farmers should own their farms needs to be amended; it is, in fact, being amended.

The economic problem is concerned principally with effective use

* Assistant Agricultural Economist and Assistant Rural Sociologist respectively. This is a joint report with coordinate authorship. The Rural Social Science Section includes the departments of Agricultural Economics and Rural Sociology. of resources. The problem is not how to make every farmer an owner, but how to promote a productive and stable agriculture. If it can be shown that in certain situations mortgaged ownership or tenancy offer better possibilities for coping with changing prices and markets, for having ready capital available to adopt new practices, then from the standpoint of full use of resources it may be best to have such tenure arrangements. A blanket statement that every farmer ought to own his own farm can no longer cover all cases.

Of course, the economic aspects are not the only ones to be considered. From the sociological point of view the question is: what type or types of tenure are most desirable in terms of wholesome community life? Traditionally, ownership has been defined as very good and tenancy as extremely bad insofar as community life is concerned. There is some evidence to support this point of view but it is not entirely conclusive.¹ Both ownership and tenancy are exceedingly complex, and it may be that certain types of each are more desirable than other types of tenure. Now that so many of our farms are operated by tenants or by mortgaged owners, it seems essential that we find or devise tenure arrangements that will be sociologically desirable as well as economically sound.

In 1939, the South Dakota Agricultural Experiment Station published Circular 25, on Farm Tenancy in South Dakota, which was an analysis of the facts contained in the 1935 agricultural census. Since that time, information from the 1940 census has become available, giving a more recent picture of the situation. This report is an analysis of those 1940 figures together with some information from a field study.² It is offered in the hope that it will give those engaged in county land-use planning work and others concerned with adjustments in agriculture a more up-to-date description of the tenure situation, as well as some interpretation of forces that have brought about certain changes during the five-year period since the last agricultural census.

These have been years of considerable improvement in agricultural conditions. At the same time, a concerted effort has been made to deal directly with farm tenure problems. Moratoria on farm foreclosures, the provision of more liberal credit facilities for farmers desiring to acquire land, the tenant purchase program--all have been designed to make it easier for farmers to become owners. Despite these efforts, however, the percentage of tenancy in South Dakota has continued upward, just as it has in each period between decennial census reports since 1890.

Tenure Trends

The story of 30 years of land tenure in South Dakota is told in bold outline by the figure on the cover. The black area in the figure

^{1.} Kolb and Brunner, <u>A Study of Rural Society</u>, 2nd Edition 2. Unless otherwise indicated all data presented in this report are from the 1940 census.

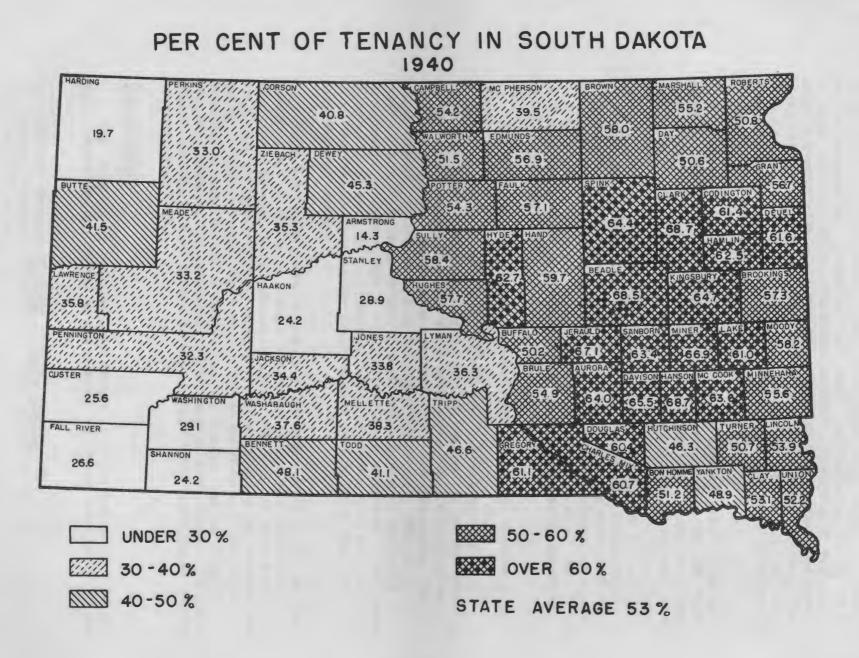


FIGURE I

shows that in 1910 half (52 percent) of South Dakota operators owned all of the land they operated. At every succeeding census the number and proportion of full owners declined until by 1940 only one out of every five (20.8 percent) operators owned all of the land operated. This drop in the number and proportion of full owners undoubtedly reflects, especially in the last two decades, the forced liquidation of farm loans by foreclosure. Before 1920 it reflects also the voluntary retirement of operators who had made enough of a success to be able to make plans for an easier mode of life in their declining years. In view of the time span involved it probably also reflects the failure of heirs to operate their farms. Since 1910, as the cross-hatched area shows, the proportion of tenancy has been increasing with every successive census. In 1910 about one out of every four (24.8 percent) farm operators was a tenant. By 1940 the proportion had increased to the point where slightly more than half (53 percent) of all the farm operators in the state were tenants. Many of these tenants probably are people who once owned their farms; others are people who have never enjoyed the privileges or experienced the troubles of ownership.

In contrast the part-owner group has remained relatively constant. At the beginning of the thirty-year period under observation, 22.6.percent were part owners; at the end of the period the percentage was 25.4. The number of managers has always been small; in 1930 there were 454 managers and in 1940 the number had dropped to 253.

Considerable variation among different sections of the state appears when the percentage of tenancy is presented on a county basis (See Fig. 1). Individual counties range in percent of tenancy from 68.7 in Clark and Hansen counties to 19.7 in Harding. Nineteen counties reported more than 60 percent of their operators as tenants in 1940 as compared with 5 in 1935.

The area with the highest proportion of tenancy includes those counties in the transition zone between the corn belt and the more extensive type of farming of the Great Plains (also quite generally designated as the high risk area).

Hyde county had the greatest percentage increase during the 1930-40 period--20.1 percent (Fig. 2). Six counties showed decreases. These figures, however, need to be interpreted with caution. Four of the six counties showing decreases are in sections of the state that lost considerable population so that this decrease in tenancy probably means, not that former tenants have become owners, but that a larger proportion of tenants than owners left the counties. Lincoln and Union counties showed very small decreases, thereby conforming to the general tendency in the corn belt states. Iowa, Wisconsin, and Minnesota all showed slight decreases in tenancy. For the United States as a whole, the total number of farm tenants declined. Students of farm tenure have pointed out, however, that these figures may be misleading. The decrease in tenancy has resulted not from the fact that tenure status has improved but chiefly from the fact that share croppers in the South have become farm laborers.

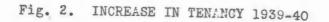
Types of Leases

The census lists three separate classes of lease contracts: cash, share-cash, and share and cropper tenants. Cash tenants pay a cash rental, either as a specified rate per acre or a lump sum for the farm. Share-cash tenants pay a part of their rental in cash and a part as a share of crops or livestock production. Share tenants pay a share only of either the crops or livestock production or both. This latter classification, presumably, represents an arrangement more popularly known as the crop-share lease and stock-share lease. Croppers are defined as share tenants to whom their landlords furnish all of the work animals or tractor power. This latter is an arrangement most common in the South which gives the tenant a status very near to that of a laborer, with payment in kind rather than in cash. Since both share tenants and croppers are not very common in South Dakota, the two are classed together.

In a general farming area cash tenant operations, usually associated with cash grain, are ordinarily regarded as the most exploitive. The tenant agrees upon a cash payment, and then works the soil as intensively as possible to get that amount, and as much more as possible, out of it. In South Dakota, however, the area of greatest concentration of this type of lease is in the grazing section. Grass lands are usually rented for cash. In Stanley county 73 percent of the leased land is rented for cash. Washabaugh county also has more than 70 percent (See Fig. 3). Both Lawrence and Harding county have more than 60 percent of their rented lands under cash contracts.

As might be expected, the cash-share type of lease predominates in the east river country and is particularly high in the corn belt. Lake county has the highest percentage of this type of lease--76,59 percent (See Fig. 4).

Share tenants are quite generally scattered over the state. Thirty-three counties have better than 20 percent of these types of contracts. Clay County with 53.3 percent has the greatest percentage. (See Fig. 5).



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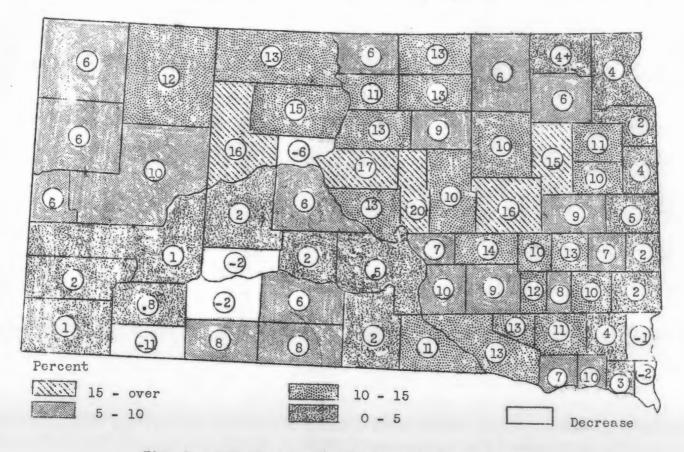
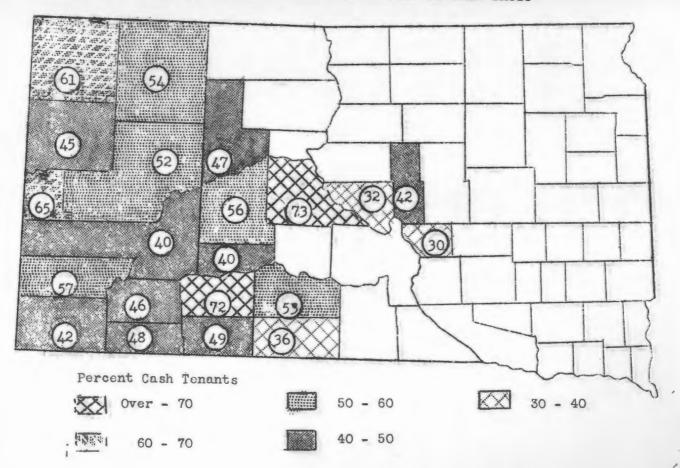


Fig. 3. PERCENT OF TENANTS RENTING ON CASH BASIS



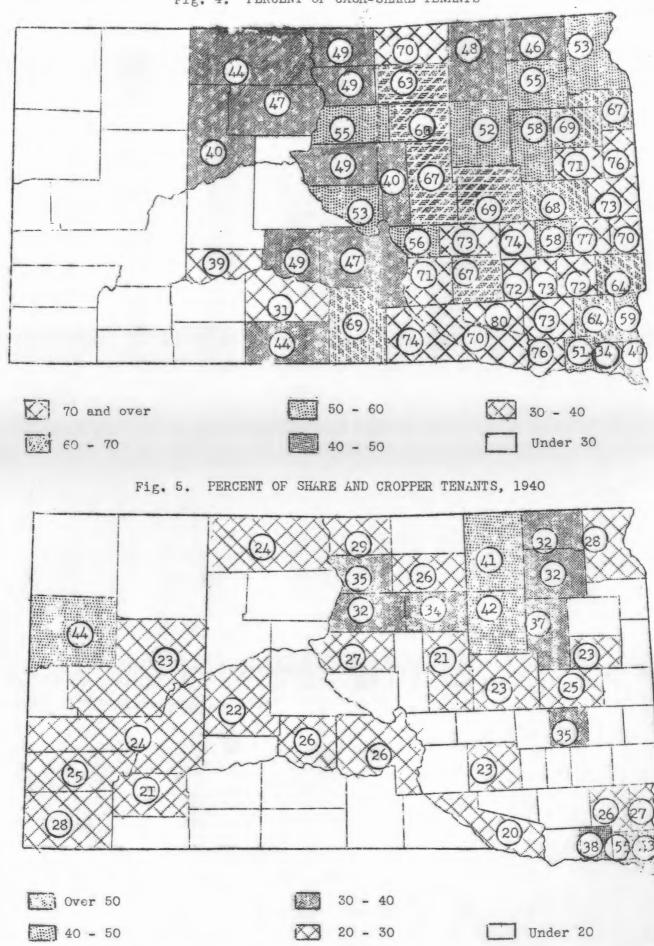


Fig. 4. PERCENT OF CASH-SHARE TENANTS

II. THE CHARACTERISTICS OF THE FARMERS AND THEIR FAMILIES, BY TENURE

There are some differences in the characteristics of full owners, part owners, and tenants, differences which are worthy of note because they help to explain varying behavior tendencies of these tenure groups.

Age of Operators

The average age of all farm operators in South Dakota at the time of the 1940 census was 46.1 years. The table on this page shows that tenants are on the average about ten years younger than owners and about nine years younger than part owners. This seems to be a partial confirmation of the existence of what is known in theory as the Agricultural Ladder. This theory holds that there is normally a progression

Table 1. Average Age of South Dakota Farm Operators : by Tenure, 1940*

Tenure	Age
All operators	46.1
All owners	51.6
Full owners	54.3
Free of mortgage	55.9
Mortgage	53.3
Part owners	49.4
Free of mortrage	49.6
Mortgage	49.5
Managers	40.1
All Tenants	41.4
Cash	43.5
Share cash	41.8
Share	39.1
* Census of Agriculture 1940.	Second Serie

* Census of Agriculture 1940, Second Series,

S. D. State Tables 5 and 10.

from the beginning status of farm labober to tenancy and toward debtfree ownership so that as the operator becomes older he attains a more secure economic and social status. The data in the same table showing mortgage¹ status of owners seem, on the other hand, to indicate that the ladder has not been operating in such a way as to assure economic security merely with the passage of time; there is a difference of only two years between debt-free and mortgaged full owners, and less than two months between debt-free and mortgaged part owners.

Education of Operator

On the basis of a current field study² it appears that only a

1. See below page 16 section on mortgaged indebtedness.

^{2.} Field Study of the Social Aspects of Land Tenure: 274 families were visited by W. L. Slocum and staff during spring 1941.

very slight difference in educational background exists among the three tenure categories in question. Full owners have completed an average of 8.45 years of school and part owners and tenants 8.5 years. This suggests that formal education is probably not a major factor in the achievement of a specific tenure status. There are few who have not had the benefits of the common graded school. Almost eight out of ten reporting operators (79 percent) have completed at least the eighth grade. This is a significant demonstration of the effectiveness of the policy of free and universal public education at the elementary level.

Residential Stability

Residential stability is a vital matter when one considers the continuity of leadership and participation in the social institutions and organizations which arise out of and help to channel the interactions of farm people. People who move a great deal obviously cannot take deep roots in a specific local community.

Table 2.	Percentage	of South De	akota Farm	Operators Wh	o Had Lived
	On the Sam	e Farm for	Specified 1	Periods Prior	to 1940,
	by Tenure.				

Tenure	2 yrs. or less	5 yrs. or more	10 yrs. · or more	15 yrs. or more
All operators	24.0	63,6	47.5	35.5
All owners	9.7	84.1	72.1	58.5
Full	12.0	81.9	70.1	58.4
Part	8.0	85.9	73.8	58.7
All tenants	36.3	46.0	26.3	15.6
Cash	42.1	41.2	23.8	14.0
Share-cash	33,9	47.4	26.8	15.9 -
Share	38.0	45.5	26.5	15.7

The table on this page shows that owners--full owners and part owners alike--have a much greater degree of residential stability than have tenants. This is in accordance with expectation. Tenancy has traditionally been regarded in South Dakota as being chiefly a short term type of tenure.

Attention should be called to the fact that 46 percent of all tenants had been on the same farm five or more years. In fact, more than one out of every four (26.3 percent) tenants had been on the same farm ten or more years. These tenants undoubtedly participate in organizations and community activities in much the same way as do owners.

Extent of Off-Farm Employment of Operator

In the last two decades part-time farming has been a notable rural development in the vicinity of larger cities and in industrial states.

1. Landis, P. H. Rural Life in Process, pp. 234-253.

The predominantly agricultural character of South Dakota, however, provides relatively little opportunity for a substantial amount of offfarm employment.¹ In 1939 only 4,023 or 5.6 percent of our farm operators worked as many as 100 days away from their farms. There were 15,401 (21.3 percent) who did <u>some</u> work off their farms for pay or income.

Tenure	1939	1934	1929
All operators	21.3	60.1	18.9
Full owners	18.7	43.9	*
Part owners	20.8	56.6	*
Managers	14.2	29.9	*
All tenants	22.5	70.9	*
Cash	33.6	*	s 🗰
Share	19.1	*	*
Share-cash	23.9	*	*
Other	26.3	*	*

Table 3. Percentage of Operators Who Worked Off Their Farms for Pay or Income in 1929, 1934, 1939, by Tenure

* Not available

The above table shows that more of the cash tenants and fewer of the managers worked off their farms than did members of the tenure groups. The data for 1934 reflect the drought of that year. The large amount of part-time employment recorded in that year was mainly Civil Works Administration work. This program apparently employed relatively more tenants than part owners, full owners and managers.

Discounting the abnormal situation existing in 1934, there was no substantial increase in part-time farming between 1929 and 1939. As a matter of fact, the small proportionate increase noted is more apparent than real; there were actually 316 fewer farm operators who worked off their farms for pay or income in 1939.

Amount of Hired Labor Needed to Supplement Family Help

At the present time there is a great deal of concern among farmers and others regarding the probable future supply of farm labor. Men are leaving rural areas to join the armed forces and to participate in industrial production. This migration will undoubtedly work hardships upon South Dakota farmers but in a somewhat different way than one might at first imagine. It will be chiefly felt through the migration of unpaid family laborers and the subsequent difficulty or impossibility of replacing their services with machines or hired man power. The truth of this statement is attested to by the fact that only 14.3 percent of South Dakota farms hired labor by the month during 1939. Only 26.3 percent hired labor by the day or week. During the last week of March, 1940, less than 18.7 percent of South Dakota farms had some hired

1. See further discussion of small units in South Dakota below, p. 14.

labor.¹ Only 12.4 percent of the farms included in the tenure sample had a hired man when visited in the spring of 1941.

In general, the counties along the eastorn edge of the state showed higher percentages of farmers hiring labor by the month. (Fig. 6) Harding and Butte counties also have relatively high percentages. In Douglas county only .6 percent of the farmers hired labor by the month during 1939.

These data clearly indicate that the South Dakota farm is primarily a family sized farm in the sense that the family itself furnishes most of the labor force. The figures on work by the day or week show that only a little more than one out of each four farmers hired some supplementary labor during rush seasons such as harvest or threshing. Exchange of work with neighbors is used to a considerable extent to supplement family labor. No women were found in the fields although many were helping with chores and light work around the farmsteads.

Membership of Families in Farm Organizations

Information from the field study suggests that most South Dakota farm families are not greatly interested in farm organizations. Only 37.2 percent of 265 families reporting on this question held membership in one or more of the following organizations: Grange, Farm Bureau, Farmers' Union, Womens' Extension Club, purchasing or marketing cooperative. Differences between full owners, part owners and tenants were not significant--all were low with respect to organizational membership.

Church Membership

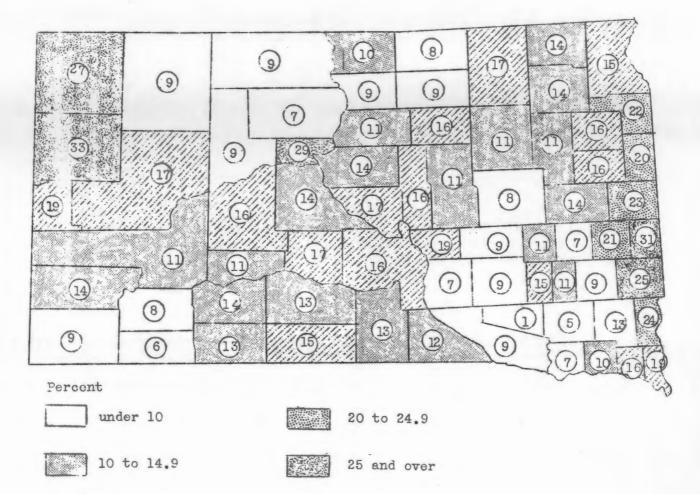
The field study indicates a rather high degree of church membership. Of 251 families reporting on this question more than eight out of ten (85.1 percent) belonged to a church. The data indicate that there may be some difference between the tenure groups in question. Of the full owners 96 percent belonged to a church; the proportions of part owners and tenants belonging to churches were considerably lower, being 80 and 84 percent respectively.

How Ownership Was Attained

Of considerable interest and importance in the discussion of farm tenure is the question of how ownership has been attained by those who hold or have held this status. The census provides no information on this point but a question from the field study gives some information.

1. This figure is a maximum estimate based on the assumption that no farm had more than one hired man. There were 13,569 paid farm laborers on that date. 16th Census of the U. S., 1940, Series P-8, No. 8 Employment status of persons 14 years old and over: 1940. South Dakota More than half (55.2 percent) of the 145 farm operators reporting on this question said that they had received substantial aid from parents, either through gifts of land, money, or equipment or through inheritance. Less than three out of ten (27.6 percent) claimed to have attained ownership without some sort of financial help. This seems to underline the old economic truism that in farming as in other types of business "it takes money to make money." It also makes clear the importance of mutual aid, especially within the framework of the kinship group, in the establishment of ownership.

Fig. 6. PERCENTAGE OF FARMERS HIRING FARM LABOR BY THE MONTH DURING 1939





III. CHARACTERISTICS OF THE FARM, BY TENURE

Size

Adjustment upward in the average size of farm in South Dakota has been in process almost since the state was settled. Need for such ε djustment arose from the fact that the Homestead Act under which much of the land in the state was alienated from the old public domain was unsuited to Great Flains conditions, and to the fact that most settlers came from the more humid areas where smaller farms were adequate.

Between 1935 and 1940, the average size of farms in South Dakota rose from 445.4 acres to 544.8 acres. In 1930 the figure was 438.6 acres.

Census figures for the United States as a whole show the same upward adjustment. However, in many areas, an opposite trend is evidenced in the substantial increase in small farms or acreages. This trend is especially pronounced near large cities and industrial centers. Indications of any such tendency in South Dakote, however, are almost lacking.

The census classifies farms according to size into ten separate groups ranging from three acres to 1000 acres and over. The number of farms in every one of these size groups, except the largest, showed a decrease in South Dakota. Greatest decrease occurred in the holdings of less than three acres. These farms decreased by 68 percent. Second largest decrease was in the 100-179 acre class, where a 23.1 percent decrease is reported. Farms of 1000 acres and over showed a gain of 28.9 percent (See Fig. 7).

The percentage change in average size of farm was comparatively small in the corn belt section of the state (Fig. 8).

Substantial increases in size are shown in the transition area, but the really large increases occurred in the west river area, where farm abandonment and the reversion of cultivated lands to grass has thrown much of the land back into grazing. Moody county had no increase in average size between 1935 and 1940 while Ziebach and Lawrence counties showed decreases (See Fig. 9). The Lawrence county figure is explained by the development of irrigation. The Ziebach county figures are probably explained by the farm abandonment and tax reversion. Ranchers, during the depression and drouth, allowed part of their lands to revert to the county, while retaining the land on which buildings and headquarters were located.

As a tenure group, part owners constituted the largest operators, the average size in 1940 being 1,042 acres. In 1935 the average for this group was 774 acres. The proportion of land owned, however, decreased from 44.79 percent in 1935 to 37.56 percent in 1940. These figures are significant because of the fact that they indicate the extent to which ownership of a relatively small proportion of the land enables owners to control a much larger area. Many of these operators are located in counties where considerable public ownership exists, and they are able to supplement their holdings by leasing the public lands for grazing at a fairly low rate. Such leasing has been

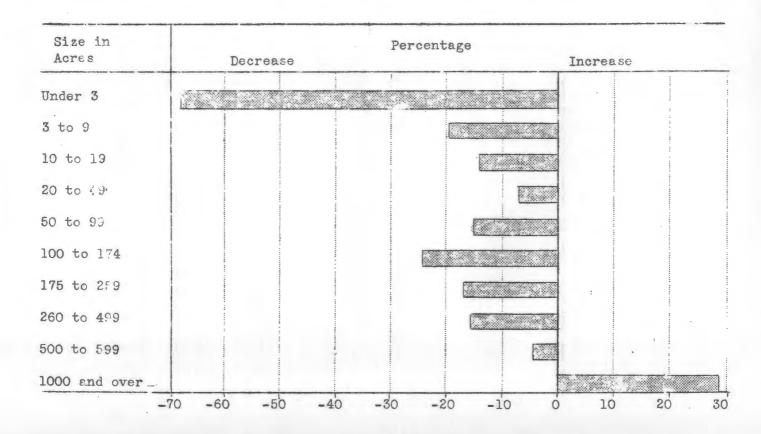
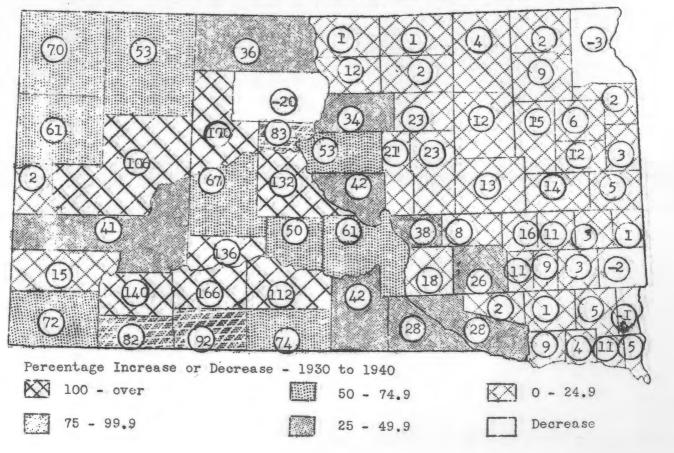


Fig. 7. CHANGE IN NUMBER OF FARMS ACCORDING TO SIZE (1935-40)

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Fig. 8. PERCENTAGE CHANGE IN "AVERAGE SIZE" FARM IN SOUTH DAKOTA



stimulated by the soil conservation payments.

Tenants, as a class, are the second largest group of operators. The average size of holdings for all tenants in 1940 was 397.9 acres, compared with 343 acres in 1935.

Full owners, on the average, are found on smaller farms--266.5 acres in 1940. Furthermore, the average size for this group decreased during the 5-year period, having been 271.8 acres in 1935.

Farm Abandonment

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Closely associated with changes in size of farms is farm abandonment and consolidation. Not all abandoned farms are allowed to remain idle but are eventually added to the remaining holdings.

The number of farms in South Dakota decreased by 12.9 percent between 1930 and 1940. For the individual counties however, the percentage ranged from an extreme decrease of 43.2 percent in Washington dounty to an increase of 14.1 percent in Lawrence county where irrigation development has opened the way for additional farmers.

Value of Land and Buildings

The 1940 valuation of South Dakota farms (land and buildings) was \$505,452,178 compared with \$1,285,153,538 in 1930--a decrease of 60.7 percent in total value (for county data see Fig. 10). On a per acre basis, the average value was \$12.80 in 1940 compared to \$35.24 in 1930. The average per acre value of land and buildings decreased 63.7 percent.

Since the census data were gathered there has been some recovery in land values. However, still apparent are the tremendous losses in savings and expectations for farm values. When the 1920 figures are used, the decline is even more pronounced. The 1930 figures still reflected some of the inflated valuation brought about by war time prices and the land boom which followed. These figures deserve careful study by persons who believe that investment in land is always an insurance against inflation.

The following table shows the movement of per acre values of South ^Dakota farm land and buildings since 1900:

Value of Land and Buildings Per Acre in South Dakota

1900		\$11.54	1930		\$35.24
1910	-	38.63	1935		18.65
1920		71.40	1940	-	12,80

Indebtedness

Mortgaged ownership has long been regarded as one step up from tenancy on the agricultural ladder. In years of falling prices it has also been demonstrated that a mortgage may result in complete loss of equity in the farm.

On April 1, 1940, 58.2 percent of all farms operated by their

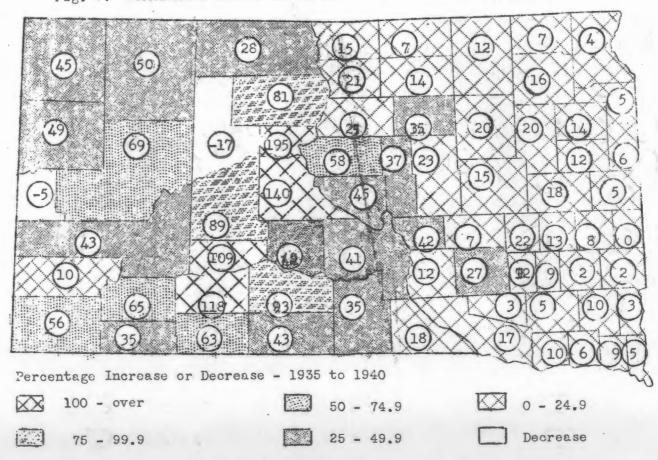


Fig. 10. PER ACRE VALUE OF LAND AND BUILDINGS, 1940

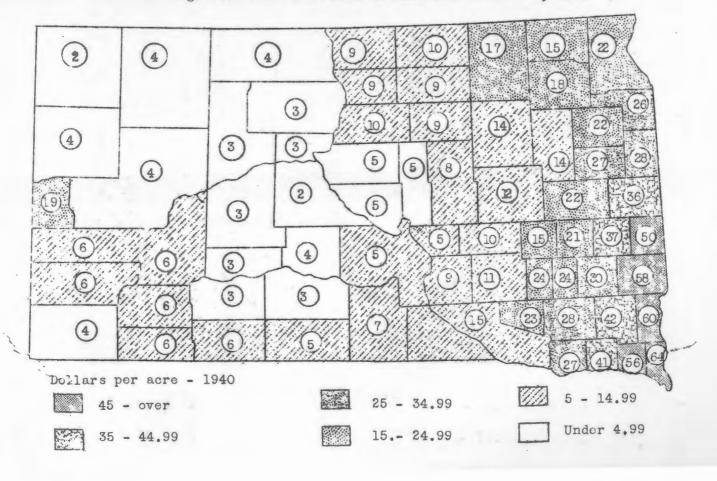


Fig. 9. PERCENTAGE CHANGE IN "AVERAGE SIZE" FARM IN SOUTH DAKOTA

owners were mortgaged. This figure includes the part-owners. Of those owning all the land they operate, 49.5 percent were mortgaged. Debts in this latter group equalled 57.6 percent of the value of the land, showing on the average a total equity of less than 50 percent. A total of 11,986 farms were reported as having no mortgaged debt against them.

A high percentage of mortgaged indebtedness is shown in all counties east of the Missouri River. Highest proportion of indebtedness is in Tripp county, however.

All of the corn belt counties show a high percentage of mortgaged owners, indicating the extent to which farming now requires the use of long term credit to be able to carry on modern, specialized farm operations.

Proportion of Land Rented

The proportion of operators in South Dakota who were full tenants was considered previously. Of interest, also, is the proportion of land that is leased. This includes not only the land operated by the full tenants, but also that operated by the part owners.

Only one county in the state (Custer) had more of its farm land operated by owners than by renters in 1940. In five counties more than 80 percent of the land in farms was under lease (See Fig. 11).

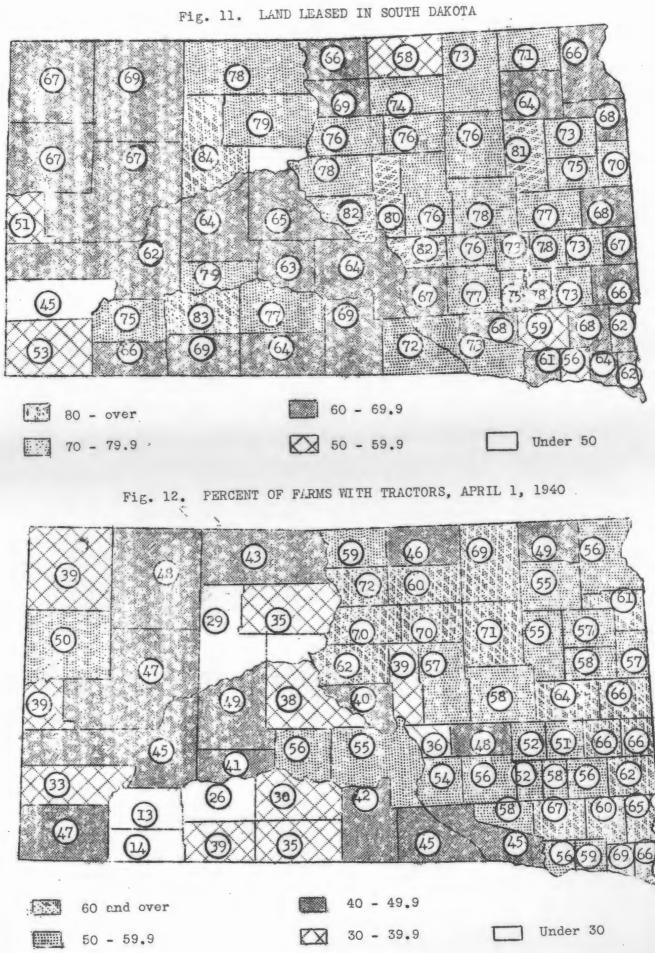
Although the proportion of land leased is very high in the transition area, a careful study of the map shows much less concentration for the state as a whole than in the case of tenants. Three of the five counties with more than 80 percent of leased land are east of the Missouri River area; two are in the West River area.

No county showed as much as 80 percent of land leased in 1935, and only thirteen counties had more than 70 percent leased in that year. In 1940, 34 counties recorded more than 70 percent of the land leased. Greatest percentage increase was recorded in counties west of the river. Ziebach county, for instance, showed an increase from 36.1 percent to 83.9 percent.

These figures, however, must be interpreted with considerable caution. This increase does not represent only an increase in rented land but an increase in land utilization. Large areas of county owned and school lands were idle in 1935, and hence were not included in the land in farms. Increased leasing has been encouraged by the AAA payments for soil conservation practices on range land. Farmers and ranchers found that by complying with the range management programs, their soil conservation payment could be made to pay a substantial part of the rent, giving them range lands at a very low rate.

Mechanization of Farms

All South Dakota farms are, of course, mechanized to some extent. Some of them, however, still use chiefly horsedrawn machinery. Those farms having tractors, trucks, and/or automobiles are mechanized to a much greater extent and are consequently more dependent upon the availability of petroleum products, rubber and repairs for continued operation.



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The proportion of South Dakota farmers having tractors and consequently power machinery increased from 16.1 percent in 1920 to 37,2 percent in 1930 and to 55.1 percent in 1940. This increasing mechanization has doubtless reduced the labor needs to some extent although the increase in size of farm noted elsewhere in this report tends to offset this tendency.

The data of Table 4 show some rather important differences in the degree of mechanization of the farm operations of various tenure groups. The most highly mechanized are part owners of whom seven out of ten have tractors. Of the full owners only a little more than four out of ten have tractors. Cash tenants with three out of ten having tractors are the least mechanized of the tenure groups identified.

Tenure -	Percent of Operators Having Tractors
All operators reporting	55.1
All owners	57.1
Full	42.6
Part	69.7
Managers	56.5
All tenants	52.9
Cash	30.9
Share cash	58.2
Share	55.3
Other	34.9
	2.24

Table 4. Proportion of Operators Having Tractors by Tenure Groups, 1940

The greater degree of mechanization of part owners undoubtedly reflects the larger operations of this tenure group.

All but seven east-river counties (Figure 12) have tractors on more than half of their farms. In sharp contrast west-river agriculture is much less highly mechanized--only two counties, Jones and Lyman, reported tractors on as many as half of their farms. The Indian Reservation counties of Shannon, Washington, and Washabaugh are the least mechanized.

The average year age of tractor was approximately eight years. Few differences exist between tenure groups.

The automobile has become an almost indispensable means of transportation to farmers. It is a little surprising to find in Table 5 that as many as 13.7 percent of South Dakota farmers had no automobiles. No doubt some of these farmers have trucks which serve a dual purpose. Part owners and share-cash tenants had the highest proportion of automobiles. The average farmer having a car drove a model eight years old. There was little advantage among tenure groups insofar as this point is concerned. In view of the prospective decline in automobile production during the next few years it seems quite likely that special steps will have to be taken to provide part and mechanical service if these cars are to be kept serviceable.

Tenure	Automobiles Percent		Trucks Percent
All operators reporting	86.3		18.6
All owners	86.4		23.6
Full	79.4		17.3
Part	92.0		28.6
Managers	75.9	+	30.8
All Tenants	86.3		14.1
Cash	76.9	-	16.9
Share cash	92.5	+	13.1
Share	78.7		15.2
Other	70.8		12.8

Table	5.	Proportion	of Farme	ers Having	Automobiles	and Motor
		Trucks, by	Tenure,	1940.		

Less than one farmer out of five owned a motor truck and this one had a truck that was ten years old. More part owners and managers had trucks than did members of other tenure groups. These data do not mean that the motor truck is not used for the transportation of farm products to market. The facts are that much, if not most, of the grain and livestock marketed by South Dakota farmers is hauled to town by truckers. These truckers live on farms or in villages and towns and each serves a regular group of customers.¹

Electrification of Farms

Very few South Dakota farms are electrified in the sense that electricity is used as a source of power. This may be seen from the fact that only 5.5 percent of the state's farms got electricity from a power line in 1940. A somewhat larger proportion of farms make use of electricity for lighting.

The proportion of farm dwellings lighted by electricity increased from 8.6 percent in 1920 to 10.9 percent in 1930 to 17.7 percent in 1940. Of the 12,845 dwellings lighted by electricity in 1940 only 31 percent got their power from a power line. The remainder got their power from a home plant; many of these home plants consist of small wind-driven charger which operates the farmer's radio and one or two electric bulbs.²

Table 6 (Page 21) shows that a much larger proportion of owners have dwellings lighted by electricity than have tenants. A still larger proportion of managers have electric lights.

As might be expected the richer and more densely settled southeastern corner of the state has a higher proportion of electrified farms (See Fig. 13).

Field study.
Field study.

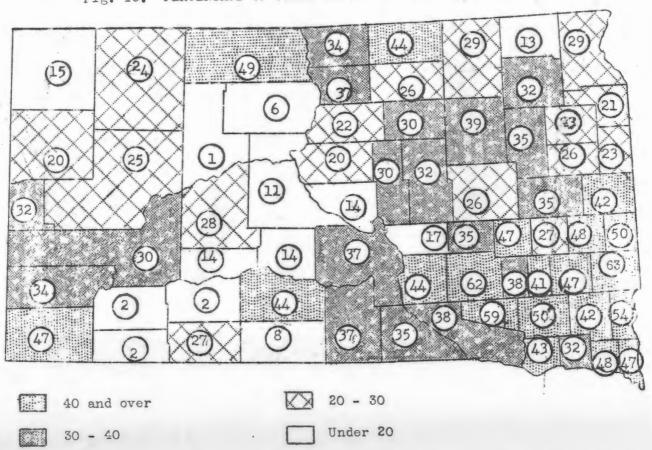


Fig. 14. PERCENTAGE OF FARM DWELLINGS LIGHTED BY ELECTRICITY, APRIL 1, 1940



Fig. 13. PERCENTAGE OF FARMS HAVING TELEPHONES, APRIL 1, 1940

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Tenure	Percent
All operators	17.7
All owners	24.7
Full	24.7
Part	24.7
Manager	32.4
All tenants	11.5
Cash	15.5
Share-cash	10.0
Share	12.5
Other	13.2

Table 6. Proportion of South Dakota Farms Having Dwellings Lighted by Electricity in 1940, by Tenure.

Telephones

The proportion of South Dakcta farms having telephones declined from 59.4 percent in 1920 to 53.6 percent in 1930 and 34.3 percent in 1940. This is a very marked decrease and probably reflects to a very large extent the effects of depression.

The table shows that owners and managers were supplied with telephones somewhat more frequently than were tenants.

Telephones are more frequent in the southeastern part of the state than in other areas (Figure 14). With the exception of a few counties the west-river section is not well-supplied with telephones,

Tenure	Percent
All operators	34.3
All owners	42.1
Full	39,6
Part	44.1
Managers	49.0
All tenants	27.3
Cash	21.3
Share-cash	29.8
Share	25.4
Other	21.1

Table 7. Proportion of South Dakota Farm Operators Having Telephones in 1940, by Tenure

IV. SUMMARY AND CONCLUSIONS

1. During the last generation the proportion of full owners has decreased and the proportion of tenants has increased so that tenants are now proportionately as numerous as full owners were at the beginning of the 30year period. The proportion of part owners has remained relatively constant.

2. In general the lowest percentages of tenancy are found in counties located west of the Missouri River. In proportion of land leased, however, many West River counties rank very high.

3. The most significant characteristics of the farmers and their families are:

- 1a. Age. The average age was 46.1 years. Tenants were about ten years younger than full owners and about nine years younger than part owners.
- 2a. Education. Almost eight out of ten operators have completed the eighth grade. There were no significant differences between tenure groups.
- 3a. Residential Stability. Full owners and part owners have greater residential stability than tenants. Over a third of all tenants had lived on their farms two years or less. Many tenants, however, had been on the same farm for many years; more than one out of each four tenants had been on the same farm ten or more years.
- 4a. Off-Farm Employment. There was no permanent increase in the amount of off-farm employment of operator 1930-40.
- 5a. Supplementary Hired Labor. The usual South Dakota farm is a family size farm using mainly unpaid family help. Considerably less than one in five hire labor by the month. There is, however, a definite prospect of a farm labor shortage in the coming months due to the migration of family members to defense jobs and to the armed forces.
- 6a. Organizational Membership. Farm operators are not "joiners." More than six out of ten belong to no farm organizations whatever.
- 7a. <u>Church Monbership</u>. A relatively high proportion of farmers belong to churches. More of the full owners belong than of the part owners or tenants.
- 8a. How Ownership Was Attained. In order to achieve the status of farm owner, help--usually help from relatives is needed. Less than three out of ten claimed to have achieved ownership without some sort of financial help.
- 4. The outstanding characteristics of the farms are:

la. Size. The size of farms is increasing; during the last decade

the average size of farm increased almost a hundred acres. The largest increases occurred in the West-River area.

Part owners with 1,042 acres are, by far, the largest operators. Tenants, with 398 acres are next largest. Full owners with 266.5 acres are the smallest operators.

- 2a. Farm Abandonment. The number of farms decreased by about one in each eight, 1930-40. Much of the land was, of course, added to the remaining holdings and accounts for most of the increase in size of farms noted above.
- 3a. Value of Land and Buildings. The value of farm land and buildings continued to toboggan during the decade. From a per acre value of \$35,24 in 1930 it declined to \$12.80 in 1940. Some recovery has probably occurred since the 1940 census was taken.
- 4a. Indebtedness. Almost six out of each ten owner-operated farms were mortgaged in 1940.
- 5a. Proportion of Land Leased. It appears that the greater proportion of farm land has now passed into the hands of corporations, public agencies and people who do not themselves care to operate it. Only in Custer county was as much as 50 percent of the land operated by its owner. In five counties more than 80 percent of the land was leased by its owners to others.
- 6a. <u>Mechanization of Farms.</u> Only a little more than half of the farms are fully mechanized. The most highly mechanized tenure group are the part owners of whom seven out of ten have tractors. Of the full owners, who live on smaller farms, only about four out of ten have tractors.

The average age of cars, trucks and tractors is eight to ten years.

- 7a. Electrification of Farms. Less than one out of five farms use electricity to light their dwellings.
- 8a. <u>Telephones on Farms</u>. The proportion of farms having telephones has declined steadily since 1920. Only a little more than one out of three had telephones in 1940.

The significance of these findings to land use planning committees and others interested in the tenure problems of South Dakota are:

1. Since the great bulk of our agricultural land is now in the hands of non-operators a great deal of careful long-range thinking needs to be done concerning a desirable tenure program for the future. If nothing is done, farm tenancy and farm to farm migration of farm families may increase. On the other hand the situation may improve slightly. There is only a small prospect for the average farm operator to gain ownership unaided. In most cases further family help is out of the question so that if operator-ownership of the family size farm is the goal, some governmental program such as the tenant purchase program of Farm Security Administration is indicated.

If, on the other hand, stable tenancy is considered desirable, emphasis on long-time leasing arrangements will be in order. Perhaps some combination of the two can be worked cut.

It is possible, too, that in some parts of the state the situation might take an unexpected turn; large scale mechanized farms, some of which already exist, might be found to be economically desirable. It is probable that some combination of tenure farms will come nearest to providing stable agricultural production with sufficient elasticity to meet changing situations.

2. There is evidently a pressing need for a really effective program to provide farm labor for the coming cropping season. Emphasis may well be laid on neighborly work exchange, judicious use of women and older children for light tasks and possibly the meruitment of village people during critical periods.

3. The relatively great age of cars, trucks and tractors means that repair parts will be essential. Steps should be taken at once to insure the securing of needed parts. Locally it may be desirable to establish machinery pools to take care of farm crops during unavoidable delays due to breakage.