

# Handing Down the Home Place

## Farm Inheritance Strategies in Iowa, 1870-1945

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LAND OWNERSHIP has always been a goal of American farmers, and the promotion of family farming has been a cornerstone of land policy for the past two hundred years. From the Ordinances of 1785 and 1787, through the Homestead Act of 1862, the Farm Credit Administration in 1934, and the Family Farm Income Act of 1960, federal and state policies have provided means for farmers to own the land which they worked. In 1880 the agricultural census first alerted the nation to the increasing incidence of tenancy among farm operators. Since then analysts have continually reexamined the openness of the tenure system and the effects a closed system would have on one of the most basic of all American institutions, the family farm.<sup>1</sup> By the Great Depression of the 1930s family farming's future concerned politicians enough that both political parties made specific references to the institution in their platforms. This concern continued throughout the 1940s and 1950s, when President Eisenhower's 1956 election-year statement served as a classic example of the genre: "Agriculture is more than an industry, it is a way of life. Throughout our history the family farm has given strength and vitality to our entire social order. We must keep it healthy and vigorous."<sup>2</sup> For all of the rhetoric, however sincere it was, after 1945 economic forces both inside

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1. Leonard Salter gives a useful review of United States land policy in *A Critical Review of Research in Land Economics* (Madison, 1967), 5-38.

2. Quoted in Gilbert C. Fite, *American Farmers: The New Minority* (Bloomington, 1981), 132.

and outside of agriculture increasingly squeezed the small and inefficient family farmer off the land.

One step vital to keeping a family farm in periods of adversity, and in good times as well, was to draw up some simple plan of inheritance which kept the farm a going concern during the transfer from one generation to another. Only recently have most farmers solved the many dilemmas which the intergenerational transfer process brought on, and although inheritance mechanisms, or the lack of them, are not the only reasons why family farms foundered in the past, well-designed plans of transfer between generations certainly fostered family-farm stability. This has been true in parts of Iowa, where a case study to investigate the workings of farm inheritance mechanisms from 1870 to 1945 would be valuable. Iowa is a farm state *par-excellence*; its rich soil, commitment to family farming, liberal property laws, and excellent records make it an ideal base on which to test some hypotheses about the farm inheritance system.<sup>3</sup>

Most information about farm inheritance of the last 130 years in the cornbelt comes from the long-forgotten work of

3. This study attempts to augment our limited knowledge of how farm inheritance worked. Recent historical treatments of farm inheritance mechanisms in the colonial era include: Christopher M. Jedrey, *The World of John Cleaveland* (New York, 1979), and Daniel Snyder, "Kinship and Community in Rural Pennsylvania, 1749-1820" *Journal of Interdisciplinary History* 13 (1982), 41-62. A recent study by geographer Robert C. Ostergren, "Land and Family in Rural Immigrant Communities," *Annals of the Association of American Geographers* 71 (1981), 400-411, deals with a midwestern locale in the late nineteenth century. Other early social science studies include: James D. Tarver, "Inter-Family Farm Succession Practices," *Rural Sociology* 17 (1952), 266-271; Russell L. Berry and Elton B. Hall, *How to Keep Your Farm in the Family*, Michigan Agricultural Experiment Station Special Bulletin 357, 1949; Arthur J. Walrath and W. L. Gibson, Jr., *Farm Inheritance and Settlement of Estates*, Virginia Agricultural Experiment Station Bulletin 413, 1948. For the postwar period in Iowa, see Buel Franklin Lanpher, Jr., "Problems and Implications of Intra-Family Farm Property Transfers in Grundy County, Iowa" (Ph.D. diss., Iowa State College, 1955). A modern study of the Illinois cornbelt is Sonya Salamon's "Ethnic Differences In Farm Family Land Transfers," *Rural Sociology* 45 (1980), 290-308. Finally, William H. Newell's "The Wealth of Testators and its Distribution: Butler County, Ohio, 1803-1835," in James D. Smith, ed., *Modeling the Distribution and Intergenerational Transmission of Wealth* (Chicago, 1981), 95-138, deals with rural and urban inheritance patterns in antebellum Ohio.

some agricultural economists associated with the Wisconsin Agricultural Experiment Station and the University of Wisconsin, which developed the Land Tenure Center. Two studies in particular provide a sound basis from which to explore some of the misconceptions about tenure and inheritance which plagued the field of land economics before 1940. Leonard Salter's masterly summary of tenure behavior in Lafayette County, Wisconsin, rested on a series of a simple but enlightening insights. First, the Midwest was a huge experimental plot, where, from settlement onward, fee-simple private ownership gradually evolved. Each settlement area had its own rhythm, and some areas' systems did not mature until the late 1920s, when two or more generations had succeeded each other. Then, too, deaths in families forced major transitions at certain intervals, as property transfers from deceased farmers introduced an irregular pattern in the land tenure process. The number, ages, and distribution of a farmer's children, in turn bore upon the timing of transactions in the family. For instance, a family with one son would have an easier transfer than a family with many sons, or one with none at all. A "clouded title" to the farm might result if heirs disagreed on the terms of ownership when the head of a household died. Similarly, an estate without heirs might remain a rental property before a suitable purchaser came forward. Although a farmer's son usually had a clear advantage over a nonrelated buyer, many sons had to buy out their co-heirs in order to satisfy the terms of their family settlements. In addition to these "natural" trends, economic conditions affected the tenure and inheritance system. The high inflation of the World War I period, the equally sharp downturn after 1920, and the damage caused by the Depression, disrupted intergenerational land transactions. It was not surprising, Salter concluded, that in the Midwest, under fee-simple private ownership, natural and economic forces transformed land tenure from a system dominated by owner-operators, to one in which landlordism, absentee ownership, heavy encumbrance, and tenancy were prevalent.<sup>4</sup>

4. Leonard Salter, Jr., *Land Tenure in Process*, Wisconsin Agricultural Experiment Station Bulletin 146,, 1943, 34-38.

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A second agricultural economics study questioned whether there was a model of tenure and inheritance behavior which farmers could emulate. The economists chose to study the eastern dairy county of Manitowoc, Wisconsin for its highly idiosyncratic tenure behavior. In Manitowoc ethnic farmers had carefully preserved their own economic system which included intrafamily borrowing practices for land transfers between generations. The predeath or *inter vivos* transfer could be effective, but it required close cooperation between generations. They instituted the "bond of maintenance agreement" to ensure that when elderly parents surrendered their land to their children, they still remained economically viable in retirement. The children had to pay a regular monthly or yearly annuity, and assist with accommodations, heat, light, clothing, and food, in exchange for possession of the family land. Whether or not such conservative Old World behavior would have been a practical model for the majority of American farmers, the Manitowoc system did show tenant-plagued depression agriculture one method by which to avoid prolonged periods of tenancy. The system also showed that in states with liberal property laws, the probate court was not the only method of transferring land within a family. What we might now term "creative financing" had important effects on tenure and inheritance.<sup>5</sup>

Don Kanel, also of Wisconsin, synthesized the research done up to the early 1950s and elaborated upon Salter's idea that the time between the surrender of resident ownership by one party and the beginning of resident ownership by another was crucial.<sup>6</sup> This he termed the period of "transitional tenure" which farmers who chose *inter vivos* transfers avoided, but which, in a probate transaction, might drag on for years. In a mature tenure system, "transitional tenure" would be common. In an analysis of farm wills from the 1930s to the 1940s in Grant County, Wisconsin, Kanel found that farmers rarely used wills to distribute land to heirs. A will acted as a safety mechanism in case of the unexpected death of a family mem-

5. Kenneth H. Parsons and Eliot O. Waples, *Keeping the Farm in the Family*, Wisconsin Agricultural Experiment Station Bulletin 157, 4-14.

6. Don Kanel, "Land Tenure Process in American Agriculture" (Ph.D. diss., University of Wisconsin, 1953), 53-127.

ber to ensure that the farm remained a going concern until the family reestablished itself. The laws of descent in most mid-western states guaranteed that in an intestate case (a case without a will), the spouse received one-third of all property and the children the remainder. Thus, unless a farmowner wanted to be certain that the spouse received specific treatment at the expense of the children, intestacy provided adequate provision for all heirs. An intestate case did take administrative rights out of the family's hands and often lengthened the period of transitional tenure. In cases with many child heirs and little agreement among them, however, intestacy allowed an outside administrator to divide an estate fairly and equitably.<sup>7</sup>

These studies from a state with the same legal traditions as Iowa—and, in the case of Salter's and Kanel's work, from counties with very similar economies to those in Iowa—provide a starting point and hypothesis with which to approach farm inheritance in Iowa. Ten townships across the state serve this purpose well because their records are available and their county seat officials and abstract companies are cooperative. Fayette, a large northeastern Iowa county with twenty townships that showed both economic variance and ethnic diversity, became a starting point.<sup>8</sup> The Wisconsin studies had indicated that ethnicity might significantly influence inheritance behavior; Fayette's Yankees, Norwegians, German Protestants, and Catholics might test this result. The county's southern townships resembled areas of southwest Wisconsin where Salter and Kanel had worked, and yet, the county's northern

7. Don Kanel, "Estate Settlement and the Use of Wills in the Grant County Court," (Master's thesis, University of Wisconsin, 1951), 34-48. Robert Diller's *Farm Ownership, Tenancy, and Land Use in a Nebraska Community* (Chicago, 1949), 135, confirms this use of wills.

8. For a similar sampling strategy see Peter H. Lindert, "An Algorithm for Probate Sampling," *Journal of Interdisciplinary History* 11 (Spring 1981), 655-656. Theoretically one could draw a random sample of Iowa farmers in 1900 from the United States census and trace it through the various records to build a complete picture of the tenure system. Unfortunately, Iowa county treasurers have been able to destroy tax records vital to any legal description of land ownership at their discretion, making such a research design all but impossible. For a thorough discussion of the difficulties of rural probate record searches, see Mark W. Friedberger, "Probate and Land Records in Rural Areas" *Agricultural History* 58 (April 1984), 123-126.

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topography was hilly dairyland. Thus Fayette provides an adequate base for study with considerable variety. Inheritance in the more recently settled areas of western Iowa, particularly those with better land, needed investigation as well, and for purposes of comparison, ethnicity again influenced selection for study. Kane Township in Benton County seemed suitable because its highly integrated German-Protestant population farmed extremely rich land in east-central Iowa. The literature also suggested that an old-stock Quaker township in Hardin County had developed a more conservative attitude toward landownership than its old-stock peers in Fayette.<sup>9</sup> Also, in the 1870s, when the railroad came through, Stanton Township, in far-western Plymouth County, drew migrants from the East and abroad. It became home to German, Irish, British, and Yankee Americans. In comparison to most Iowa townships, Stanton's tenure cycle was still relatively immature in the late 1920s: only the second generation was farming the land. Thus several ethnically varied western Iowa townships suited this study.

A rule of thumb in Iowa agriculture is that, with some exceptions, farmland is better in the northern two-thirds of the state than in the southern third. The population of the southern area settled earlier and therefore was mostly old stock. Thus the South might have provided fruitful areas of comparison with the ethnically mixed, newer population that was farming higher quality land in the North. Systematic destruction of tax records in the South, however, also destroyed hope for thorough comparisons. Nevertheless, one township in Van Buren County on the Missouri line offered a comparative example of inheritance and property ownership in southern Iowa.

IOWA was in an enviable position among the north-central states. Almost all of its land was tillable with fair to rich soils, and hence available for commercial agriculture. The only data available on the incidence of testation in the twentieth-century Midwest reflects this built-in incentive for Iowans to keep the family-farm tradition alive. In 1946, 31 percent of all Iowa

9. Horace Miner, *Culture and Agriculture: An Anthropological Study of a Cornbelt County* (Ann Arbor, 1949), 27.

farmers had drawn up wills, while only 21 percent (the next highest figure) had done so in Illinois, and 11 percent in Michigan, which was the lowest rate.<sup>10</sup> At the same time, Iowa law allowed predeath *inter vivos* transfers, which saved time and expense while insuring the farm's transfer with minimal disruption of its operations. Thus the Iowa inheritance system, its effect on heirs, as well as the local- and family-oriented system of credit on which farmers depended contributed to the unusual staying power of the Iowa family farm.

Essentially settlement patterns in the northern two-thirds of Iowa confirm Marcus Lee Hansen's shrewd analysis of over forty years ago: the old proverb "when the German comes in, the Yankee goes out" neatly describes the basic trends.<sup>11</sup> Old-stock farmers settled and improved the land, but as prices rose, they began to sell it to new, ethnically different farmers rather than pass it on to their children. As the township was a purely political entity without natural or community-drawn boundaries, "outsiders" operated farms within even the most homogeneous unit. A mature township had a core of well-established families in various stages of the farm-family cycle. A locally oriented marriage market further incorporated these families into a central cadre which snapped up any available land to increase family holdings. Tenants always operated a certain amount of land, and in a closely integrated township even many of them would be related to landlords.<sup>12</sup> Unfortunately, the nature of transitional tenure was so complicated that some landlords could more conveniently rent to outsiders than to family, usually on short-term leases. In townships without obvious integrative forces, persistence was bound to be lower, yet even in these townships core-groups predominated and extended their landownership through marriage and kinship ties.

The *inter vivos* transfer was an important part of the Iowa

10. John F. Timmons and Raleigh Barlow, *Farm Ownership in the Midwest*, Iowa Agricultural Experiment Station Bulletin 361, 1949, 920.

11. Marcus Lee Hansen, *The Immigrant in American History* (Cambridge, 1940), 61-62.

12. Donald L. Winters, *Farmers Without Farms: Agricultural Tenancy in 19th Century Iowa* (Westport, 1978), discusses tenancy arrangements in this period.

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system, and its use was not confined to particular ethnic groups (Table 1). Germans had brought the practice with them, but the Irish, and to a certain extent the Yankees, were also practitioners. The Norwegians in Dover had large families and also favored testate settlements, as did southerners and the British. An unusually high proportion, 27.3 percent, of the farmers in Cedar Township in southern Van Buren County (where many were southerners) used *inter vivos* settlements.<sup>13</sup> The number of *inter vivos* transactions in Cedar Township may have resulted from Cedar's isolation and casual record keeping. (The presence of many miscellaneous deeds in the Keosauqua courthouse indicates that officials often recorded land transactions well after they occurred.) Nevertheless, the *inter vivos* material transfer had a firm place in the Iowa system. It was an efficient and inexpensive device—it saved time, court costs, and legal fees. Therefore, any study of farm inheritance in Iowa must not confine itself to the probate court; all available land records are necessary to discover those farmers who did not seek probate, but instead transferred ownership of their land before they died.

Statistics developed from tax records reveal the farmers in each township who rented but never bought land, and those who became owners, but who liquidated their property before an intergenerational transfer occurred. One drawback of land records is that their sole function was to display ownership. Consequently, people rarely registered leasing agreements. In addition, while renters paid taxes on their personal property, tax records do not provide legal descriptions of the land they occupied. Therefore, apart from their connections with relatives in the township, and from those who stayed on to purchase land after 1900, we know little of renters. Three of the ten Iowa townships were well above and below the mean in their proportions of renters in 1900. In Smithfield several circumstances kept the number of renters high. The predominately Yankee township was near a retirement community where landlords could easily oversee their property. Moreover the poorly drained land discouraged farming and encouraged

13. This township was the birthplace of Henry C. Taylor, one of the founders of agricultural economics, and so more information about it is available. See, for example, Henry C. Taylor, *Tarpleywick* (Ames, 1965).



**Table 1**  
**FAMILY FARM TRANSFER, 1870-1945**

|                                     | <i>Inter vivos</i> | Testate | Intestate | Liquidation | Renter | N   |
|-------------------------------------|--------------------|---------|-----------|-------------|--------|-----|
| Smithfield, Fayette                 | 10.1%              | 20.3%   | 9.5%      | 14.2%       | 45.9%  | 148 |
| Harlan, Fayette                     | 19.7               | 16.5    | 12.6      | 18.1        | 33.1   | 127 |
| Dover, Fayette                      | 14.9               | 28.6    | 10.1      | 22.6        | 23.8   | 168 |
| Bethel, Fayette                     | 26.9               | 17.9    | 9.0       | 15.7        | 30.6   | 130 |
| Auburn, Fayette <sup>1</sup>        | 30.4               | 30.5    | 9.8       | 15.2        | 14.1   | 92  |
| Eden, Fayette <sup>2</sup>          | 27.6               | 20.6    | 6.9       | 6.9         | 37.9   | 29  |
| Kane, Benton                        | 7.3                | 45.9    | 7.3       | 6.4         | 31.2   | 109 |
| New Providence, Hardin <sup>3</sup> | 5.1                | 25.4    | 20.3      | 27.1        | 20.0   | 59  |
| Stanton, Plymouth                   | 23.3               | 39.2    | 8.4       | 10.3        | 17.8   | 107 |
| Cedar, Van Buren                    | 27.4               | 13.7    | 15.6      | 14.7        | 28.4   | 102 |

<sup>1</sup>Only German Catholics sampled. <sup>2</sup>Only Irish Catholics sampled. <sup>3</sup>Only Quakers sampled. Religious affiliation was identified through the 1895 Iowa state census manuscripts located in the Iowa State Historical Department, Des Moines. The sources for all tables in this article are the same as those listed below. Because of rounding off, some columns in each table may not add up to exactly 100 percent.

**ETHNIC FARM TRANSFER BEHAVIOR, IOWA, 1870-1945**

|                    | Yankees | Southern | German | British <sup>1</sup> | Norwegian | Hapsburg <sup>2</sup> | Swedish | Irish | All   |
|--------------------|---------|----------|--------|----------------------|-----------|-----------------------|---------|-------|-------|
| <i>Inter vivos</i> | 15.9%   | 5.0%     | 21.8%  | 11.1%                | 11.3%     | 20.0%                 | 0%      | 24.3% | 17.9% |
| Testate            | 18.8    | 25.0     | 32.2   | 33.4                 | 28.8      | 20.8                  | 0       | 28.5  | 27.2  |
| Intestate          | 8.3     | 21.6     | 10.1   | 11.2                 | 7.5       | 10.0                  | 50.0    | 10.0  | 10.2  |
| Liquidation        | 17.0    | 26.7     | 12.2   | 19.4                 | 26.3      | 20.0                  | 50.0    | 8.6   | 15.8  |
| Renter             | 40.1    | 21.7     | 23.4   | 25.0                 | 26.3      | 30.0                  | 0       | 26.8  | 28.7  |
| N                  | 277     | 60       | 436    | 36                   | 80        | 10                    | 2       | 70    | 971   |

<sup>1</sup>Includes Canadians of British origin. <sup>2</sup>Includes Austrians and Bohemians.

Sources: United States Census Manuscripts, 1900, National Archives; Probate Court Records in Fayette, Benton, Hardin, Plymouth, and Van Buren Counties; county recorders' dockets of deeds and mortgages, in the same counties; county courthouses are located in West Union, Vinton, Eldora, Le Mars, and Keosauqua, Iowa.

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tenants to move on without becoming owners. In Auburn, German Catholics' high levels of integration worked against rental arrangements, and parents ensured that long periods of transitional tenure did not occur. Stanton, with its relatively immature tenure system, harbored many of the original settlers and renting there was, thus, less common than it was in more mature settlements. We know more about liquidators than about renters, of course, for they owned land before they moved on. From deed and mortgage information we can get some inkling of their whereabouts after they sold out. They were usually young men, and some moved west before World War I to farm cheaper land in the Dakotas, Minnesota, and Canada. As Salter found in Wisconsin, the immediate post-World War I boom in land prices caused a flurry of early retirement especially among Yankee farmers. The lure of southern California often overcame their desire to keep a farm in the family.

Just over a third of all farmers in the ten townships went through the probate court. Most of them drew up wills, but some did not. Generally farm wills in Iowa were utilitarian documents which plainly spelled out decedents' wishes. However, there were exceptions: approximately 3 percent of the wills specifically elucidated their intent. This was especially true in the German Protestant township of Kane, which had the highest proportion of testate cases. Anthropologist Horace Miner portrayed the paternalistic behavior of German farmers in central Iowa: non-Germans viewed the German father "as a Tartar, working his family to the bone." Yankees resented the Germans' determination to buy all available land for their children, while Yankee children were supposed to make their own way in the world.<sup>14</sup> Some of this patriarchal behavior appears in the Kane probate records. Each father's ultimate aim apparently was to designate an eighty-acre farm for each of his sons and daughters in his will. The Kane wills resembled *inter vivos* deed transfers in which support clauses insured care for the widow and fair shares for the other members of the family. Kane farmers were blessed with extremely rich land and high incomes, and they took care to have only small

14. Quoted in Miner, *Culture and Agriculture*, 43.

families. This allowed them the luxury of planning, and of placing each child on a farm. The Kane Germans thus developed an alternative model to that found in Manitowoc, Wisconsin, for keeping the farm in the family. However, their use of the probate court probably did not promote intergenerational harmony.<sup>15</sup>

Surprisingly few families in the townships found themselves in the probate court with intestate estates. Often, in these cases, the family head had died comparatively young before making a will. Although intestacy generally indicated that the deceased lacked orientation toward the future, it did not necessarily mean disaster for the family. The probate court tried to give the family a schedule by which to pay off any debts incurred, and usually tried to make sure that an heir became the eventual owner.

In spite of such good intentions, intestacy generally meant a farm would not stay in a family. The Wisconsin research revealed that the key to keeping a family farm was cooperation among all family members toward that end. Early retirement, discounts with mortgages, assistance with land purchases, and payments to siblings and widowers, were strategies which many Iowans followed as well, often in more than one generation. The most effective means of land retention in the long term was, however, the *inter vivos* transfer.<sup>16</sup> An overwhelm-

15. Kane farmers seem to have conformed to the kind of fertility and transfer behavior which Richard Easterlin discusses in "Factors in the Decline of Farm Family Fertility in the United States: Some Preliminary Results," *Journal of American History* 63 (1976), 600-614.

16. I ran a regression equation to predict total wealth, (i.e. land and personal combined). This analysis was, of course, limited to those farmers who passed through probate. Independent variables included acres owned in 1900, number of male and female heirs, plus dummy variables for type of settlement (testate/intestate), ethnicity (German/Non-German), and place of birth (US/foreign). The equation appears below with standard errors in parentheses.

$$\text{Wealth} = 23840 + 69.5 \text{ Acres} + 10677 \text{ German} + 10345 \text{ Foreign} + 2416 \text{ Female} + 2316 \text{ Settlement}$$

$$(33.0) \quad (6439) \quad (7634) \quad (1906) \quad (4249)$$

$$R^2 = .069 \quad N=204$$

As land was the largest part of farm wealth, the number of acres farmers owned often determined their wealth at death. A German background, with native birth, also influenced wealth accumulation, as did the number of

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ing proportion of *inter vivos* transfers, 82.5 percent of 103 cases, remained in the families for at least two generations after the deaths of the family heads. Testate cases, although more numerous, did not usually stay in the families for so long (only 56.7 percent of 202 cases did). Intestacy, of course, rarely guaranteed a long-term family commitment to the land. Only 31 percent of the 71 intestate cases involved land that remained in the family.

Among the demographic variables—age of transfer, number of male or female children, number of acres owned in 1900, transfer type, ethnicity, and birthplace—that may serve as potential explanations for long-term ownership, four were primary determinants of long-term land ownership: transfer type, age at transfer, ethnicity, and the number of males in the family. The relationship between long-term farm ownership and type of transfer was the strongest. An *inter vivos* transfer gave a family a 32 percent better chance of keeping the farm for two or more generations. Those with German background had a 19 percent better chance of being on the same land two generations later, and any male heir also increased the chances by 3 percent.<sup>17</sup>

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female children. Type of settlement was not statistically significant in this instance. The equation shows that an acre of land was worth \$69 to an estate; German background \$10,677 (Germans tended to live on richer land than other ethnic groups); foreign birth had a negative effect of \$10,345; one female child added \$2,416; and testacy brought \$2,316 more than intestacy. Female heirs probably added to a farmer's wealth at death because they would not have received land in predeath transfers which would have lowered the estate's value. Other results not shown here did indicate that the number of male heirs had a negative effect on landed wealth, probably because they received land in predeath transfers.

17. A multiple regression analysis also predicted which variables had the greatest effects on long-term land ownership. The following equation isolates the significant variables and standard errors are in parentheses.

$$\text{Farm in Family} = -.324 + 328 \text{ Inter vivos} + .008 \text{ Age} + .191 \text{ German} + .036 \text{ Males}$$

|        |        |        |        |
|--------|--------|--------|--------|
| (.065) | (.002) | (.052) | (.014) |
|--------|--------|--------|--------|

$R^2 = .18$        $N=332$

All four independent variables were significant at better than the .01 level. Standard regression coefficients were .26 for *inter vivos* transfer, .19 for age of transfer and ethnicity, and .13 for the number of male heirs. Age of transfer, though a better predictor than ethnicity or male heirs, had little quantifiable or interpretable effect.

As for the short-term ramifications of transfers, the most important provision in any will was care and attention for the spouse in old age. Of the 209 wills in the ten townships, 37.3 percent left everything to the widows; 7.2 percent left everything to the widows and specified equal divisions to the children after the widows' deaths; and 14.4 percent provided at least one-third of each estate for the widow's use while specifying which children should take over the land. The danger to a long-term family strategy was that a widow, given a life-estate provision, might live for so long after her husband's death that the farm might fail and the estate might have to liquidate before the next generation took over. Then only the land's sale would provide the widow with an income. Certainly families with modest holdings might not have enough capital accumulation over a lifetime to provide for both the parents' retirement and early career assistance for their children. This kind of problem occurred when a widow was the sole heir mentioned in a will. While 36.6 percent of the land in such estates ultimately went to children, outsiders bought 24.7 percent, and in a very few cases (7.7 percent) other relatives came to own the land. Both the testate and *inter vivos* transfer could provide for the spouse. The latter also provided immediate transfer, and avoided transitional tenure; large families, especially those with many male heirs, favored the former (Table 2). At least 50 percent of all settlements from families with three or more male children were testate transactions, whereas the *inter vivos* transfer worked better when there

**Table 2**  
**TYPE OF SETTLEMENT AND NUMBER OF MALE HEIRS**

|                    | 0   | 1   | 2   | 3   | 4   | 5   | 6+  |
|--------------------|-----|-----|-----|-----|-----|-----|-----|
| Male Heirs         | 0   | 1   | 2   | 3   | 4   | 5   | 6+  |
| <i>Inter vivos</i> | 34% | 45% | 40% | 20% | 25% | 30% | 20% |
| Testate            | 51  | 34  | 42  | 64  | 57  | 52  | 75  |
| Intestate          | 13  | 20  | 16  | 16  | 17  | 17  | 5   |
| N                  | 66  | 94  | 98  | 75  | 40  | 23  | 20  |

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were only one or two male heirs. The Germans of Kane Township were exceptional in their all-purpose use of testacy combined with some of the features of *inter vivos* transfers.

Often one or two heirs to a piece of land would buy out the others and take over sole ownership of the entire property. Recently some Canadian scholars have called this the "Canadian system" when describing inheritance strategies in nineteenth-century Ontario.<sup>18</sup> This method was actually common throughout North America, and in Iowa was particularly useful when a widow had received a life estate, and the children had to dispose of the property after her death. One solution was to sell to an outsider and divide the proceeds among siblings. To keep the farm in the family, however, one child continued to work the home place, while the others received legacies which corresponded to their shares. Deed books are full of such intrafamily transactions following the deaths of family members. Salter suggested that this placed undue strain on the encumbered child, who quite possibly had to make additional payments to siblings. From the small number of foreclosures that occurred, Iowa farmers apparently did not find this method a burden.

In Iowa, the actual estate settlement was usually partible, and the land, the most important asset, remained in the hands of a single child whenever the farm was less than 160 acres. As daughters rarely inherited land, the number of sons in a family made a major difference to the outcome of land transfers. Whatever the size of a family, the first-born male was most liable to inherit the land, especially in families with only two sons (Table 3). This edge was not so decisive in those families with five or more sons, for then the eldest inherited 18 percent of the time, the second son 9 percent, the third son 13 percent, and the youngest son 11 percent. Younger sons seemed to have greater opportunities in larger families. They especially benefitted in large families which relied upon

18. David P. Gagen, "Land, Population, and Social Change: The Critical Years in Canada West," *Canadian Historical Review* 59 (1978), 299-306, and Herbert J. Mays, "'A place to stand': Family, Land and Permanence in Toronto Gore Township, 1820-1890," *Historical Papers*, 1980 (Toronto: Canadian Historical Association, 1981), 205.

**Table 3**  
**EVENTUAL OWNER OF LAND AND NUMBER OF MALE HEIRS**

| # of Sons | Eldest Son      | 2nd Son | 3rd Son | Youngest Son | Eldest Daughter | 2nd Daughter | Other Relative | Outside Family | Spouse | N   |
|-----------|-----------------|---------|---------|--------------|-----------------|--------------|----------------|----------------|--------|-----|
| 0         | 7% <sup>1</sup> | 0%      | 0%      | 0%           | 6%              | 0%           | 11%            | 68%            | 9%     | 91  |
| 1         | 21              | 2       | 1       | 1            | 4               | 2            | 10             | 57             | 2      | 129 |
| 2         | 19              | 10      | 0       | 3            | 0               | 0            | 8              | 58             | 2      | 133 |
| 3+4       | 14              | 11      | 8       | 5            | 5               | 0            | 4              | 50             | 3      | 159 |
| 5+6       | 18              | 9       | 13      | 11           | 0               | 2            | 9              | 39             | 0      | 56  |
| 7+        | 8               | 0       | 8       | 8            | 8               | 0            | 8              | 62             | 0      | 13  |

<sup>1</sup>Includes Step Sons.

testacy for transfer, and which had fathers older (by an average of seven years) than those who chose an *inter vivos* transfer. In the rare instances when daughters inherited estates, they did not usually receive the land. Of sixty-four families in which daughters were the sole child heirs, only 6.3 percent received land. Fully 73 percent of those families with no male heirs preferred selling outside of the family to leaving land in daughters' hands.

FAMILIES remained important sources of financial assistance for farmers at both the beginning and end of their farms' careers, as they had been in Manitowoc. Credit availability was vital to the tenure system and, for a number of reasons—period of settlement, ethnic preferences, and the richness of the soil—each township had a slightly different approach to financing farm ownership (Table 4). From 1870 to 1900, however, neighborhood sources of credit remained prominent. Much of this exchange was probably between relatives by marriage, but data to substantiate this are not available. By the turn of the century, local savings institutions had made neighborhood lending more systematic and their officers were the major local lenders.

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**Table 4**  
**MORTGAGE SOURCE, BEGINNING OF CAREER**  
**MEAN PRICE OF LAND PER ACRE.**

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|                             |            |
|-----------------------------|------------|
| Father                      | \$22.5(28) |
| Other Relative              | 35.4(6)    |
| Neighbor                    | 67.8(278)  |
| Western Mortgage            | 7.8(4)     |
| Institutional Lender (Bank) | 21.8(43)   |
| Insurance Company           | 49.0(4)    |

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In Fayette, for example, the German Protestant population, which had largely displaced the Yankees in Harlan Township, depended on credit for initial land purchases. At first, in the 1880s and 1890s, this was in the form of creative financing (seller assistance), but after the turn of the century institutions gradually replaced local lenders. Not all Iowa settlers needed financial assistance in farm purchases, however. Both the Germans in Kane and the old-stock Quakers in Providence bought homesteads from the government. Until the 1920s their conservative credit behavior and the fertility of their soil enabled them to shun mortgage financing. On the other hand, Stanton, in far-western Plymouth County, developed different patterns. After they bought land cheaply from the railroad, the homesteaders there used school-fund mortgages. Very quickly, though, they turned to local and regional institutional lenders, and in the 1920s to insurance companies, to finance their farm expansions. This township's widespread use of mortgages markedly contrasts with behavior elsewhere. Perhaps this is one key to why, in the early 1930s, Stanton was active in the "cornbelt rebellion," even though local records reveal no great farm losses through foreclosures during the Depression.<sup>19</sup>

19. John L. Shover, *Cornbelt Rebellion: The Farmers' Holiday Association* (Urbana, 1965), 80-81.



Late nineteenth-century and early twentieth-century deeds indicate that families continued to support first farm purchases, because these deeds recorded purchase price for each land transaction. Only a few farmers (5.9 percent of 611 cases) received tracts as gifts, for sales constituted the majority of such transactions even within families (13.4 percent were purchases within and 77.9 percent were purchases from outside of families). However, fathers gave children substantial discounts, as purchase prices indicate. While a father might ask \$42.80 per acre for his child's first land purchase, another relative might expect \$73.30 and a neighbor, \$116.00. Parents thus assisted children in certain ways short of providing them with free access to farm ownership. In the late nineteenth century, farm mortgage rates were more within reach than they have been since. They rarely rose above 10 percent in Iowa even for short-term lending. Mortgage rates remained low into the twentieth century, especially during the Depression. Rates between relatives were just over half a percentage point below those which institutional lenders offered and rates of credit from neighborhood sources remained lower than institutional rates.

Farmers also displayed keen business sense in intra-familial land sales at the ends of careers. Only about 1 percent of these sales were gifts, and although farmers substantially discounted sales within the family, their need for retirement income dictated that parents receive a reasonable return for their land. Even though the *inter vivos* transfer was very common in Iowa, only 5 percent of all deeds made support of family members a condition of sale. Therefore, while many Iowa families transferred land between generations at discount prices, only a minority made formal agreements about old-age support for parents. Farm-owning elders therefore had to insure their own security by asking reasonable prices when they did sell. When selling at the end of his career, a farmer might expect 5 percent interest on a mortgage from a relative but 5.6 on one through an institutional borrower. The difference was not that great.

IOWA FARMERS employed several strategies to maintain family farms. Approximately 25 percent of all families remained on their land for two generations or more, and thus handled the

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transfer process successfully. By the turn of the century a definite system was discernible, one which survived even the worst days of the Depression. Except for those in the southern part of the state, rural Iowans did not suffer as much as farmers in neighboring states. Yet the reluctance of many to transfer property to children was a measure of their awareness of potential difficulties. In the early decades of the twentieth century, most farmers who transferred land by *inter vivos* were well over sixty-five years old, and although many used *inter vivos* transfers, few practiced early retirement. The intergenerational sacrifices and cooperation which researchers noticed in eastern Wisconsin was not so apparent in Iowa. This may have been partly because dairying predominated in Manitowoc and required of farmers more rigorous effort than did typical cornbelt agriculture.

Parents were similarly hard-headed over intergenerational land sales and mortgage borrowing. Certainly they provided considerable discounts to children which they did not offer outsiders, but the tiny percentage of gift-land transfers is surprising. Late retirement and commercial land transactions even among family were, of course, part of the older generation's need for support. Without Social Security, annuity insurance, or any type of pension, farmers depended on children. Historians need to consider the social impact of this slow process of title surrender to the younger generation. During the Depression, the farm's self-sufficiency gave the farm family a refuge from hard times. Children were more liable to stay close to home and take interest in their shares of family resources. The use of *inter vivos* transfers, however, declined from a high of 18.7 percent during the twenties to 12.7 percent after 1940, while testacy increased from 54.7 percent to 72.7 percent in the same period. With post-World War II prosperity, opportunities in and outside farming expanded, and all but killed the 80-, 120-, and 160-acre family farm. The cost-price squeeze, more rigorous enforcement of inheritance and estate taxes, and the spread of agribusiness forced out many smaller operators. To survive, the farm family had to make its operations thoroughly professional, and if it did not incorporate, had to formalize intergenerational transfer arrangements so that they would provide the maximum advantage to all family members.

Whether these behavioral trends continued beyond World War II, and how the tenure system developed, remain questions for further research. We need also to inquire into intergenerational and sibling relations before and after transfers; women's position in the inheritance process; economic mobility in agriculture; the destinations and future careers of liquidators and renters who left; the rigidity with which relatives required loan repayment; and the effects of kinship on land-related economic transactions. Farm inheritance behavior in other areas of the country that have different legal systems, economies, and populations will also inform us when contrasted with the behavior in Iowa. Indeed, farm inheritance systems have much to tell historians about the social and economic attitudes and arrangements of rural Americans.

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