

FARM TENANCY IN OKLAHOMA

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FOREWORD

The farm tenancy problem has been discussed by public and private agencies, as well as by individuals, with increasing frequency during recent years. This bulletin is made available in order that the factual situation regarding farm tenancy in Oklahoma may be more widely understood by these agencies and individuals. The extent and growth of farm tenancy is briefly described and some of its economic and social characteristics are considered.

It must not be assumed from the information presented in this publication that farm tenancy is all bad and that all farmers should own their land. Tenancy can serve useful social and economic purposes; but it also involves social and economic problems.

This bulletin is not intended to present solutions for the problems involved in tenancy. It is intended rather to present a picture of the farm tenancy situation in Oklahoma. Its purpose is two-fold: to show where the problems are, and to aid the various agencies now attempting to solve these problems by giving them data.

Other studies of tenancy now being carried on by the Oklahoma Agricultural Experiment Station include the tenure improvement programs of several foreign countries and proposals made in this country; the laws governing landlord and tenant relationships in Oklahoma, and possible means of improving them; and the types of tenancy areas found in the State.

This study by Mr. Southern shows that:

Tenancy has increased in Oklahoma since 1890, until now the State ranks sixth from the highest among the states in the proportions of farm operators who are tenants.

Leasing agreements are usually oral, but corporate and public land owners have written agreements with their tenants.

The crop share rental agreement is more common than other types, but a large number of tenants pay cash rent in some areas.

Sharecroppers, although found in every county in the State, do not constitute a large proportion of tenants except in the bottomland cotton-producing areas.

Farms operated by tenants are valued on the average at a much lower figure than farms operated by owners. This is true of the tenants' machinery and equipment.

Mobility of tenants is very high in Oklahoma, with approximately one-third of the total number moving each year. This great mobility means that the tenant farmer, as a class, must operate more of the cash crop farms, plant a small proportion of their lands to legumes, have less pasture and livestock, and terrace a great deal less land than do owner-operators.*

Tenants in Oklahoma do not support religious organizations as much as do owner-operators.

The educational attainments of tenant farmers are less than those of owner farmers.

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By

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There are two general types of land tenure under which farm operators hold their farms in Oklahoma; these are ownership and tenancy. The owner-operator has practically complete and permanent control over the land to which he has title. The State has reserved only three rights in his land—the right to tax, the right to condemn for public purposes, the right to police when necessary. With these exceptions, the owner has complete right to use and abuse the land as he sees fit. Therefore, he reaps the benefits of conservation and must stand the losses of exploitative practices. The tenant-operator, on the other hand, has only a restricted and temporary right in the land which he farms. Any increase or decrease in the productive capacity of the farm, because of the way in which he cultivates it, is a profit or loss to the landlord, to succeeding tenants, and to society.

Much of the material presented in this bulletin is based upon census data and information secured by local studies. It may prove helpful, therefore, to describe the different tenure classes used by the census which are common to both census publications and local studies.

“Full owners” are farmers who own all of the land they operate.

“Part owners” are farmers who own part and rent part of the land they operate. Thus, they have an ownership relation to a part of their land and a tenancy relation to the remainder.

“Managers” are farmers who operate land for owners. They usually receive wages or salaries for their services.

“Tenants” are farmers who rent their land from landlords. They are of two general classes; renters who supply their own workstock and equipment, and sharecroppers who use, in addition to the land, the workstock and equipment belonging to the landlord. Renters may rent either for a share of the crops and livestock or for cash, or they may pay both share and cash rent.

Since the purpose of this bulletin is to indicate the distribution and growth of farm tenancy in Oklahoma and to describe some of its economic and social characteristics, part owners and managers will not be considered. Full owners only will be used for comparative purposes.

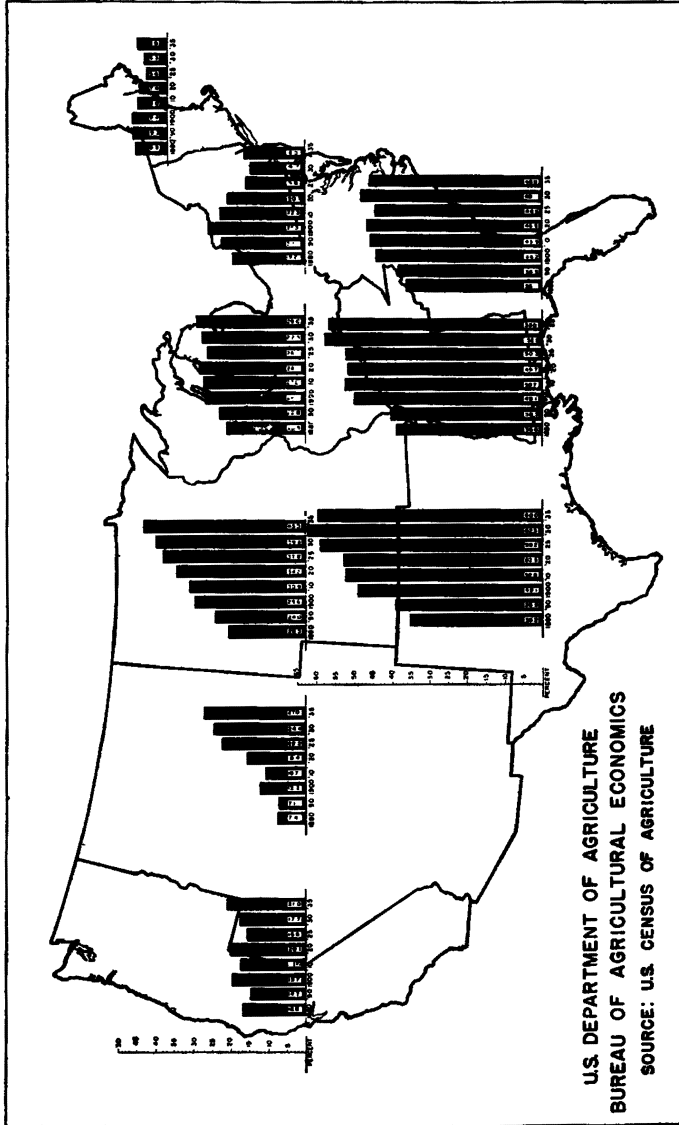
EXTENT AND GROWTH OF FARM TENANCY

Farm tenancy is found in every State of the Union. It is more prevalent in the cash crop areas of the South and Middle West than in the diversified farming sections of the East and far West. The percentage of tenancy is higher in the South than the Middle West. Many of the corn and wheat growing states of the Middle West, however, have a high percentage of tenancy. Tenancy is also high in Kansas, Nebraska, North Dakota, South Dakota, Minnesota and Illinois.

¹ This study was initiated under the direction of James Salisbury, Jr., much of the data were collected and tabulated under his direction.

Farm tenancy in New England and the Middle Atlantic States has been declining for some time. The percentage of farms operated by tenants has had very little change during recent decades in the Pacific Coast States and in the South Atlantic States. The growth in farm tenancy has been most rapid in the Mountain States, the West South Central and the West North Central States. This increase has been somewhat slower in the East North Central and the East South Central States. (Figure 1.)

FIG. 1
 PERCENTAGE OF TENANCY BY GEOGRAPHIC
 DIVISIONS OF THE UNITED STATES FROM 1880 TO 1935



Many of the Southern States have a higher percentage of tenancy than Iowa and the other Mid-western states. Mississippi was the highest, with 70 percent when the 1935 census was taken. Other Southern States were as follows: Georgia, 66 percent; Alabama and Louisiana, each 64 percent; and Texas, 57 percent.

In 1935, according to the Census of Agriculture, there were 213,325 farmers in Oklahoma, of whom 130,661, or 61 percent were tenants. Of this group, share and cash renters made up 117,021 and share-croppers accounted for 13,640. Approximately 60 percent of the farm land of Oklahoma was operated under lease, and the value of farms of tenant operators amounted to \$367,036,098, or 46.8 percent of all farm land in Oklahoma. Thus, Oklahoma, with 61.2 percent, ranks sixth among the 48 states in the percentage of tenancy.

GENERAL DISTRIBUTION

Tenant farming is not distributed evenly throughout Oklahoma. It is most prevalent in the east central and southern cotton growing areas, and least common in the western cash grain and range livestock areas and in the self-sufficing areas of the eastern part of the State. In 1935, the percentage of tenancy was highest in McIntosh County with 78.3 percent, and lowest in Beaver County with 35.1 percent.

When the agricultural census of 1890 was taken, less than one percent of the farms of the State were operated by tenants. It should be recalled that much of this territory was first opened for settlement in 1889, and therefore, the early homesteaders were still "proving up" their land. By 1900, over two-fifths of the farms of the State were tenant operated. During the next decade, the number of tenant-operators more than doubled while the owner-operators increased approximately one-fifth. By 1910, 54.8 percent, or slightly over one-half of the farms were operated by tenants. (Table 1 and Figure 2.)

TABLE 1. Tenure of Farm Operators in Oklahoma¹

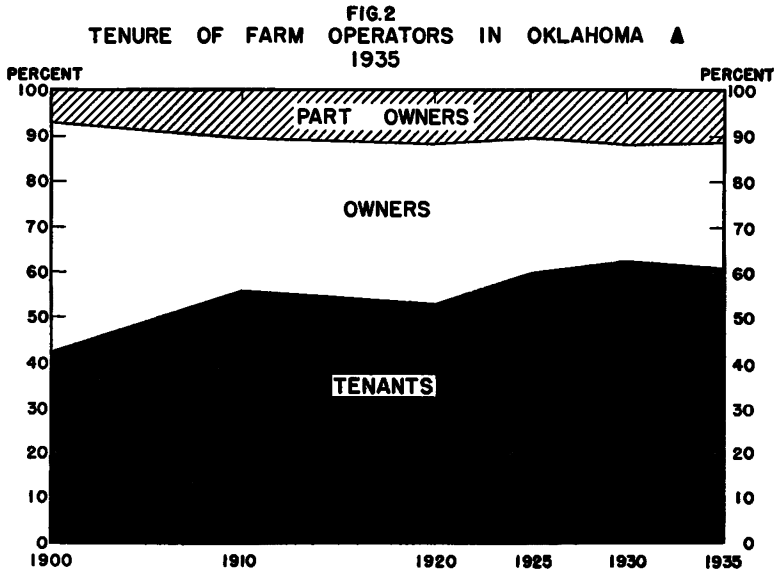
Tenure	1900		1910		1920	
	Number	Percent	Number	Percent	Number	Percent
Total operators	108,800	100.0	190,192	100.0	191,988	100.0
Full owners	53,619	49.6	64,884	34.1	69,786	36.3
Part owners	6,590	6.2	20,520	10.8	23,431	12.2
Managers	541	.5	651	.3	935	.5
All tenants ²	47,250	43.7	104,137	54.8	97,836	51.0

Tenure	1925		1930		1935	
	Number	Percent	Number	Percent	Number	Percent
Total operators	197,218	100.0	203,866	100.0	213,325	100.0
Full owners	60,764	30.8	53,647	26.3	58,796	27.6
Part owners	20,462	10.4	24,067	11.8	23,093	10.8
Managers	494	.2	823	.4	775	.4
All tenants ³	115,498	58.6	125,329	61.5	130,661	61.2

¹ Source: United States Census of Agriculture.

² Includes croppers.

Between 1910 and 1920 both the number of tenants and the percentage of tenancy declined. The number of tenants declined from 104,137 to 97,836 and the percentage declined from 54.8 to 51.0. Since 1920, the number of tenants has steadily increased, but the percentage declined slightly between 1930 and 1935. The number of tenants increased to 125,329 in 1930 and continued to 130,661 in 1935. The percentage in 1930 and 1935, respectively, was 61.5 and 61.2.



SOURCE: U.S. CENSUS OF AGRICULTURE 1935
▲ MANAGERS LESS THAN 0.5 OF ONE PERCENT

BUREAU OF AGRICULTURAL ECONOMICS

OFFICE OF LAND PLANNING SPECIALIST

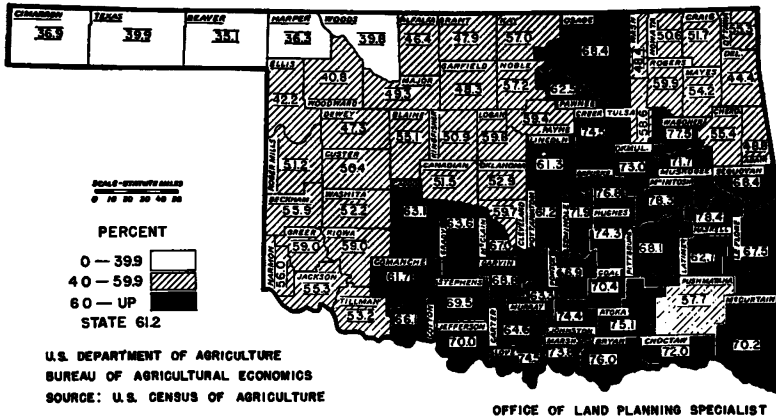
The percentage distribution of tenant-operators, owner-operators, and part-owner operators reveals a steady trend from ownership to tenancy since 1900. This trend from ownership to tenancy is indeed remarkable when one considers that a large area of Oklahoma was practically given away as free land only a few years prior to 1900.

In 1910, 34 counties had 60 percent or more of their farms operated by tenants. By 1930, the number of such counties had decreased to 18. The number increased again between 1920 and 1930 to 44, and declined to 36 in 1935. The number of counties with less than 40 percent tenancy increased from 16 to 19 between 1910 and 1920, and declined to 7 in 1930 and 5 in 1935. Beaver County, the county with the lowest percentage of tenancy in 1935, has over one-third of its farms operated by tenants. (Figures 3 to 7.)

Thus, it can be seen that the percentage of tenancy declined in Oklahoma during the decade of the World War, and has increased since 1920. The decline was probably due to several factors. A prosperous agricultural situation, making possible the purchase of farms by operators, and the move-

Farm Tenancy in Oklahoma

FIG. 7
PERCENT OF FARMS OPERATED BY TENANTS IN OKLAHOMA
1935



Census data indicate that significant shifts in the percentage of tenancy within individual counties have taken place during recent decades. From 1910 to 1920, the percentage of tenancy decreased in 53 counties and increased in 24 counties. In general, counties in the western half part of the State showed increases, while the counties in the eastern half of the State showed decreases. Between 1920 and 1930, this percentage decreased in only two counties—Osage and Washington—and increased in each of the other 75 counties. Changes in the percentage of tenancy by counties were about equally balanced between 1930 and 1935, with increases occurring in 38 counties and decreases taking place in 39 counties. (Figures 8, 9, and 10.)

FIG. 8
CHANGE IN FARM TENANCY
1910—1920

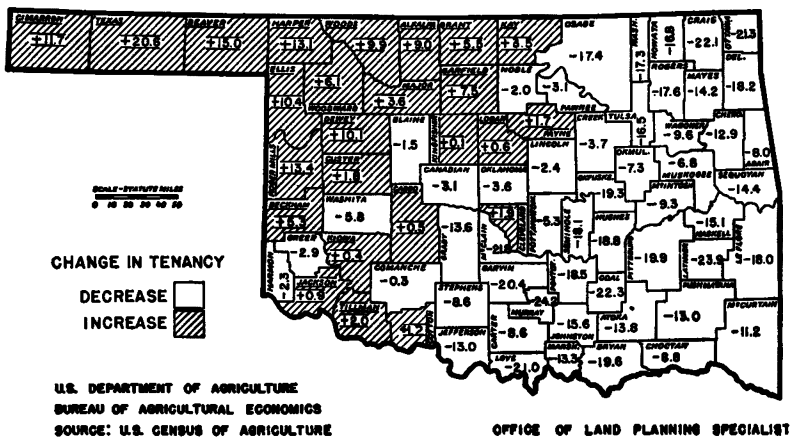


FIG. 9
CHANGE IN FARM TENANCY
1920-1930

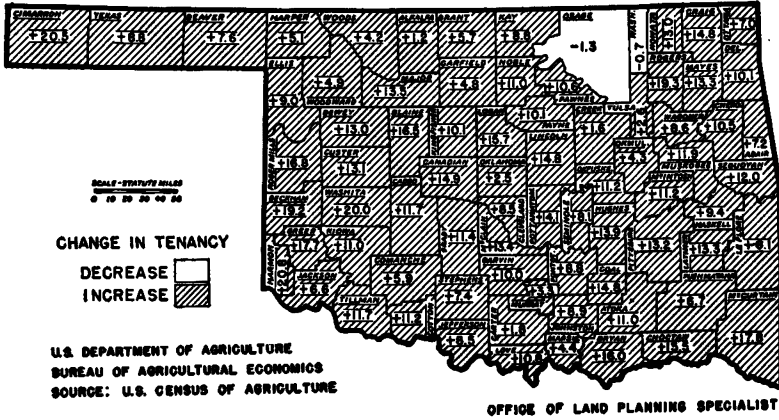
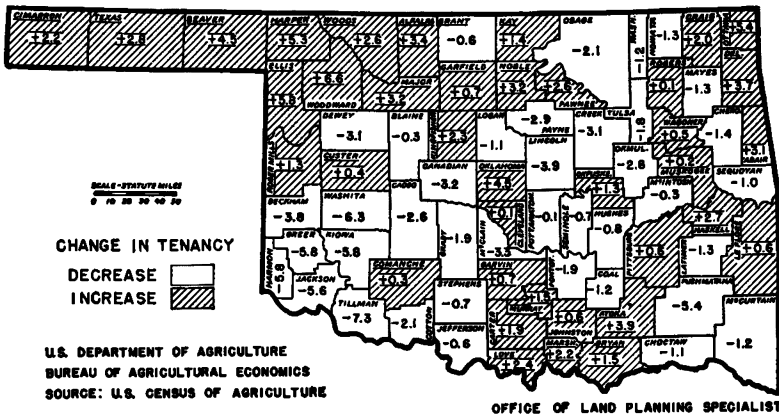


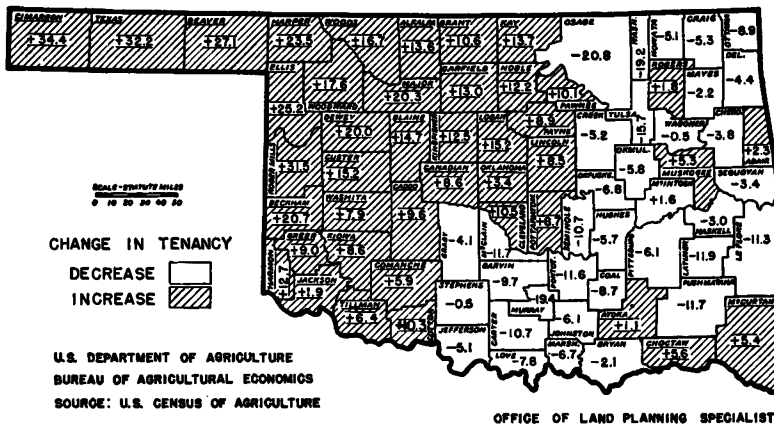
FIG. 10
CHANGE IN TENANCY IN OKLAHOMA
1930 TO 1935



Only two counties—Washington and Osage—showed a consistent decrease in the percentage of tenancy from 1910 through 1920, 1930 and 1935. This was due mainly to the lifting of restrictions on Indian lands allowing these lands to be sold. Fifteen counties, 14 of them in the Panhandle and western portion of the State, showed consistent increase in the proportion of farms operated by tenants from 1910 to 1935.

A study of the long-time shift (1910 to 1935) in the percentage of tenancy in each of the several counties in the State indicates that practically all counties in the western portion have experienced an increase in the percentage of tenancy while most of the counties in the eastern part of the State had a decrease. (Figure 11.)

FIG. 11
CHANGE IN TENANCY IN OKLAHOMA
1910 TO 1935



The number of counties in which at least one-half of the farm operators were tenants increased from 48 in 1910 to 62 in 1935. Of the group of counties having 50 percent or more of tenancy in 1910, Washington County was the only county showing less than 50 percent in 1935. It is significant to note that the 15 counties in which an increase from less than 50 percent to more than 50 percent tenancy during this period are located in the southwestern and west central portion of the State, on the relatively better agricultural lands, and include Cotton, Tillman, Harmon, Beckham, Washita, Roger Mills, Custer, Blaine, Kingfisher, Canadian, Oklahoma, Cleveland, Logan, Noble and Kay Counties. (Figures 12 and 13.)

**SOME ECONOMIC AND SOCIAL CHARACTERISTICS
OF FARM TENANCY**

An attempt has been made, in the preceding section of this report, to indicate the distribution and growth of farm tenancy in Oklahoma. It is recognized that this material is general in nature and does not describe specific characteristics of farm tenancy. The purpose of this section is to describe briefly some of the more important characteristics of tenant farming, as indicated by census data and other readily available information.

TYPES OF LEASING AGREEMENTS

Typical leasing agreements between a landlord and his tenant are oral, very brief, and based largely upon customs that have become well established in the community. The tenant pays the landlord a share of the crops as rent, and occasionally pays additional cash rent. Division of operating expenses varies from one portion of the State to another and even within the same community, with very little mention made of preserving or improving the rented property.

A tenant desiring a farm will approach the landlord whom he believes has a farm for rent. They have previous but slight acquaintance and occasionally have known each other for some time. The tenant will indicate his desire "to farm the Hilltop place next year" and the landlord will "think that will be agreeable." A short discussion on the amount of crops to be grown will follow, and mention may be made of some other aspect of the joint venture in which the tenant is particularly interested. Within a very brief period of time, tenant and landlord have agreed to the renting of the farm, and the tenant proceeds to move on the property when it becomes available.

Leasing agreements between tenant farmers and corporate and public landlords (that is, loan companies, Indian Service, and the State School Land Commission) are, in almost all cases, written. They specify in some detail the agreement regarding cropping systems, kind of rent to be paid, and a number of other aspects of the farming operation.

The customary leasing system is a third-and-fourth crop share agreement. Under this system, the landlord furnishes the land and buildings and one-third of the grain fertilizer, and one-fourth of the cotton fertilizer if any is used. The tenant supplies all labor and equipment, bears the cost of operating expenses, and the remaining cost of fertilizer. He pays the landlord one-fourth of the cotton and one-third of any other crops as rent. In recent years, the tenant frequently has paid additional cash rent, usually spoken of as a "bonus" or "privilege" rent.

Another leasing system having common usage throughout the State is termed "sharecropping." Under this type of lease the farm-operator furnishes only the labor and one-half of the fertilizer and one-half of the cost of ginning, and the landlord supplies all other costs of production. In this type of operation, crops are divided equally between the two parties.

Sharecroppers are not tenants according to the Oklahoma laws governing landlord and tenant relations. They are regarded as employees and the owners of the land are employers. Aside from a difference in the division of income and expenses, the chief distinguishing features between a sharecropper and a crop-share or cash renter are: (a) the cropshare or cash renter has a legal right to possession of the property and he may even prevent the landlord from entering upon it, while a sharecropper has no legal right to possession of the premises, and (b) the ownership of the crops is divided between the landlord and the cropshare renter, while the landlord owns all crops produced by the sharecropper and only owes the sharecropper a part of the crop as wages just as he would owe a day laborer cash as wages. Sharecroppers have been considered as tenants in this report because all available economic and social data include them in the same category as other renters. In 1935, sharecroppers comprised 10.4 percent of the total tenants in Oklahoma, while crop-share and cash renters accounted for the remaining 89.6 percent.

A few sharecroppers are found in every county of the State. They are most common in the heavy, cotton producing areas, and account for approximately one-sixth of the tenant farmers in nine counties. (Figure 14.)

Under a cash rental system, the tenant pays a stipulated amount of money as rent. This amount may be a total for the farm, varying amounts

per acre for the different crops grown, or an amount agreed upon for each head of livestock, or per acre for land that is grazed, or a combination of the latter two.

Cash tenants are also distributed through the State, being most prevalent in the north central part, and in 1930 accounted for slightly more than one-fifth of the tenant farmers in 15 counties of the State, (Figure 15). In 1930, the last year for which data are available, 14 percent of the tenant farms were rented for cash. It is generally believed that the frequency of

FIG. 14
PROPORTION OF TENANTS WHO WERE CROPPERS
1935

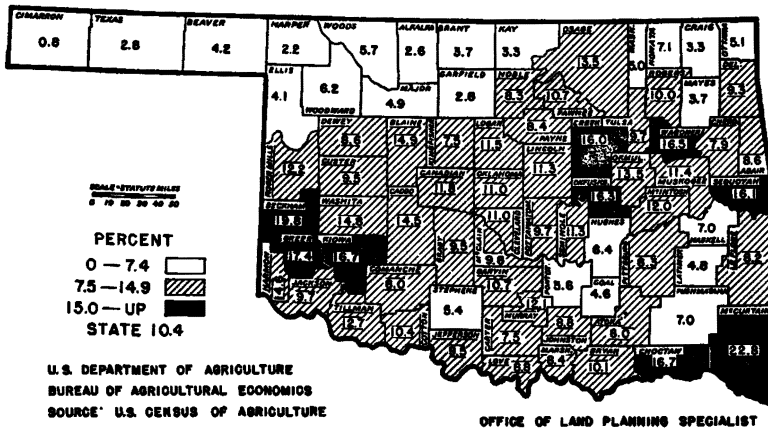
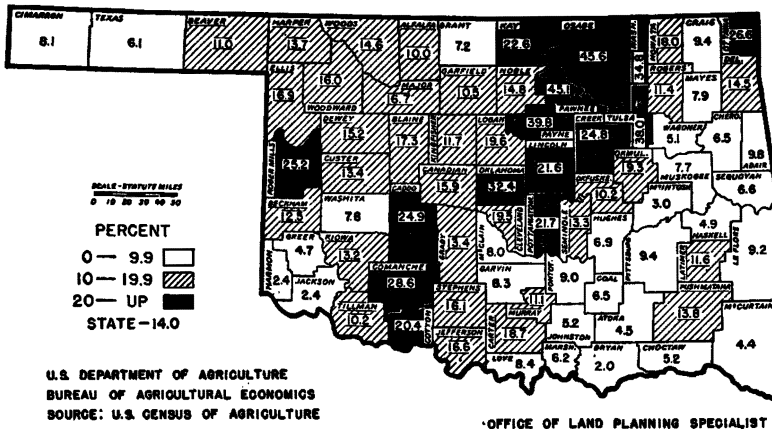


FIG. 15
PROPORTION OF TENANTS WHO RENTED FOR CASH
1930



Of all farmers over 65 years of age, two-thirds were owners and one-third were tenants. Of colored farmers over 65 years of age, 60 percent were owners and 40 percent were tenants.

According to a study made in 1937 by the Oklahoma Agricultural Experiment Station, the average age at which farmers become owners has risen sharply in recent years.² The average age at reaching ownership was 37.1 years during the period 1928 to 1937. Before 1908, age at reaching ownership was about 27 years.

An important conclusion may be drawn from a study of the data regarding the age of tenants and owners. Since the average age at reaching ownership has increased, it is probable that tenants are having greater difficulty in climbing the so-called tenure ladder to an ownership status. This probably means that there is rapidly developing in Oklahoma what may be characterized as a permanent tenant class.

This conclusion is also indicated by a rapid increase in the percentage of tenancy during the last few decades. Since the percentage of tenancy is increasing, it follows that various economic factors are tending to retard the attainment of an ownership status. Likewise, since such a large percentage of the older farmers are tenants, it is apparent that many operators of this group can never emerge from the tenant class.

VALUE OF TENANT FARMS

The value of farms in Oklahoma varied from one section of the State to another and also from county to county within the same type of farming area in 1935. For the State as a whole, the average value of owner-operated farms in 1935 was significantly higher than for tenant farms; owner farms averaged \$3,915.00 and tenant farms \$2,809.00. The farms of highest value are located in the northern and western part of the State where the farms are generally larger or the land more productive than in the eastern and southern portion of the State. The farms of owners were valued higher than those of tenants in all but six of the 77 counties, and these six counties were located in the northern and western part of the State. (Figures 20 and 21.)

Since, in most areas, there is only a small difference in the size of owner-operated and tenant farms, the major portion of the difference in value is accounted for in the value of buildings rather than the value of land. This situation may be more clearly presented by use of 1930 census data where the value of land, farm buildings, and dwellings are reported separately. In that year, the average total value of land and buildings of owner-operated farms for the State was \$7,884.00, while the average value of tenant farms was \$4,863.00. For the two tenure groups respectively, the average value of land per farm was \$6,325.00 and \$4,155.00; the value of all buildings, \$1,599.00 and \$681.00; and, the value of the farm dwelling, \$929.00 and \$424.00. The average value of land per acre for owner-operated farms was \$30.00, and for tenant farms \$32.00.

Thus, it can be concluded that the farms of owner-operators are better equipped from the standpoint of both the farm dwelling and the outbuildings. There is little difference in the average value per acre of land on tenant and owner-operated farms.

Another indication of this difference between the value of productive investments on owner-operated farms as compared with tenant farms is the value of implements and machinery. In 1930, the average value of implements and machinery for the state as a whole on owner-operated farms was \$528.00, and on tenant farms \$311.00. The average value of implements

² Report of the Agricultural Experiment Station, Oklahoma A. and M. College, 1936-1938.

FIG. 20
AVERAGE VALUE OF OWNER OPERATED FARMS
1935

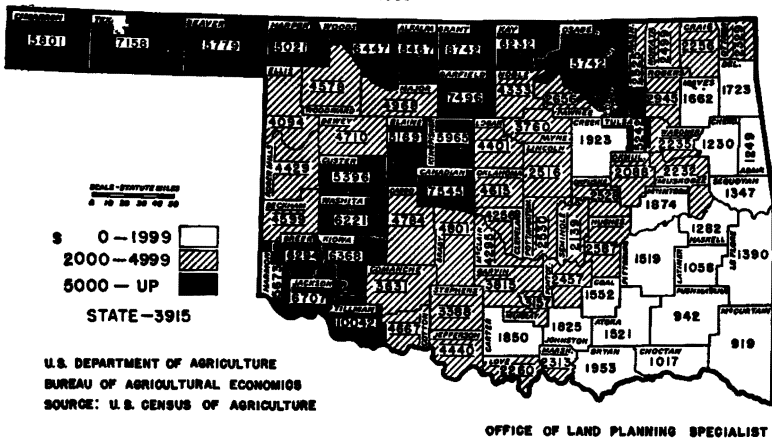
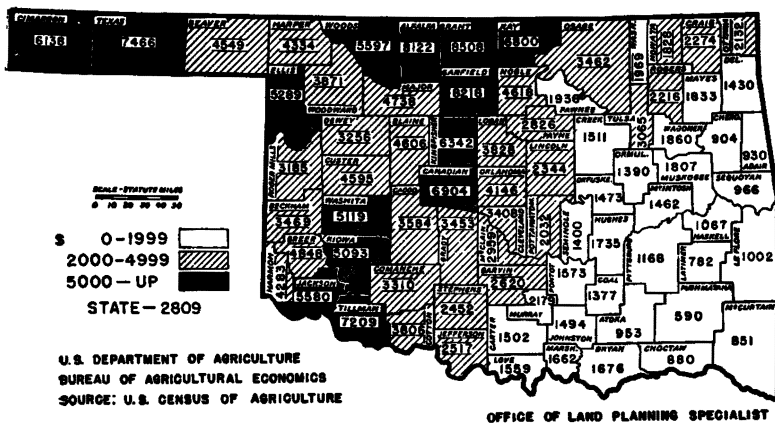


FIG. 21
AVERAGE VALUE OF TENANT OPERATED FARMS
1935



and machinery was highest in the northern and western part and lowest in the southern and eastern portion. In eight counties, four of them on the eastern boundary of the State, the value of implements and machinery on tenant farms averaged less than \$100.00. There is no county in the State where this value is so low on owner-operated farms. (Figures 22 and 23.)

FIG 22
AVERAGE VALUE PER FARM OF IMPLEMENTS AND MACHINERY
ON TENANT FARMS
1930

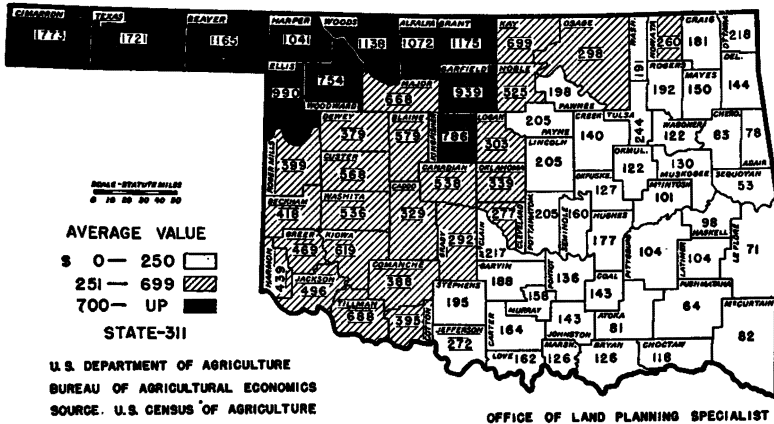
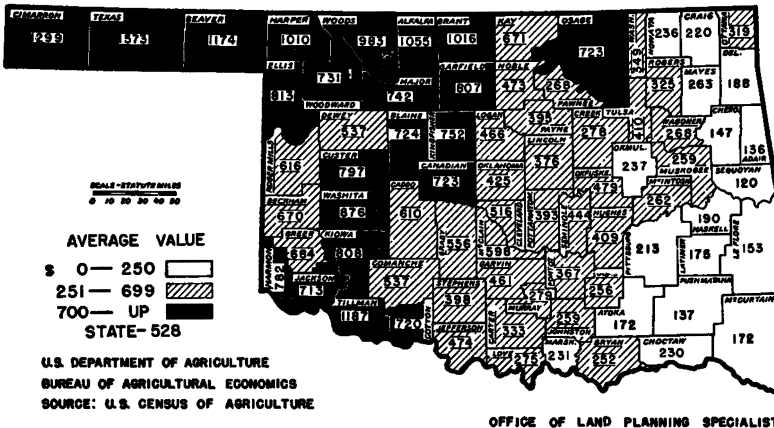


FIG 23
AVERAGE VALUE PER FARM OF IMPLEMENTS AND MACHINERY
ON OWNER OPERATED FARMS
1930

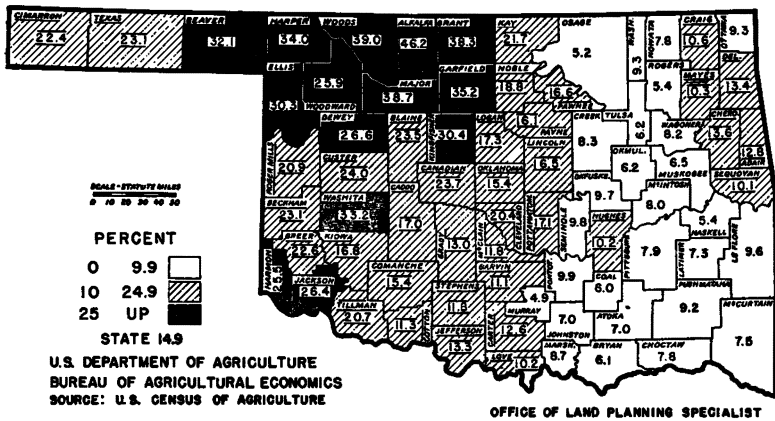


KINSHIP OF TENANTS TO THEIR LANDLORDS

In many cases, and particularly in the northwest and western portions of the State, a large proportion of the tenants are related to their landlords. Under such conditions, tenancy may serve as a desirable arrangement due to the fact that tenants who are closely or sometimes even distantly related to their landlords are more inclined, than other tenants, toward farming practices designed to promote conservation of soil resources and the upkeep of farm improvements. One reason for this attitude on the part of those tenants related to their landlords is that, in many instances, especially in the father and son cases, the tenants expect to become owners through inheritance. Another reason for this attitude is that the tenant probably has a feeling of security which gives him an incentive to plan his farming according to good agricultural practices. The smaller amount of mobility among tenants in certain areas of the State can be partly explained on the basis of this large proportion of tenants who are related to their landlords.

The proportion of tenants related to their landlords in Oklahoma was 14.9 percent in 1930, with a range from 4.9 percent in Murray County to 46.2 percent in Alfalfa County. (Figure 24.) Twenty-seven counties, all in the eastern half of the State have less than 10 percent of their tenants re-

FIG. 24
PERCENT OF ALL TENANTS RELATED TO THEIR LANDLORDS IN OKLAHOMA
1930



lated to their landlords. One-fourth or more of the tenants are related to their landlords in 14 counties, of which all except three, Washita, Harmon, and Jackson, are in the northwestern part of the State. The remaining 36 counties, nearly all in the western half of the State, have from 10 to 25 percent of their tenants related to the landlords.

In general, the proportion of tenants related to their landlords is higher in the combination livestock-cash grain, and cash grain-general farming areas than in the other type-of-farming areas of the State. Combination cotton and cash grain areas in the southwestern section of Oklahoma are also relatively high with approximately 20 percent of their tenants related to the landlords. The remaining type-of-farming areas, cotton-general farming combination, range livestock, and cotton-self-sufficing have less than 15 percent of their tenants related to the landlords.

MOBILITY OF TENANT FARMERS

In the spring of 1935, of all tenant farmers in the State, only 45.1 percent had been on the same farm for as long as two years. In contrast, only 13.5 percent of the owners had been occupants of their farms for so short a period. The proportion of owner-operators who had occupied farms for ten years or longer was approximately ten times larger than that of tenants. Almost two-fifths of the owners had occupied their farms for 15 years or more, while less than one-twentieth of the tenants displayed this stability of occupancy.

This high degree of mobility is not confined to one section of the State. It is a common phenomenon throughout all areas. Both owners and tenants, however, move less frequently in the northern and western portion of Oklahoma than in the eastern and southern portions.

In 1935, there were only four counties in the State where 35 percent or more of the tenants had been living on their farms five years or more. These counties were Woods, Alfalfa, Grant and Garfield. More than 45 percent of the owners in every county in the State had been on their farms five years or more. (Figures 25 and 26.)

When the 1935 Census of Agriculture was taken, 55,531 tenants in Oklahoma had been living on their farms less than one year. Assuming that these tenants were each operating an average tenant farm of 129 acres valued at \$2,758.00 in 1935, then a total of over 7 million acres of farm land valued at \$154,178,000.00 was being operated by farmers who had occupied their farms for less than one year. The value of implements and machinery moved during the last year for which data are available (1930) was approximately \$17,000,000.00.

Not only is there a large amount of farm land and equipment involved in tenant mobility, but there is also a direct cost of moving which each tenant must pay in labor or cash. It has been estimated in Oklahoma that the cost of each move is approximately \$27.00.² Based upon this estimate the total cost of moving by tenants in 1934 was \$1,499,337.00.

Frequent moving among tenant farmers is not a new development arising from the recent depression. Data for earlier years indicate that tenants moved during relatively good years about as often as they did in 1935. For example, during the prosperous two years prior to the taking of the 1920 Census of Agriculture, 55.8 percent of the tenant farmers had moved to new farms, while during the two years preceding the taking of the 1935 Census of Agriculture, 54.9 percent of the tenant farmers moved. For owner-operators corresponding figures were 18.9 percent and 14.7 percent.

Judging from the proportion of tenants and owners who had occupied their farms for ten years or more, long time occupancy has been increasing. Comparing 1920 with 1935, it is found that 40.2 percent and 53.1 percent respectively of the owner farmers, and 4.3 percent and 9.0 percent respectively of the tenant farmers had been occupying their farms for ten years or more. (Table 3.)

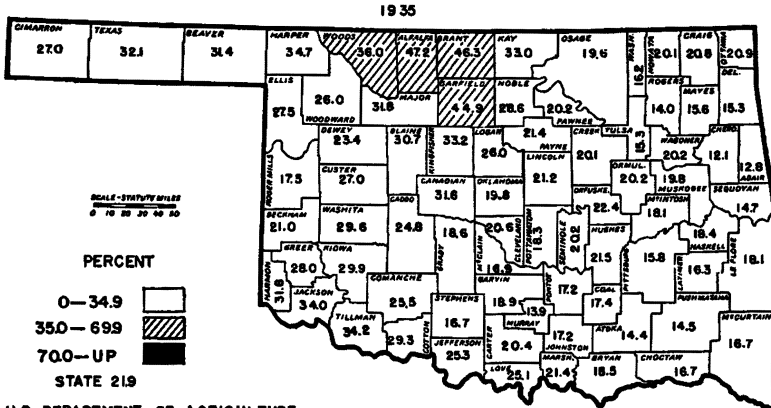
TABLE 3. Percent of Tenant-Operators and Owner-Operators in Oklahoma Who Had Been on Their Farms for Various Periods.¹

Year	TENANT-OPERATORS		OWNER-OPERATORS	
	2 Yrs. or Less (percent)	10 Yrs. or More (percent)	2 Yrs. or Less (percent)	10 Yrs. or More (percent)
1910	68.6	2.0	19.4	26.4
1920	55.8	4.3	18.9	40.2
1930	61.6	6.9	15.7	54.7
1935	54.9	9.0	14.7	53.1

¹ Source: U. S. Census of Agriculture.

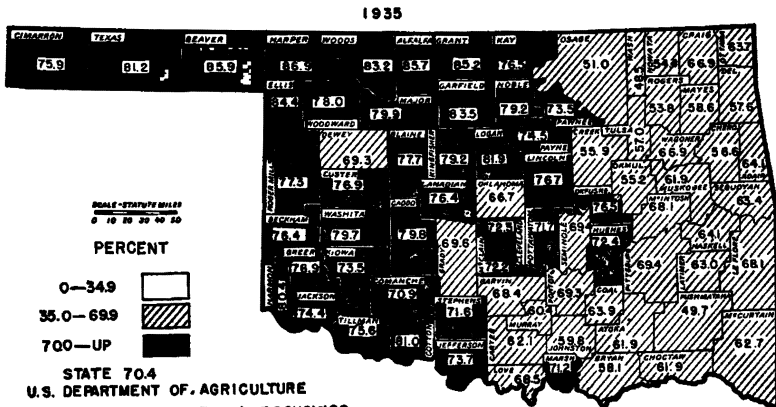
² "The Economic and Social Aspects of the Mobility of Oklahoma Farmers," Oklahoma Experiment Station Bulletin No. 195.

FIG 25
PERCENT OF TENANTS LIVING ON PRESENT FARMS 5 YEARS OR MORE



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FIG 26
PERCENT OF OWNERS LIVING ON PRESENT FARMS 5 YEARS OR MORE



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FARM INCOME OF TENANTS

Differences in income between owners and tenants are significant in many portions of the United States. The average annual net income of tenants in the better farming areas of the North and West apparently is not very different from that of owner farmers, while in the South the income of tenants is much lower than that of operating owners.⁴ Only a small amount of information is available in Oklahoma relative to farm income by the tenure status of the operator.

A study of 562 wheat farms in the northwestern portion of the State in 1932 indicates that owners received an average gross return of \$1,071.00 per farm and tenants received an average gross return of \$931.00 per farm.⁵ Another study of 51 farms in this portion of the State in 1933 shows that 25 tenant farms had an average income⁶ of \$1,446.00 and 26 owner-operated farms had an average farm income of \$1,012.00.⁷ In Payne County, an analysis of 555 individual farm records reveals that share and cash tenants received larger labor incomes⁸ than owners or part owners. The share tenants received an average labor income of \$193.00, the cash tenants \$125.00, the part owner a minus \$17.00 and the full owner a minus \$111.00.⁹ Kiowa County tenants also received larger labor incomes than owners, tenants received \$608.00 while owners received \$317.00.¹⁰ In an eastern Oklahoma county, Muskogee, both owners and tenants had a negative labor income with the advantage in favor of the owners whose income was a minus \$87.00, while the tenant had a labor income of minus \$111.00.¹¹ These data should not be used as conclusive evidence that either tenants or owners receive the larger returns, although the information does indicate that tenants receive the higher income in the better farming areas of central and western Oklahoma and that owners receive the higher returns in the relatively poorer farming areas of the State.

SHORT-TERM CREDIT PROBLEMS OF FARM TENANTS

An accumulation of capital for the purchase of farms by tenants has been retarded to a considerable extent by the necessity of resorting to expensive credit for production purposes. Farmers, in the past, particularly the small tenant farmers, have had to depend in many cases on private lending agencies for credit.

The only information in Oklahoma relative to the use of credit by tenants and owners is a study made in 1926 dealing primarily with cotton farmers in Jackson, Garvin, and Pittsburg Counties.¹² It should be realized that these data cannot be interpreted as representing present conditions for farm production credit. The Farm Credit Administration and the Farm Security Administration have provided two new sources of credit to certain groups of farmers. Stringent security requirements of the Farm Credit Administration restrict the use of its funds to a small percentage of farmers who have accumulated considerable capital, while the Farm Security Administration loans have been confined to farmers at the other end of the scale—those who are or have been on relief. This still leaves a large group of farm operators who depend primarily on bank or merchant credit;

⁴ Report of President's Committee on Farm Tenancy.

⁵ *Current Farm Economics*, Vol. 6, No. 5, October, 1933.

⁶ Farm income is defined as the gross receipts less the total farm expenses including family labor.

⁷ *Current Farm Economics*, Vol. 7, No. 4, August, 1934.

⁸ Labor income is defined as the farm income less five percent interest on the average farm livestock.

⁹ *Current Farm Economics*, Vol. 10, No. 5, August, 1937.

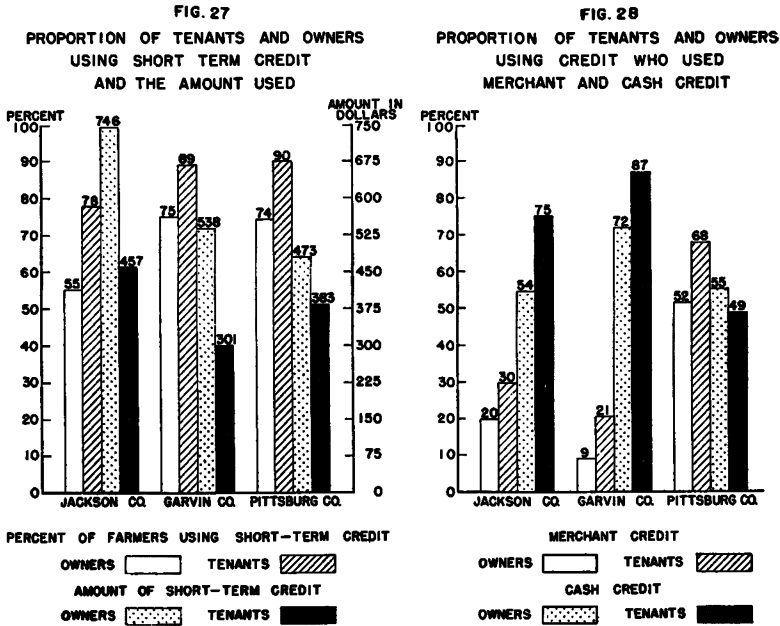
¹⁰ *Current Farm Economics*, Vol. 11, No. 2, April, 1938.

¹¹ *Current Farm Economics*, Vol. 11, No. 2, April, 1938.

¹² "Credit Problems of Oklahoma Cotton Farmers," Oklahoma Experiment Station Bulletin No. 198.

therefore, the differences existing between tenants and owners with regard to credit as found by the study in 1926 are probably yet existent to some degree.

Use of production or short term credit is more prevalent among tenant farmers than owner-operators, but the owner borrows a larger amount than the tenant. (Figure 27.) In other words, a greater proportion of tenant farmers need credit, but the amount they use per farmer is less than that used by owners. Figure 28 indicates that owners depend on merchant credit to a much less extent than do tenants.



SOURCE: OKLAHOMA EXPERIMENT STATION BULLETIN NO. 196

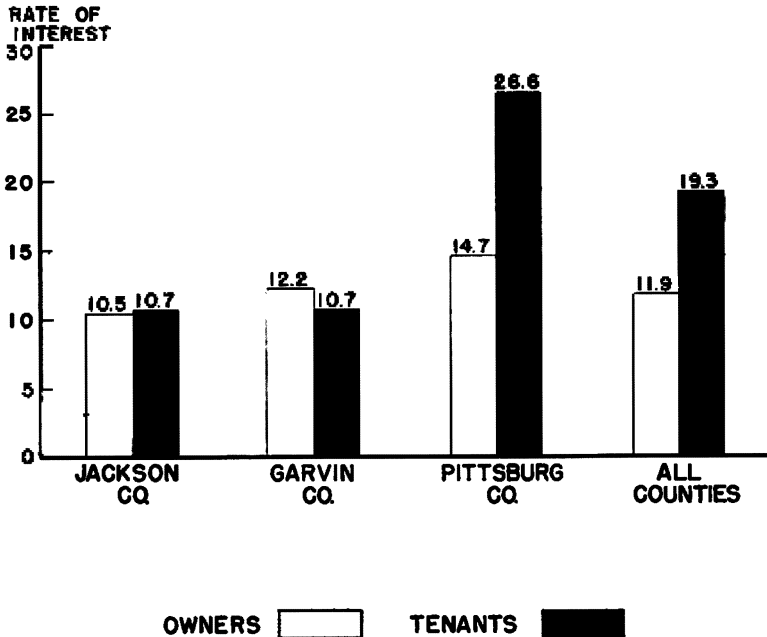
Since owners used a greater amount of credit per farm than tenants, it would seem that owners either had a greater need for or capacity to use credit in a productive way, or they had to borrow more to meet living expenses. This study reveals that tenants use a much larger proportion of their credit for living purposes. This means, in general, that most of their short-term credit is used for consumption and not production purposes. Owners do not face as great a difficulty securing credit as do tenants. Almost one-half the owners obtained credit by open accounts or promissory notes while less than one-fifth of the tenants secured credit in this manner.

Farmers in the South have had to pay high interest rates for their short-term credit. The farmers in Oklahoma have been no exception. Owner-operators have a definite advantage in the amount of interest paid—the average interest rate paid by all owners studied was 11.9 percent, while the average interest rate for all tenants was 19.3 percent. This dif-

ference in the rate of interest paid by owners and tenants does not exist in Jackson and Garvin Counties since both were paying practically the same rate of interest when this study was made. (Figure 29.) In Pittsburg County, a county with more small, rough land farms than either Jackson or Garvin, both owners and tenants had to pay a very high rate; the tenant paid almost twice as much interest as the owner. The high cost of credit in this county was due primarily to the widespread use of merchant credit among tenants. This type of credit was not used to any large extent in Jackson and Garvin Counties.

FIG. 29

RATE OF INTEREST PAID FOR SHORT TERM CREDIT BY TENURE



SOURCE: OKLAHOMA EXPERIMENT STATION BUL. NO. 198

TYPES OF FARMING AND LAND USE BY TENURE

Farms operated by tenants, like farms operated by owners, vary greatly in character from one section of the United States to another. This also holds true in considering the character of tenant and owner-operated farms in the various type-of-farming areas of Oklahoma.

The tenure of a farm in Oklahoma seems to affect the system of farming followed on that farm. Tenants, as a class, are more inclined than owners toward a cash-crop system of farming—cotton and wheat being the dominant cash crops of the State. While both owners and tenants in Oklahoma generally use their land in such manner as to promote soil erosion and soil fertility depletion, available information indicates that tenants, as a group, misuse their land to a much greater degree in this manner than owners. That is, when compared with owners, tenants plant a smaller proportion of their land in legumes, and they have less pasture and livestock. They plant a larger proportion of their land in intertilled or soil depletion crops. It can be safely assumed perhaps that tenants are primarily interested in maximum returns in the short run. Since cash crops produce cash return each year, while the return from soil building and soil conserving crops generally accrue only over a long period of time, it would be expected that tenants would tend to plant more cash crops than owners. Another reason for this practice on the part of the tenants is their lack of stability. The tenant who expects to remain but a short time on a farm, and many times he has no reason to expect otherwise, has little incentive to institute soil conserving and farm improvement practices.

For the State as a whole, the proportion of tenants operating cotton farms was 51.9 percent in 1930 while the proportion of owners operating cotton farms was only 27.3 percent. (Figures 30 and 31.) Those operating cotton farms varied from 1.6 percent in type-of-farming area 2 (where very little cotton is grown) to 92.1 percent in area 11, the southwest corner of the State where cotton predominates.¹³

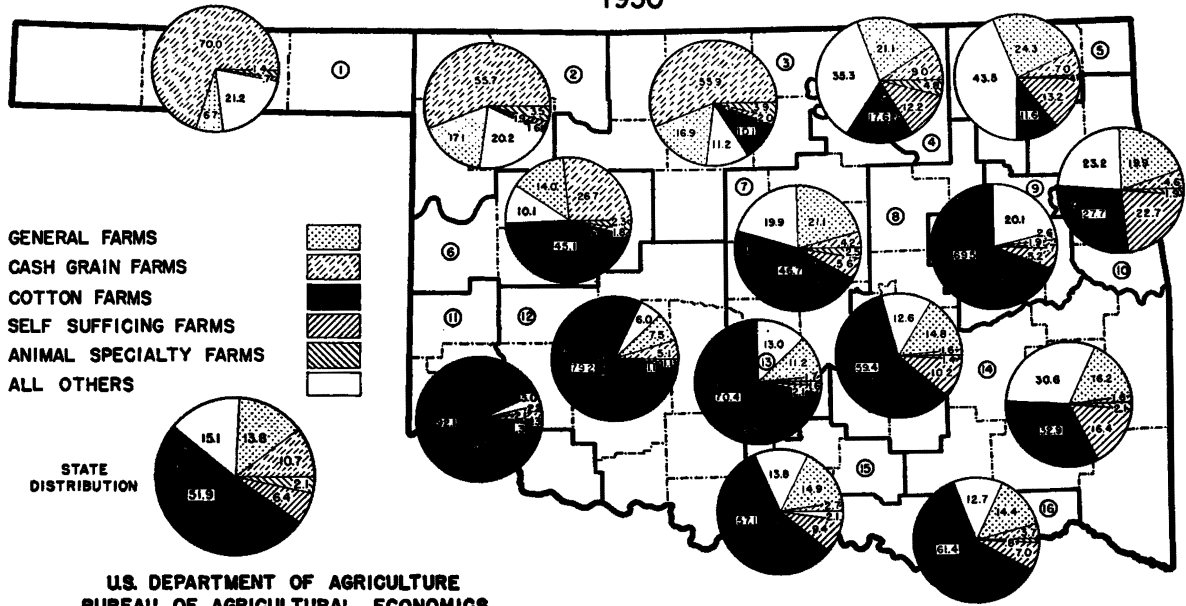
The proportion of owners operating cotton farms in these two areas was 0.8 percent and 73.5 percent, respectively. In only seven counties is the proportion of owners operating cotton farms above 60 percent while more than 60 percent of tenants operate cotton farms in 26 counties. The proportion of tenants operating wheat farms is also larger than the proportion of owners operating these farms. Owners, as indicated above, operate general, self-sufficing, livestock, dairy and other types of farms more than tenants—that is, the proportion of owners operating these types of farms is greater than the proportion of tenants operating the same types.

In every type-of-farming area of the State, the proportion of harvested crop land operated by tenants was greater than the proportion of all land operated by them, signifying that the tenant-operator usually farms more intensively or actually cultivates a larger percent of the farm than does the owner-operator. (Table 4.)

¹³ The following is a brief description of the type-of-farming areas in Oklahoma:

- Area 1. Cash grain and livestock.
- Area 2. Cash grain, feed crops and livestock.
- Area 3. Cash grain, general farming, some dairying and poultry.
- Area 4. Range livestock.
- Area 5. General farming, livestock, dairying, poultry and self-sufficing.
- Area 6. Cotton, cash grain, general farming and livestock.
- Area 7. General farming, cotton, livestock, dairying and poultry.
- Area 8. Cotton, general farming, self-sufficing and dairying.
- Area 9. Cotton, some dairying, potatoes, and self-sufficing.
- Area 10. Some fruit, general farming, dairying, poultry, and self-sufficing.
- Area 11. Cotton predominantly.
- Area 12. Cotton, some cash grain, some dairying and poultry and range livestock.
- Area 13. Cotton, livestock and broomcorn.
- Area 14. Cotton, self-sufficing, and livestock.
- Area 15. Range livestock, self-sufficing and cotton.
- Area 16. Cotton and general farming.

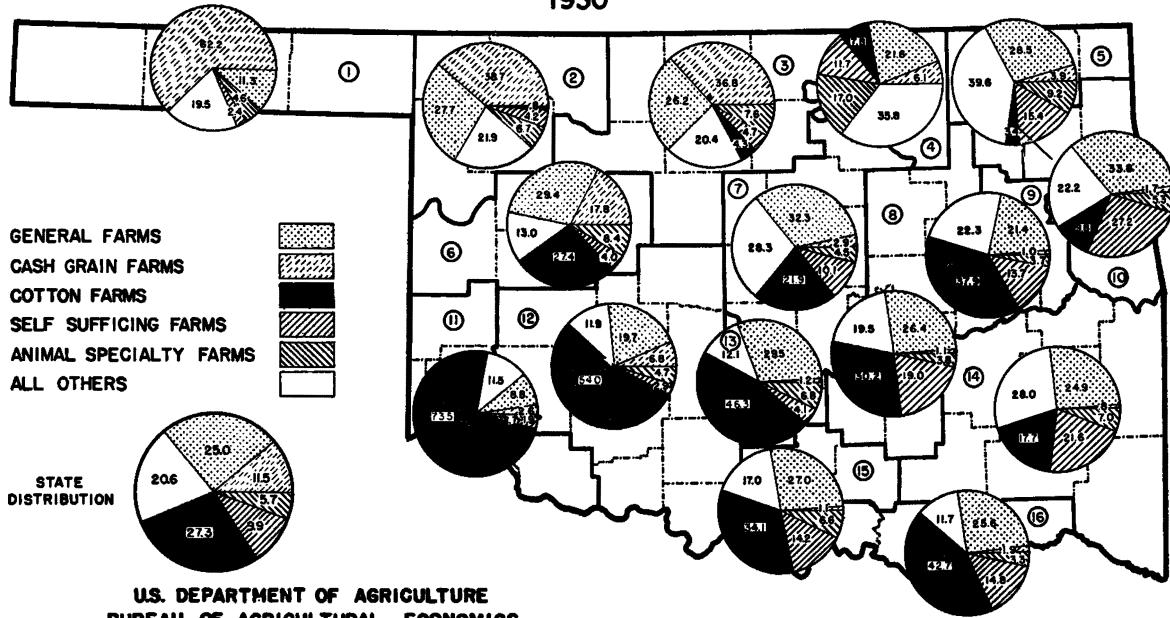
FIG. 30
**PROPORTION OF TENANTS OPERATING
 VARIOUS TYPES OF FARMS
 1930**



U.S. DEPARTMENT OF AGRICULTURE
 BUREAU OF AGRICULTURAL ECONOMICS
 SOURCE: CENSUS OF AGRICULTURE

OFFICE OF LAND PLANNING SPECIALIST

FIG. 31
**PROPORTION OF OWNERS OPERATING
 VARIOUS TYPES OF FARMS
 1930**



U.S. DEPARTMENT OF AGRICULTURE
 BUREAU OF AGRICULTURAL ECONOMICS
 SOURCE: CENSUS OF AGRICULTURE

OFFICE OF LAND PLANNING SPECIALIST

TABLE 4. The Percent of all Land Operated by Tenants and the Percent of Harvested Crop Land Operated by Tenants by Type-of-Farming Areas in Oklahoma, 1930 and 1935.¹

Type-of-farm- ing area	PERCENT OF ALL LAND OPER- ATED BY TENANTS		PERCENT OF HARVESTED CROP LAND OPERATED BY TENANTS	
	1930	1935	1930	1935
State	48.3	47.8	53.5	54.0
1	23.7	23.2	29.3	31.9
2	27.0	31.9	31.7	34.2
3	44.3	45.5	48.1	48.3
4	51.7	38.1	66.6	67.5
5	47.5	45.5	50.2	50.1
6	41.8	41.9	46.9	45.9
7	57.8	60.2	56.6	57.1
8	68.3	72.6	66.0	70.3
9	68.0	67.5	75.4	70.8
10	47.7	48.5	50.7	52.1
11	53.6	47.3	57.2	48.6
12	54.7	54.1	58.9	56.7
13	62.3	60.8	65.5	64.1
14	57.6	58.3	64.8	65.2
15	47.1	48.9	63.3	66.4
16	65.7	68.8	68.8	72.0

¹ Source: U. S. Census of Agriculture.

Localized studies in land use and practices have been made in Payne,¹⁴ Kiowa,¹⁵ and Muskogee¹⁶ Counties. Here again the studies indicate that the tenant cultivates a greater portion of his land than does the owner-operator. A comparison of the practices of 555 farmers in Payne County reveals that tenants of this group cultivated about the same proportion of their farm land as did the owners, but they had a larger proportion of their crop land in cotton, a smaller portion in legumes, and less terraced. (Figure 32.) Owners had 16 percent of their land terraced while tenants had only 10 percent. In Kiowa County, which is in the southwestern part of Oklahoma, results of a study of 122 farmers indicate that tenants cultivate more of their land and also plant more land to cotton and wheat than do owners. (Figure 33.) Owner-operators have an average of 15 animal units per farm, while tenants have only 10 animal units per farm. A comparison of 76 farmers in Muskogee County, in the east-central portion of the State, indicates that tenants and owners cultivate about the same proportion of their farm land, but the owner-operator farms were approximately 40 acres larger than the tenant farms. (Figure 34.) Tenants in this county plant about 55 percent of their crop land to corn and cotton while owners plant only 42 percent of their crop land to corn and cotton. Animal units on owner-operated farms in Muskogee County average 12 per farm, while tenants average nine animal units per farm.

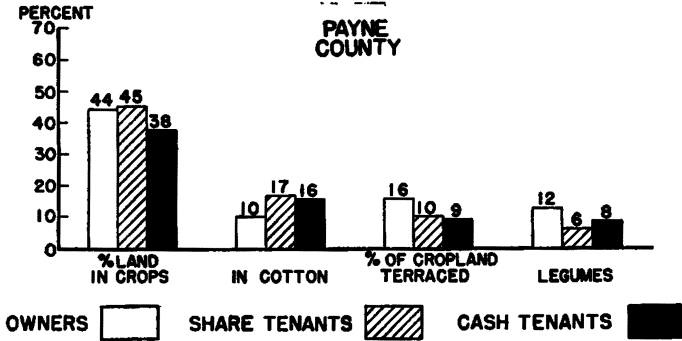
Thus, it can be seen that for the State as a whole and also for localized areas within the State, tenants tend more to a cash crop organization than do owner-operators. Tenants also tend to use their land in such manner as to foster the depletion of soil fertility more than do owners.

¹⁴ *Current Farm Economics*, Vol. 10, No. 4, August, 1937.

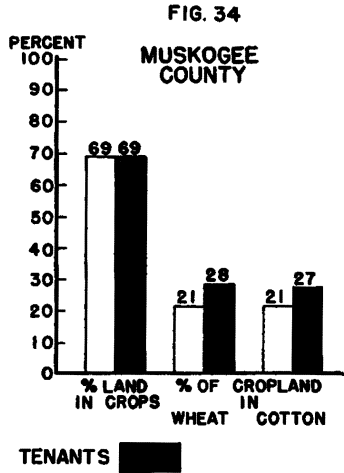
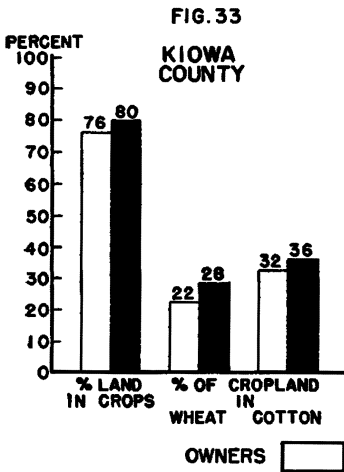
¹⁵ *Current Farm Economics*, Vol. 11, No. 2, April, 1938.

¹⁶ *Current Farm Economics*, Vol. 11, No. 2, April, 1938.

FIG. 32
**LAND USE AND PRACTICES IN
 PAYNE, KIOWA AND MUSKOGEE COUNTIES
 BY TENURE**



SOURCE: CURRENT FARM ECONOMICS, AUG. 1937



SOURCE: CURRENT FARM ECONOMICS, APRIL 1938

SOCIAL STATUS OF TENANT FARMERS

In a study of tenants and owner-operators, certain differences are apparent in the social status and social attainments. Data examined here include value of farm dwellings, farmers having telephones, church membership, and the educational attainments of farm operators and their children.

According to the Census of 1930 the average value of the farm dwelling of an owner-operator in Oklahoma was \$929.00, while the value of an average tenant dwelling was only \$424.00. In considering the census figures, it may be well to keep in mind that they represent the farmers' estimated value of their dwelling houses. But after taking into consideration possibilities of error in this estimate, it is evident that owner-operators have dwellings valued higher than those of the tenant-operators for the State as a whole. There are, of course, some areas in Oklahoma where this difference does not exist.

It is thought by many sociologists that communication facilities such as telephones, newspapers, and periodicals form one of the indices of comparing standards of living. According to information on these items in Oklahoma, the advantage is definitely in favor of the owner. For the State, 42.6 percent of the owner-operators had telephones in 1930, while only 15.7 percent of the tenants had this facility.¹⁷ Special studies in selected counties indicate that tenants do not subscribe to as many newspapers and magazines as do owner-operators.¹⁸ An average of the operators studied in these counties reveals that from 55 to 65 percent of the owner-operators took daily papers while approximately 40 percent of the tenants were subscribers. In these same counties, 85 percent of the owner-operators subscribed to farm journals or magazines, while 70 percent to 75 percent of the tenants received journals.

Tenants, as well as owners, whose incomes and living standards are low have only a limited capacity to support religious organizations. In an investigation made in certain localities of Oklahoma, it was found that the proportion of owner-operators belonging to the church was significantly higher than the proportion of tenants belonging to the church.¹⁹ While 71 percent of the owner-operators and their wives were members of some church only 57 percent of the share and cash tenants and their wives belonged to a church. Fifty-one percent of the croppers and their wives belonged to a church. (Figure 35.) Thus, it is seen, that while numerous social and economic conditions may operate to influence church membership, it can be assumed that church membership and tenure status are related to a certain degree. Certainly it is safe to assume that the more frequent moving of tenants will cause a lesser proportion to belong to the church.

Tenancy is closely associated with the problem of inadequate education. In the State, investigation has revealed that owner-operators attend school a greater number of years than either the share and cash tenant or the cropper.²⁰ Of 1,137 cotton farmers studied, 22 percent of the owners had gone to school nine years or more while only nine percent of the share and cash tenants had attended school this long. (Figure 36.) Eleven percent of the croppers had gone to school nine or more years. Of 1,211 farm children, 10 percent of the children of owner-operators had attended college. (Figure 37.) Only two percent of the children of share and cash tenants had at-

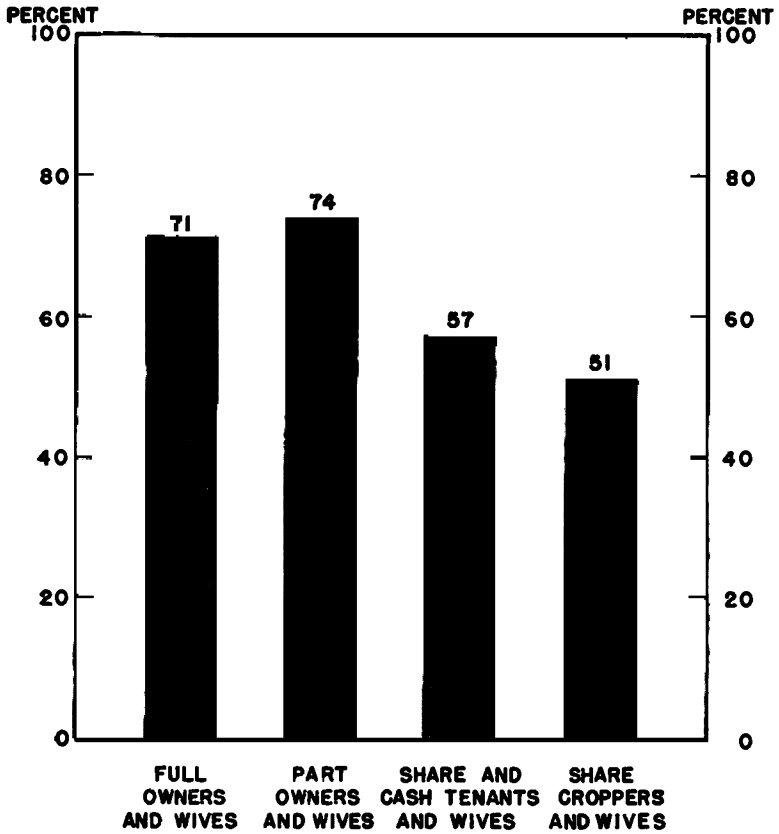
¹⁷ U. S. Census of Agriculture.

¹⁸ "The Economic and Social Aspects of Mobility of Oklahoma Farmers," Oklahoma Experiment Station Bulletin No. 195. Counties included are Kiowa, Tillman, Greer, Carter, Love, Stephens, Jefferson, and McIntosh.

¹⁹ "A Study of Certain Factors in Relation to Social Life Among Oklahoma Cotton Farmers," Oklahoma Experiment Station Bulletin No. 211.

²⁰ *Ibid.*, Counties included are Kiowa, Tillman, Greer, Carter, Love, Stephens, Jefferson, and McIntosh.

FIG. 35
CHURCH MEMBERSHIP BY TENURE GROUPS
PERCENT BELONGING TO CHURCH



SOURCE: OKLAHOMA EXPERIMENT STATION BUL. NO. 211

tended college. Share croppers' children rarely attend college; only one per cent of those studied had ever attended more than high school. While there are no data existing for Oklahoma relating farm tenancy to illiteracy, it is felt that since the education of farm tenants and their children is not as great as the education of owner-operators and their children, there must be some correlation between farm tenancy and illiteracy.

As in church membership, there are probably factors other than tenure status which cause a difference in the amount of education secured by owner-operators and tenants. But there is little doubt that at present a limited education and tenancy are closely associated.

FIG. 36

EDUCATIONAL ATTAINMENTS OF 1137 COTTON FARMERS IN OKLAHOMA

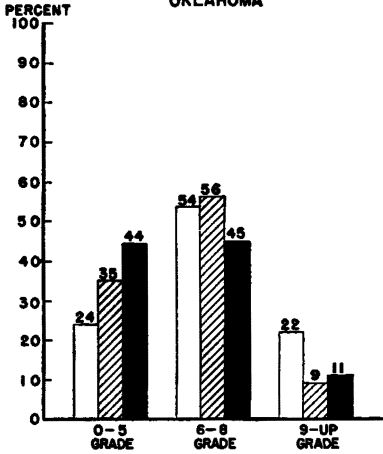
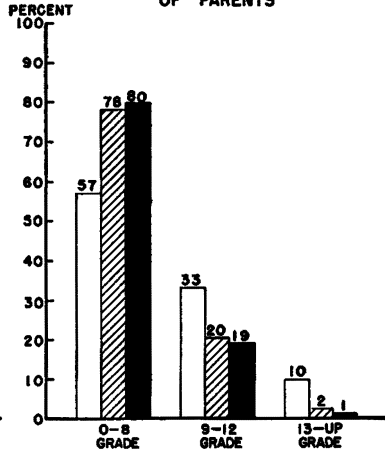


FIG. 37

EDUCATIONAL ATTAINMENTS OF 1211 FARM CHILDREN WHO HAVE ENDED SCHOOL LIFE BY TENURE STATUS OF PARENTS



OWNERS SHARE AND CASH TENANTS CROPPERS

SOURCE: OKLAHOMA EXPERIMENT STATION BUL. NO. 211

SUMMARY

1. Farm tenancy, found in every state in the Nation, is most prevalent in the south and southeast portions of the United States. Oklahoma ranks sixth among the states in proportion of tenancy with 61.2 percent in 1935. Tenant farming in Oklahoma is most prevalent in the east central and southern cotton growing areas.

There has been a general trend from ownership to tenancy in Oklahoma since 1890, although from 1910 to 1920 this general trend was reversed. There was practically no change in the proportion of tenant-operators from 1930 to 1935. Trends in farm tenancy from 1910 to 1935 by counties show in general that counties in the eastern portion of the State have had decreases in the proportion of farmers who are tenants while the western counties have had increases.

2. Leasing agreements between landlord and tenant in Oklahoma are usually oral but corporate and public land owners have written rental agreements with their tenants. The usual rental agreement is the crop-share lease with one-fourth the cotton and one-third the grain paid as rent. There are some tenants in all parts of the State who pay cash rent. There is also a cash payment in addition to the crop share in some areas. This is referred to as a "bonus" or "privilege" rent. A few sharecroppers are found in every county in the State. They are most common in the bottom land cotton-producing areas. Oklahoma law does not consider the sharecropper as a tenant, but holds that he has the same status as a wage hand. His one-half of the crop produced is merely his pay as a laborer. The number of livestock-share rental agreements are very limited throughout the State.

3. Most of the farmers in Oklahoma are white. Only 16 counties of the State have 10 percent or more of their farms operated by colored farmers. Although the proportion of the various tenure groups that are colored increases from full owner to sharecropper, tenant farming is not chiefly a race problem since only a small proportion of the farm operators are colored.

4. In Oklahoma, tenant farmers as a group are generally younger than owner-operators but recent studies have shown that the age at which farmers become owners in the State has risen from 27 years of age in 1908 to 37 years in 1937. This means that it is probably becoming more difficult for tenants to become owners.

5. In Oklahoma, farms operated by tenants are valued, on the average, at a much lower figure than farms operated by owners. Owner-operated farms were valued at an average of \$3,915.00 in 1935 while tenant farms averaged \$2,809.00 in value. This difference in valuation is due mainly to more and better improvements on owner farms since the average value of the land per acre on both tenant and owner farms was approximately the same. The average value of machinery and equipment for the State as a whole was nearly twice as much for owner-operated farms as for tenant-operated farms. Farming implement and equipment value on tenant farms in six counties averages less than \$100.00 per farm.

6. In the northwest and west portions of the State a large proportion of the tenants are related to their landlords. This may be a desirable tenancy since there is probably less mobility among such tenants.

7. The mobility of tenants is very high in Oklahoma with approximately one-third of the tenants or 50,000 moving each year. Annual moving is more prevalent in the eastern and southern portions of the State. Over seven million acres of farmland are usually being operated by new tenants each year. The annual cost of tenant moving in Oklahoma is estimated to be near ~~\$1,854,000.00~~

\$1,499,337.00

8. Information indicates that tenant-operators in the better agricultural areas of Oklahoma receive more income than owner-operators in those areas. In the poorer farming areas of the State, the owners receive the larger incomes.

9. In Oklahoma, in 1926, the use of short term credit was more prevalent among tenants than owner-operators. The owner-operator used a greater amount of credit per man and used a greater proportion for productive purposes than the tenant. Tenants used most of their credit for consumption purposes. Tenants have in the past paid a higher rate of interest for credit than owner-operators. This has been especially true in the rougher farming areas.

Although the differences existing in 1926 between owner-operators and tenants in regard to credit are not now as great, it is probable that these differences are yet existant to some degree.

10. Tenant farmers as a class operate more of the cash-crop farms than do owner-operators in Oklahoma. As compared to owner-operators, tenants plant a smaller proportion of their land to legumes, have less pasture and livestock, plant more intertilled crops, and terrace a great deal less land. Tenant farmers tend to foster the depletion of soil fertility more than do owners.

11. From the social standpoint the information available reveals that, in general, the social status of owner-operators is higher than that of tenants in the State. The dwellings of owner-operators on the average were valued at more than twice as much as tenant dwellings in 1930. Only one-sixth of the tenants in the State had telephones while nearly one-half of the owner-operators had telephones. Tenants subscribe to newspapers and magazines to a much less extent than do owners.

Tenants do not support religious organizations as much as do owner-operators since only 57 percent belonged to a church, while 71 percent of the owner-operators belong to a church. Educational attainments of tenant farmers are less than those of owner-operators signifying that there is probably some asociation between farm tenancy and illiteracy.