ated. This will stimulate agricultural rent. This is already apparent. It has been remarked by the Census Office and the Agricultural Department, which report a tremendous increase in land values in the last few years. The millions of dividends which are pouring into the money centres will now find their way into land speculation. For land is the safest of all investments, and capitalistic agriculture is profitable. Moreover, land has become a monopoly, a monopoly not yet so complete as other industries, but none the less a monopoly. From now on, therefore, we may expect increasing investments in land and a constant growth in the plantation system. This change marks a revolution in the economic foundations of American society. It is the most revolutionary change that could be imagined. For the universal opportunity which for three centuries America offered to all the world has finally come to an end.

CHAPTER VII

SOME OF THE COSTS OF TENANCY

AGRICULTURAL tenancy is more precarious in America than in any country in Europe. Tenure is subject to the arbitrary will of the owner. There is nothing to check the operation of the law of demand and supply, nothing to protect the tenant in his occupancy. In many of the countries of Europe the traditions of feudalism have softened the relations of landlord and tenant. Competition has been mitigated by the long-continued occupancy of the land by certain families. The hand of the landlord is restrained by this fact. In some countries rents have remained fixed during long periods of time. Custom has established a fair rent. It may not be changed except by agreement with the tenant.

In Ireland an attempt has been made to re-establish by statute the idea of customary rents, to give security to the tenant, to indemnify him for his improvements, and to protect him from the landlord. Tribunals have been created with power to fix rents at a reasonable rather than a competitive figure. Provision is also made for the compulsory purchase of land, and its resale to the peasants on instalments, with the aim of creating a peasant proprietary class.

More recently similar legislation has been passed for England, by the aid of which the local authorities may acquire land in large areas and subdivide it among petty proprietors.

In America there is no such custom, no such tradition of the personal relations of feudalism, no such legislation to protect the agricultural tenant from the increase of rent. There is nothing to relieve the struggle for existence and the right of the landlord to charge whatsoever he pleases. And it is doubtful if the Constitution would permit any such fair-rent legislation. The landlord can dismiss the tenant at will, he can and does appropriate all of the improvements which have been made. The tenant has no right to anything which has become fixed to the realty. He may take away the crops, but nothing more. All of the betterments pass to the landlord.

In consequence the tenant does nothing to improve the land. He makes no repairs. He cultivates for the present only, he selects such crops as will give an immediate return with the least possible labor. He permits the buildings and improvements to go to decay; he exhausts the land itself by failing to fertilize it. In time he abandons the property because it is no longer profitable.

The same influences lead to indifferent cultivation. The stimulus of security is absent. The tenant is wasteful and careless. His rent is fixed by what the

land is supposed to yield; it is determined by what another will pay for the same holding. If he increases its fertility, it is made an excuse for an increase in the rent. If he is thrifty and industrious, if he makes the farm more attractive, if he drains and irrigates it, the advantage accrues to the owner or to some other tenant who will offer an increased rent for the property because of his exertions.

Agricultural land in America is usually rented from year to year. The tenant is subject to eviction upon a few months' notice. He has not even the security of a long-time grant. There is nothing to stimulate his pride, nothing to awaken his interest. Every incentive is lacking. Competitive tenancy, such as everywhere exists in America, is utterly destructive to good farming; it leads to indifference on the part of the worker, and a rapid deterioration in the farm itself.

These conditions are already common in many parts of the country. The tenant farm, with its dilapidated buildings, with barns and fences going to decay, with fields badly cultivated or grown up with weeds, may be seen in any section of the East. The tenant farmer is but little better off than the worker in the city; he can rarely accumulate any capital or make any provision for the morrow. He has little more security in his position than the farm laborer.

The Public Lands Commission, appointed by President Roosevelt, has described in very moderate language the extent and effect of tenancy in the West. The report says:

"The disastrous effect of this system [of tenant cultivation] upon the well-being of the nation as a whole requires little comment. Under the present conditions, speaking broadly, the large estates usually remain in a low condition of cultivation, whereas under actual settlement by individual home-makers, the same land would have supported many families in comfort, and would have yielded far greater returns. Agriculture is a pursuit of which it may be asserted absolutely, that it rarely reaches its best development under any concentrated form of ownership.

"There exists and is spreading in the West a tenant or hired-labor system which not only represents a relatively low industrial development, but whose further extension carries with it a most serious threat. Politically, socially, and economically this system is indefensible. Had the land laws been effective and effectually enforced, its growth would have been impossible.

"It is often asserted in defence of large holdings that, through the operation of enlightened selfishness, the land so held will, eventually, be put to its best use. Whatever theoretical considerations may support this statement, in practice it is almost universally untrue. Hired labor on the farm cannot compete with the man who owns and works his land, and if it could, the owners of large tracts rarely have the capital to develop them effectively.

"Although there is a tendency to subdivide large holdings in the long-run, yet the desire for such

holdings is so strong and the belief in their rapid increase in value so controlling and so widespread, that the speculative motive governs, and men go to extremes before they will subdivide lands which they themselves are not able to utilize."[1]

Bad as these conditions are, they are only beginning to appear. Land is still relatively cheap. Population is still far from dense. The free homestead in the West and the demands of industry have relieved the demand for land. From now on, however, agricultural rent is bound to increase. In time competition will be carried to such a point that agriculture will suffer. The worker will not be able to save enough to stock and maintain the farm. He will abandon those crops which require a capital outlay for the coming season, and will limit his planting to those which are most easily harvested. Competition will go even further than this. With increasing population the worker will offer a greater share of the produce, or a higher rent for the land, than he can produce. He will do this as a means of escape from starvation, or to prevent another, as hungry as himself, from taking the land from him.

Ireland is the country in whose history we can best study the results of competitive agricultural tenancy. From her experience we can forecast our own. For here as there no limit existed to the right

[1] Senate Document No. 154, 58th Congress, 3d session, p. 14.

of the owner to do as he willed with his land. John Stuart Mill has thus described the conditions of competitive tenancy in Ireland:

"It is scarcely possible," he says, "that cottier [competitive tenancy] agriculture should be other than miserable. . . . The competition for land makes the tenants undertake to pay more than it is possible they should pay, and when they have paid all they can, more almost always remains due.

"'It may fairly be said of the Irish peasantry,' said Mr. Revans, the secretary of the Irish Poor Law Enquiry Commission, 'that . . . the rents which they promise, they are almost invariably incapable of paying; and, consequently, they become indebted to those under whom they hold, almost as soon as they take possession. They give up in the shape of rent the whole produce of the land, with the exception of a sufficiency of potatoes for a subsistence; but as this is rarely equal to the promised rent, they constantly have against them an increasing balance. In some cases, the largest quantity of produce which their holdings ever yielded, or which, under their system of tillage, they could, in the most favorable seasons, be made to yield, would not be equal to the rent bid; consequently, if the peasant fulfilled his engagement with his landlord, which he is rarely able to accomplish, he would till the ground for nothing, and give his landlord a premium for being allowed to till it. . . . The full amount of the rent bid, however, is rarely paid. The peasant remains constantly in debt to his landlord; his miserable possessions—the wretched clothing of himself and of his family, the two or three stools, and the few pieces of crockery which his wretched hovel contains would not, if sold, liquidate the standing and gener-

ally accumulating debt. . . . Should the produce of the holding, in any year, be more than usually abundant, or should the peasant, by any accident, become possessed of any property, his comforts cannot be increased; he cannot indulge in better food nor in a greater quantity of it. His furniture cannot be increased, neither can his wife or children be better clothed. The acquisition must go to the person under whom he holds.'

"As an extreme instance of the intensity of competition for land, and of the monstrous height to which it occasionally forced up the nominal rent, we may cite from the evidence taken by Lord Devon's Commission, a fact attested by Mr. Hurly, clerk of the Crown for Kerry: 'I have known a tenant bid for a farm that I was perfectly well acquainted with, worth £50 a year; I saw the competition get up to such an extent that he was declared the tenant at £450.'

"In such a condition what can a tenant gain by any amount of industry or prudence, and what lose by any recklessness? If the landlord at any time exerted his full legal rights, the cottier would not be able even to live. If by extra exertion he doubled the produce of his bit of land, or if he prudently abstained from producing mouths to eat it up, his only gain would be to have more left to pay to his landlord; while if he had twenty children they would still be fed first, and the landlord could only take what was left. Almost alone amongst mankind the cottier is in this condition, that he can scarcely be either better or worse off by any act of his own. If he were industrious or prudent, nobody but his landlord would gain; if he is lazy or intemperate, it is at his landlord's expense. A situation more devoid of motives to either labor or self-command, imagina-

tion itself cannot conceive. The inducements of free human beings are taken away, and those of a slave not substituted. He has nothing to hope, and nothing to fear, except being dispossessed of his holdings, and against this he protects himself by the *ultima ratio* of a defensive civil war. Rockism and Whiteboyism were the determination of a people, who had nothing that could be called theirs but a daily meal of the lowest description of food, not to submit to being deprived of that for other people's convenience.

"Is it not, then, a bitter satire on the mode in which opinions are formed on the most important problems of human nature and life, to find public instructors of the greatest pretensions imputing the backwardness of Irish industry, and the want of energy in the Irish people in improving their condition, to a peculiar indolence and *insouciance* in the Celtic race? Of all vulgar modes of escaping from the consideration of the effect of social and moral influences on the human mind, the most vulgar is that of attributing the diversities of conduct and character to inherent natural differences. What race would not be indolent and insouciant when things are so arranged that they derive no advantage from forethought or exertion? If such are the arrangements in the midst of which they live and work, what wonder if the listlessness and indifference so engendered are not shaken off the first moment an opportunity offers when exertion would really be of use? . . . It speaks nothing against the capacities of industry in human beings that they will not exert themselves without motive. No laborers work harder in England or America than the Irish; but not under a cottier system." [1]

[1] *Principles of Political Economy*, Bk. II, chap. 9.

Such are the logical and inevitable results of competitive tenancy. The condition of the peasant farmer in England is but little, if any, better than that of the cottier in Ireland. He is subject not only to industrial but political and religious subjection to his landlord. On the Continent the same is true. Much of the land of Belgium is held on short-time leasehold. The tenant has somewhat more security than the Irish cottier, but he is rack-rented nevertheless. Emile de Laveleye, the celebrated Belgian economist, said of the system which prevails in that country:

"The tenant is not encouraged to improve, and if he does make improvements he can hardly be said to reap the benefits of them. The landlords will not grant longer leases, because they want, in the first place, to keep a hold upon their tenants; and secondly, to raise the rents when the leases expire. It may be said, that throughout Belgium such increases of rent take place regularly and periodically."[1] This process of rent increase is proven by statistics. From all of the provinces of Belgium the average rent per one hundred acres of land increased in thirty-six years from $11.45 per unit to $20.40, or nearly one hundred per cent. Unlike Ireland, Belgium blossoms like the rose. It is wonderfully productive. Yet the population of the

[1] "Systems of Land Tenure in Various Countries," *Cobden Club Essays*, p. 466.

country is the most illiterate, in many ways the most poverty-stricken and miserable, of any in western Europe. "I think it is certain," says Professor Laveleye, "that the Flemish farmer is much more ground down by his landlord than the Irish tenant."[1]

One has only to cross the borders into Holland to find an entirely different state of affairs. Holland, like Denmark and Switzerland, is a land of comfort, high degree of education, and happiness. Laveleye says of this country: "The farmers of Holland lead a comfortable, well-to-do, and cheerful life. They are well-housed and excellently clothed. They have chinaware and plate on their sideboards, tons of gold at their notaries, public securities in their safes, and in their stables excellent horses. Their wives are bedecked with splendid corals and gold. They do not work themselves to death. On the ice in winter, and at the Kermesses in summer they enjoy themselves with the zest of men whose minds are free from care."[2]

The reason assigned by M. de Laveleye for the prosperity of the Dutch farmers in comparison with the Belgian is that the land in Holland has remained almost entirely in the hands of the peasants, who work their lands for themselves rather than for another. They do not fear an increase in rent with every improvement in production nor eviction in favor of another willing to offer a higher rent for the land.

[1] *Cobden Club Essays, supra*, p. 483. [2] *Idem*, p. 133.

It is true America has not yet reached the conditions described in Ireland and Belgium. The ultimate results of competitive tenancy have not yet appeared. The free lands of the West have kept down rents. It has offered an outlet for the East. But America already has a large tenant class. The number of renters is bound to increase and increase with great rapidity. This is inevitable. For the land is practically all enclosed and population is increasing with no sign of abatement.

Ultimately, as in Ireland, the operation of the law of demand and supply will reduce the standard of living of the tenant to the lowest point. The sum which men will offer for the use of the land will be determined, just as is the price of a loaf of bread among starving men. Millions in Europe are already offering all save a potato diet for the mere right to work upon another's land. And millions more have promised more than they could possibly produce in order that they might anticipate a hungry competitor. It is this struggle for the land that is sending the population of Russia, Hungary, Germany, and Italy to America to-day. And it is only a matter of time when the conditions which they have left behind will reappear in their new home.