THE ECONOMIC BASIS OF THE POPULIST MOVEMENT IN IOWA

The Populist movement, like earlier and later agrarian movements, was vitally concerned with three problems — credit, transportation, and markets and prices. The agricultural State of Iowa offers a good field in which to observe the attempts to work out these problems of national and international importance.

The economic situation in Iowa during the period of the Populist movement presents an interesting combination of dissatisfaction and inherent soundness. Conditions in Iowa[1] were less favorable to a pronounced Populism than in Kansas, Nebraska, and South Dakota, though Iowa was by no means untouched by the movement. Its forerunner, the Farmers' Alliance, however, which flourished from about 1885 to 1895, "never swept the state as had the Grange."[2] The various numbers of the *Iowa Official Register*[3] show that in the election returns the appreciable votes for the People's party came chiefly from the newer sections of the State, the party even securing pluralities in Monona County on the western border. But Populism — or the agrarian accompaniments of Populism — exerted an influence and attracted an attention in the two old parties of Iowa greater than was indicated by the numerical strength of the third party itself. There was an economic

[1] Haynes's *Third Party Movements Since the Civil War with Special Reference to Iowa*, p. 304. Mr. Haynes might have added Minnesota, which showed a Populist vote of 87,931 in 1894, more than twice the largest vote ever cast for an independent Populist ticket in Iowa.

[2] Nourse's *Fifty Years of Farmers' Elevators in Iowa* (*Bulletin of the Agricultural Experiment Station, Iowa State College of Agriculture and Mechanic Arts*, No. 211, March, 1923), p. 242.

[3] *Iowa Official Register*, 1893–1896, showing returns for the years 1892–1895.

basis for the character, extent, and limitation of the movement.

The population of Iowa in 1890 was 1,911,896, as compared with 1,624,615 in 1880, an increase of 17.68 per cent, as compared with the 36.06 per cent increase for the previous decade and the 76.91 per cent increase for the period from 1860 to 1870. It was less than the percentage of increase from 1880 to 1890 in Minnesota, Nebraska, and Kansas, which were, respectively, 66.74, 134.06, and 43.27 per cent. Iowa's urban population was 14.08 per cent of the total in 1890, as compared with 9.39 per cent in 1880. The important gains in population were in the western and northwestern counties. Lyon County, in the northwest corner, increased from 1968 to 8680, and Woodbury, bordering Nebraska, increased from 14,996 to 55,632. On the other hand, twenty-seven counties lying in or near the eastern half of the State showed a decrease in population between 1880 and 1890. In about 43.26 per cent of the area of the State there was a decrease in rural population for the period, while the total increase of this group for the State as a whole was 121,709. In the percentage of area showing a decrease of rural population, Iowa led all of the trans-Mississippi States except Nevada.[4] Additional evidence that Iowa as a whole was getting away from frontier conditions is indicated by the low acreage of original homestead entries. For the year ending on June 30, 1890, this was only 1153 acres for Iowa, while for Kansas and Minnesota it was 222,649 and 175,697 acres respectively.[5] A writer in the *Political Science Quarterly*[6] in 1889 classed

[4] See *Eleventh Census of the United States* (Population), 1890, for these statistics.

[5] *Statistical Abstract of the United States*, 1891, p. 242.

[6] Mappin's *Farm Mortgages and the Small Farmer* in the *Political Science Quarterly*, Vol. IV (September, 1889), p. 436. The State was still receiving

Iowa as a border State between the old and the new West, placing eastern Iowa in the old and western Iowa in the new.

In this period of unrest, partly attributed at the time to the readjustment of agricultural conditions to the disappearance of the frontier,[7] the dictum that "the old pioneer farmer has found the play played out"[8] could be applied to Iowa. The time has gone by when farming can be done by "pure strength and awkwardness", declared an Iowa agricultural paper,[9] which at the same time pointed to the danger of capitalistic control of a large percentage of the farms of the country.

Of Iowa's total farm acreage in 1890, only 16.6 per cent was listed as unimproved.[10] The value of the farm lands, fences, and buildings of the State in 1890 was listed at $857,581,022, more than 50 per cent above the value ten years earlier. At the latter date Iowa, with a valuation of $136,665,315, was third in the Union in value of farm implements and machinery, being surpassed only by New York and Pennsylvania.[11] The tendency away from pioneer farming was hastened by the construction of railroads in all parts of the State. The railroad mileage in 1890 was

homeseekers from east of the Mississippi, while furnishing some emigration to regions farther west. James Wilson noted with regret "the sale of Iowa homes by the pioneers who made them".—*Iowa Agricultural Report*, 1892, p. 16; *Cherokee Weekly Times*, April 20, 1893; *Iowa State Register* (Des Moines), April 19, 1893.

[7] Wiman's *The Farmer on Top* in *The North American Review*, Vol. CLIII (July, 1891), pp. 14, 15.

[8] Harris's *What the Government Is Doing for the Farmer* in *The Century Magazine* (New Series), Vol. XXII, p. 465. This article deals with changes taking place in agricultural conditions — changes from land skimming to land culture.

[9] *The Iowa Homestead* (Des Moines), November 30, 1894.

[10] *Abstract of the Eleventh Census of the United States: 1890*, p. 95

[11] *Abstract of the Eleventh Census of the United States: 1890*, pp. 99–101

8602, more than 60 per cent increase over that of 1880.[12] Governor Francis M. Drake, speaking of conditions at this time said, "There is not a county in the state without railroad facilities."[13]

Iowa had become a land of farms and farmers. According to the Federal census of 1890,[14] there were 205,435 farm families in Iowa, while the average number of employees in manufacturing establishments was slightly under 60,000 and the number of railway employees was under 28,000.[15] Tenant families constituted 29.57 per cent of the farm families, as compared with 34.08 per cent for the United States as a whole. It was said, however, "that more farms in Illinois, Iowa and Wisconsin have been deserted by their owners than have been in New Hampshire, Vermont and Massachusetts."[16]

There had been a great expansion in agriculture in Iowa between 1860 and 1880 with emphasis on a few leading grains, in spite of warnings and exhortations toward diversification of crops.[17] During this period Iowa's production of corn and wheat almost doubled. There was, however, a change in the decade following 1880, particularly with reference to wheat, for which estimates placed the acreage at 3,049,288 and the production at 31,154,205 bushels in 1879,

[12] *Abstract of the Eleventh Census of the United States: 1890*, p. 172.

[13] Shambaugh's *The Messages and Proclamations of the Governors of Iowa*, Vol. VII, p. 110.

[14] *Eleventh Census of the United States* (Farms and Homes), 1890, pp. 35–42.

[15] Before 1890 the membership of the Knights of Labor in the State reached 25,000.— Downey's *History of Labor Legislation in Iowa*, pp. 3, 4; *Abstract of the Eleventh Census of the United States: 1890*, p. 141.

[16] *Eleventh Census of the United States* (Farms and Homes), 1890, pp. 33, 35; *Iowa Agricultural Report*, 1891, p. 10.

[17] Ruggles's *The Economic Basis of the Greenback Movement in Iowa and Wisconsin* in the *Proceedings of the Mississippi Valley Historical Association*, Vol. VI, p. 143.

but showed only 585,548 acres and 8,249,786 bushels in 1889.[18] Estimates for the corn crop showed 6,616,144 acres and 275,014,247 bushels in 1879 with 7,585,522 acres and 313,130,782 bushels in 1889, Iowa being the first State in production of this cereal in the latter year.[19] The total value of agricultural products for 1890, excluding live stock but including dairy products and poultry, was estimated at $258,677,315.[20] During this period there was a good increase in the number of horses, milch cows, and cattle, the figure for cattle in 1890 surpassing three million — nearly twice that of 1880. The hog had followed corn in the westward movement, and the leading corn State was the leading hog State in 1890, with the number of hogs estimated at 8,266,779.[21]

The development in Iowa and the West was accompanied by an increase in mortgages. Within a brief period, said a writer in 1890, "an unusual amount of capital has been devoted — not directly but indirectly, by way of mortgage loans — to the development of a vast area of agricultural country."[22] Half a million mortgages on real estate were placed in Iowa during the ten years ending with 1889 for an amount, in round numbers, of $440,000,000.[23] The real estate mortgage debt for Iowa in 1890 was estimated to be $199,774,171, including $50,317,027 on town lots. This total

[18] *Abstract of the Eleventh Census of the United States: 1890,* pp. 118, 119. "Iowa, after devoting 400,000 new acres to the production of hay [between 1879 and 1889] drew upon the wheat fields for 2,363,000 acres to add to the meadows, while 2,244,000 other new acres were added to the oat-bearing lands." — *The Country Gentleman* quoted by *The Iowa Homestead* (Des Moines), June 1, 1894.

[19] *Abstract of the Eleventh Census of the United States: 1890,* pp. 118, 119.

[20] *Iowa Agricultural Report,* 1890, p. 80.

[21] *Abstract of the Eleventh Census of the United States: 1890,* p. 105.

[22] Gleed's *Western Mortgages* in *The Forum,* Vol. IX, p. 105.

[23] *Eleventh Census of the United States* (Real Estate Mortgages), 1890, p. 174.

was more than a fifth of the estimated value of the farm lands, fences, and buildings. The total incumbrance on farms occupied by owners was $101,745,924 — an amount exceeded only by New York, with Illinois coming third. Of this debt on farms occupied by owners in Iowa, 69.49 per cent was for the purchase of real estate. The total of this incumbrance was estimated at 33.29 per cent of the value of the farms, the average debt per farm being $1319. It was estimated that 47 per cent of the taxed land in the State in 1890 was under mortgage.

The total annual interest on incumbrances on farms occupied by owners in 1890 was estimated at $7,491,665, the interest charge falling on 37.53 per cent of the farm families of the State.[24] "In Iowa", it was reported, "the rate of 8 per cent is the most prevalent one, but 7 per cent is of large secondary importance, and 6 per cent third in order, while 80 per cent is the highest rate, and is paid by one family on $2,300."[25] It was said that in eastern Iowa the debt situation was improving and that interest rates were growing less: a Davis County firm in 1888 claimed a record of a hundred thousand dollars per year without a single foreclosure in several years.[26] In Jefferson County, which lost over two thousand in population between 1880 and 1890, "there was not a single sale of real estate by the sheriff during the year" of 1890.[27] *The Iowa Homestead* and the *Iowa State Register* maintained that the reports of the mortgage evil were exaggerated. A student of the situ-

[24] For these incumbrance statistics see *Eleventh Census of the United States* (Farms and Homes), 1890, pp. 35, 59, 83, 150, also diagram 9; Emerick's *An Analysis of Agricultural Discontent in the United States* in the *Political Science Quarterly*, Vol. XI, p. 603.

[25] *Eleventh Census of the United States* (Farms and Homes), 1890, p. 104.

[26] *The Iowa Homestead* (Des Moines), December 28, 1888.

[27] *Iowa Agricultural Report*, 1890, p. 7.

ation in 1896 believed that in States like Iowa and Missouri mortgage foreclosures had not been unusually frequent.[28]

Yet there were evidences of the burden of mortgages in Iowa. An observer at Geneva, in the north central part of the State, said in 1888 that there were mortgages in his county amounting to some half a million dollars, chiefly with rates that would compel farmers to sell out or be eaten out by the mortgages.[29] It was said that "companies located at St. Paul, Omaha, Des Moines, Kansas City, St. Joseph, Topeka, Denver or Dallas, sometimes received as high as fifteen-per-cent commission on a five-year loan, and for many years the home company never received less than ten per cent. The local agent exacted all that he could above this amount."[30] A substantial increase in the amount of real estate mortgages between 1880 and 1889 was particularly characteristic of northwestern Iowa. Lyon County, in the northwest corner, showed an increase from $84,671 to $709,959. The only counties[31] in the State showing less

[28] Emerick's *An Analysis of Agricultural Discontent in the United States* in the *Political Science Quarterly,* Vol. XI, p. 610. In 1894 the *Financial World* (Boston) pointed out that losses of eastern money in western mortgages were due to investments in States west of Iowa.—*The Iowa Homestead* (Des Moines), August 10, 1894.

[29] *The Iowa Homestead* (Des Moines), January 27, 1888.

[30] Gleed's *Western Mortgages* in *The Forum,* Vol. IX, pp. 95, 96. In connection with eastern investments in western loans, it was stated in 1889 that Philadelphia alone negotiated annually more than $15,000,000 of western loans. "In some way, the capital of the United States has been aggregated . . . . in certain sections, and by its usufructuary power is drawing to the same sections the profits of the labor of other sections." Tribute from western farmers to the money lenders of the East was mentioned as a source of western poverty. —Mappin's *Farm Mortgages and the Small Farmer* in the *Political Science Quarterly,* Vol. IV, pp. 435–439; Dunn's *The Mortgage Evil* in the *Political Science Quarterly,* Vol. V, p. 82; Gladden's *The Embattled Farmers* in *The Forum,* Vol. X, p. 317.

[31] *Eleventh Census of the United States* (Real Estate Mortgages), 1890, pp. 431–436. Woodbury County, though showing a greater amount on lots than on acres, showed more than $1,000,000 on acres.

than half a million dollars in mortgages for 1880 and more than a million for 1889 were Plymouth, Sioux, and Woodbury, all in the northwest.

The real estate mortgages brought a demand from the farmers for the revision of taxation. "Farmers represent but one-fourth of the nation's wealth and they pay three-fourth of the taxes", exclaimed the *Farmers' Tribune*, a Weaver organ.[32] The attempt was made to shift some of the taxation from mortgaged property to mortgages. The Iowa Farmers' Alliance advocated such a revision, and the State secretary of the Alliance served on a committee created by the legislature of 1892 to investigate the system of taxation and report to the subsequent legislature.[33] But in the next legislature, as in previous ones, the endeavor to shift taxation from mortgaged farms to mortgages failed. The *Homestead* attributed the defeat of tax revision to a lobby of the railroads, loan and trust companies, and kindred interests.[34] The Populist State platforms condemned the legislature for rejecting taxation revision and denounced the "method of assessment whereby the debtor is made to pay the full tax on mortgaged property".[35]

There were economic grievances too in regard to the railroad question. "There are counties in Iowa and other Western States", wrote Frank B. Tracy in 1893, "struggling under heavy loads of bond-taxes, levied twenty-five years ago, to aid railways, of which not one foot has been built."[36] Governor Larrabee, in his inaugural message of

[32] *Farmers' Tribune* (Des Moines), April 12, 1893.

[33] *The Iowa Homestead* (Des Moines), February 3, 17, 1893; *Public Opinion*, November 7, 1891.

[34] *The Iowa Homestead* (Des Moines), March 30, 1894.

[35] *Iowa Official Register*, 1892 (Second Edition), p. 172, 1894, p. 107.

[36] Tracy's *Rise and Doom of the Populist Party* in *The Forum*, Vol. XVI, p. 242.

1888 and in other utterances, maintained that the railroads of Iowa had received $50,000,000 in public donations and exemptions; that the tracts of lands granted them in various ways amounted to more than one-eighth of the area of the State; that the State had not "derived that benefit from the large land grants made to railroads which her people had a right to expect"; and that the railroads schemed to use one valuation for income and another for taxation.[37] Increased taxation of the railroads was one of the demands of the People's party of the State.[38]

More important, however, than taxation of railroads was the problem, or burden, of railroad rates, particularly freight rates. This problem, like that of mortgages, was intensified by declining prices of agricultural products. As one of the leading Grange States, Iowa in 1874 secured a railroad act which has been pronounced "perhaps the best example of an attempt to establish a fixed schedule of maximum rates". This was accepted for some years and led to improved relations between railroads and the public.[39] With the decline of the Grange and with skillful propagandist activity on the part of railroads,[40] the freight sections of the law of 1874 were repealed in 1878, and an advisory — or investigative — and appointive commission was created. In ten years the pendulum was to swing back toward more rigid control of railroads, including a demand for interstate regulation.[41]

[37] Larrabee's *The Railroad Question* (Eleventh Edition), pp. 328, 329; *The Iowa Homestead* (Des Moines), February 24, 1888; Gue's *History of Iowa,* Vol. III, pp. 142, 143.

[38] *Iowa Official Register,* 1892 (Second Edition), p. 172.

[39] Buck's *The Granger Movement,* pp. 166–178.

[40] Aldrich's *The Repeal of the Granger Law in Iowa* in THE IOWA JOURNAL OF HISTORY AND POLITICS, Vol. III, pp. 256–270.

[41] *Appleton's Annual Cyclopaedia,* Vol. XI (1886), pp. 331, 332; *Iowa State Register* (Des Moines, Morning Edition), January 19, 1887; *The Iowa Homestead* (Des Moines), October 12, 1894; *Laws of Iowa,* 1878, Ch. 77.

It was hard to convince the average farmer of the fairness of a policy that compelled him to give one car of corn to pay for the transportation of another to Chicago, declared the Iowa Board of Railroad Commissioners in 1886,[42] with the following comment: "There is a great deal of *general* complaint because railways do charge from $60 to $80 from Western Iowa, when it is understood that cars from points still farther west are taken right by their doors to some eastern point for considerably less". Iowa "is paying too large a freight bill", said the *Iowa State Register*.[43] Governor William Larrabee asserted that the net income of the railroads in Iowa for 1887 — $13,000,000 — was too much of a burden, especially in view of the drouth: it was one-third of the corn crop, three million dollars more than the whole wheat crop, or one-sixth of the total value of the cattle of the State.[44] Other than agricultural interests were feeling aggrieved in 1887, and there was a demand on the part of manufacturers and business men that the railroads "must make a car-load rate to apply to all the manufacturers and jobbers in Iowa, and to grain and stock in car lots, or get ready for such a fight as they have never had on the prairies between the Mississippi and Missouri rivers before."[45]

The Republican State platform in 1887 contained a long plank supporting State regulation of railroads and favoring a stronger interstate commerce law. The legislature was asked to abolish free passes and to increase the efficiency of the railway commission law with a view to the reduction of

[42] *Annual Report of the Board of Railroad Commissioners of Iowa*, 1886, pp. 52, 53.

[43] *Iowa State Register* (Des Moines, Morning Edition), August 24, 1887.

[44] Statement before the railroad committee of the State Senate.— *The Iowa Homestead* (Des Moines), February 24, 1888.

[45] *Iowa State Register* (Des Moines, Morning Edition), April 24, 1887.

freight charges and passenger fares. The platform also criticized discrimination on the part of the railroads between persons and between places. This was considered an "anti-monopoly" plank.[46] The Democratic party also advocated State control of railroads and the election of 1887 "resulted in an even more complete defeat of the railroad forces than had been generally anticipated."[47] With Governor Larrabee and a sympathetic "anti-monopoly" legislature in control in 1888[48] the way was open for reform and permanent legislation was adopted.

The law of 1888 provided for an elective railroad commission with power to carry on extensive investigations, to make for each road in the State "a schedule of reasonable maximum rates" for freight and cars, to make freight classifications, and to prosecute for extortion for which penalties were provided. Commission rates were to be held *prima facie* reasonable and commission findings were to be held *prima facie* evidence before the courts. Freight pools were forbidden, and no preference was to be granted to shippers, localities, or kinds of traffic, aside from time priority to live stock.[49] Proposals for statutory maximum rates, however, were defeated; and the regulation of express companies and the abolition of free passes were left for consideration by later sessions. Commission regulation of joint rates was provided for in 1890.[50]

[46] *Iowa State Register* (Des Moines, Morning Edition), August 25, 1887.

[47] Larrabee's *The Railroad Question* (Eleventh Edition), p. 339.

[48] *The Iowa Homestead* (Des Moines), January 6, 1888. In this issue it was stated that the people were asking the railroads "to take their heavy hand off the manufacturing and wholesale interests by giving as reasonable local rates as under competition they give to inter-state points. They ask them to give local rates that will enable the farmers of one county to feed corn raised in another without paying practically the same rate that is paid to Chicago". Lower local rates on coal were also demanded.

[49] *Laws of Iowa,* 1888, Ch. 28.

[50] *Laws of Iowa,* 1890, Ch. 17.

In spite of obstructions and injunctions brought about by the railroads, the freight rates under the new commission system went into effect in February of 1889.[51] Railroad officials testified that the result was a reduction of about twenty-six per cent on local rates;[52] yet Governor Larrabee said these "rates were not as low as the special rates that had at various times been granted to favorite shippers, but were a fair average of the various rates in vogue at the time."[53] Supporters of the new system pointed to the increased earnings of the railroads and to the benefits to farmers, merchants, manufacturers, and mining interests of the State. The platforms of both parties continued to support State control of railroads; and the *Homestead*[54] recommended the Iowa system of regulation as a solution for the local rate troubles in Kansas and Nebraska. There were, nevertheless, criticisms by shipping interests of certain applications of the system, and the *Farmers' Tribune*[55] continued to assert that the Iowa public was contributing too much to the support of the railroads of the State. It was claimed that the opposition of the railroad interests to this law of 1888, linked with antagonism to prohibition, contributed to the defeat of the Republicans by the Democrats in 1889 and 1891.[56] The State Board of Railroad Commissioners,[57] however, gave high praise to the regulatory system after it had been given a trial.

[51] Larrabee's *The Railroad Question* (Eleventh Edition), pp. 343, 344; *The Iowa Homestead* (Des Moines), May 18, 1888; *Annual Report of the Board of Railroad Commissioners of Iowa,* 1891, p. 9.

[52] *Annual Report of the Board of Railroad Commissioners of Iowa,* 1891, p. 9.

[53] Larrabee's *The Railroad Question* (Eleventh Edition), p. 343.

[54] *The Iowa Homestead* (Des Moines), March 31, 1893.

[55] *Farmers' Tribune* (Des Moines), November 29, 1893.

[56] Irwin's *Is Iowa a Doubtful State?* in *The Forum,* Vol. XIII, pp. 257–264.

[57] "There have been no rate wars . . . . in Iowa the past two years

Those who preached or believed the doctrine that the railroads were solely responsible for low prices of agricultural products and that railroad domination and favoritism offered ample explanation for "the hitherto unexplained phenomena of hard times"[58] were, however, inevitably disappointed and additional reasons had to be sought. Middlemen and combinations — or "trusts"— depressed prices of agricultural products and held up prices of finished products. Conflict between the farmers and a barbed wire syndicate had contributed to the formation of a State Farmers' Alliance in 1881.[59] In the late 70's and the 80's Iowa experienced a growth of line elevator companies, which formed a strong alliance with the railroads and opposed the independent and the farmers' elevators.[60] The legislature of 1888 adopted an anti-trust law against organizations or combinations for fixing "the price of oil, lumber, coal, grain, flour, provisions or any other commod-

. . . . while rate-cutting has been in vogue in the states around us and the troubled waves have surged up against our very borders . . . . Iowa has been free from their . . . . influences, and with the curtailing of rebates, secret rates, free passes and other special privileges which the few formerly enjoyed at the expense of the many, there has followed steady rates and increased revenues — more than sufficient to make up for any deficiency caused by reduction in local rates."— *Annual Report of the Board of Railroad Commissioners of Iowa,* 1891, p. 16.

[58] Assumption by W. E. Miller in *The Iowa Homestead* (Des Moines), March 30, 1888. See also *The Forum,* Vol. XIII, p. 260.

[59] Haynes's *Third Party Movements Since the Civil War with Special Reference to Iowa,* p. 311; Gue's *History of Iowa,* Vol. III, pp. 103–107.

[60] Nourse's *Fifty Years of Farmers' Elevators in Iowa (Bulletin of the Agricultural Experiment Station, Iowa State College of Agriculture and Mechanic Arts,* No. 211, March, 1923), pp. 242, 246. Professor Nourse observes that line elevator systems were also in league with coal, lumber, and farm implement interests, and that these farmer elevator companies in the late 80's and early 90's came into being to combat an organization already possessing the field, a task not confronted by the farmers' elevators of the Granger period. The farmers' elevators of the later, or, second, period were most prominent in the north central and northwestern parts of the State.

ity''.[61] The ''beef trust'' was denounced by the press and accused of depressing the price of cattle, holding up the price of beef, and being behind railway rate discrimination. It was ''the most menacing as well as the most gigantic'' of ''about 400 trusts in existence''.[62] The panic of 1893, observed the *Homestead,* emphasized the cost of the middlemen. ''Hitherto the products of western farmers have been compelled to run the gauntlet of a long line of middlemen, which began at the nearest railway station, ran through Chicago, New York, Liverpool, and ending with the small retailers in Europe''.[63] A demand arose for the regulation of warehouses, weighing and grading, regulation to check dishonest commission men, and legislation against option gambling in agricultural products.[64]

Another explanation given for the hard times was the injury to the farmers' market through the scientific development of substitutes for agricultural products. ''The advent of bogus butter cut the value of dairy stock right in two by the middle'', said the State Board of Railroad Commissioners in 1886.[65] Legislation was sought ''in behalf of pure lard'', and a statement in a ''down-east'' paper that a chemist was claiming meat would some time be made arti-

[61] *Laws of Iowa,* 1888, Ch. 84.

[62] *The Iowa Homestead* (Des Moines), May 25, 1888, March 15, 1889; *Council Bluffs Weekly Globe,* January 31, February 7, 21, 1896; *Iowa Agricultural Report,* 1895, pp. 73, 74.

[63] *The Iowa Homestead* (Des Moines), September 22, 1893.

[64] *The Iowa Homestead* (Des Moines), September 22, 1893, October 18, 1895, August 14, 1896. ''Unless checked by state and national legislation, the millers' association will soon dictate to the farmer the price of his grain and to the consumer the price of his bread stuff as absolutely as the whisky trust controls the price of their goods.''—B. F. Clayton in *The Iowa Agricultural Report,* 1895, p. 74.

[65] *Annual Report of the Board of Railroad Commissioners of Iowa,* 1886, p. 53. To protect the market for pure butter, it was proposed in the State legislature that oleomargarine be colored pink.—*The Iowa Homestead* (Des Moines), March 30, 1894.

ficially led the *Homestead* to assert "that chemistry has done comparatively little except to teach how to defraud." Sheep-raising, it was claimed, was made unprofitable by the increase in the plants and output of "shoddy mills".[66]

There was some recognition of the competition facing the Iowa farmer. "In the markets of the world", said Governor Jackson in his inaugural address in 1894, "cheap beef from the vast herds of Mexico, and mutton from the plains of Australia can be sold at a profit to its owners at a price far less than it costs to produce them on the farms of Iowa. In the world's market the wheat fields of Manitoba and India . . . . can monopolize and supply the demand in competition with the products of the American farm." In addition to noting increasing competition of grains or animals from India, Russia, Australia, and Argentina in the European markets, the *Homestead* gave emphasis to the competition of western American range cattle. "Cattle growers in the Mississippi and the Missouri valleys", said one writer, "cannot afford to grow beef in competition with the ranges . . . . we must . . . . produce something better with which mere rangers cannot compete."[67] With better farming and higher grade animals Iowa was facing what was diagnosed as "the tendency to overproduction of staples".[68]

Of course, the Populists and other dissenters pointed to the declining prices of agricultural products. The price of corn per bushel in Iowa for the ten years beginning with 1880 was as follows: twenty-six cents in 1880, forty-four cents in 1881, thirty-eight cents in 1882, thirty-two cents in

[66] *The Iowa Homestead* (Des Moines), December 7, 1894, January 7, August 28, 1896.

[67] *The Iowa Homestead* (Des Moines), September 28, 1894; Shambaugh's *Messages and Proclamations of the Governors of Iowa*, Vol. VII, p. 11.

[68] Phrase in the *Report of the Secretary of Agriculture of the United States*, 1889, p. 201.

1883, twenty-three cents in 1884, twenty-four cents in 1885, thirty cents in 1886, thirty-five cents in 1887, twenty-four cents in 1888, and nineteen cents in 1889.[69] For the next five years the price of corn per bushel on the farms in Iowa on December first ranged as follows: forty-one cents in 1890, thirty cents in 1891, thirty-two cents in 1892, twenty-seven cents in 1893, and forty-five cents in 1894.[70] The *Iowa Agricultural Report* for 1890 stated with reference to corn that "Iowa had an enormous overproduction and the sensible question was propounded, 'Why not have a cheap and suitable stove that corn may be used for fuel?' "[71]

The average price of wheat per bushel in Iowa for the decade beginning with 1880 was as follows: eighty-two cents in 1880, one dollar and six cents in 1881, seventy cents in 1882, eighty cents in 1883, fifty-five cents in 1884, sixty-seven cents in 1885, sixty cents in 1886, sixty-one cents in 1887, eighty-five cents in 1888, and sixty-three cents in 1889.[72] Farm prices of wheat per bushel in Iowa on December first for the next five years were as follows: eighty cents in 1890, eighty-one cents in 1891, sixty cents in 1892, forty-nine cents in 1893, and fifty cents in 1894.[73]

While corn and wheat prices in 1890 were relatively favorable "hogs sold at lower prices at Chicago, December 20th, than at any time since September 1879, and lower than they have ever sold in comparison with the price of corn".[74] More than thirty per cent decline in the market prices of cattle was reported for the period between 1885 and 1890.[75]

[69] *Report of the Secretary of Agriculture of the United States,* 1889, p. 261.

[70] *Yearbook of the United States Department of Agriculture,* 1894, p. 545.

[71] *Iowa Agricultural Report,* 1890, p. 50.

[72] *Report of the Secretary of Agriculture of the United States,* 1889, pp. 262, 263.

[73] *Yearbook of the United States Department of Agriculture,* 1894, p. 545.

[74] *Iowa Agricultural Report,* 1890, p. 41.

[75] Ashby's *Riddle of the Sphinx* (Des Moines, 1890), p. 62, with quotation from the report of an investigating committee of the United States Senate.

Because of low prices of agricultural products and the relatively high wages, many farmers reported employment of labor at a loss in the latter half of the eighties; and it was asserted that farmers would have withdrawn their capital if they could have profitably done so.[76] But the farmer, though he might cease to be a large employer of labor, was "obliged to be an employer of labor whether it paid or not."[77]

Price quotations were hurled at each other by the advocates and opponents of the protective tariff policy. If the Democratic press blamed the unfavorable trade balance of 1893 on "McKinleyism", and Governor Horace Boies claimed that the reduction of protection would raise the price of American agricultural products; on the other side was the pronouncement that the "whole cause of the present alarming business condition is the general fear that the Democratic congress and administration will repeal the protective features of the McKinley tariff".[78] It was charged by a speaker in the State Agricultural Society that permission of free importation of Mexican cattle was due to the influence of "the great labor unions of the east".[79]

An explanation for the declining prices of agricultural products emphasized by some groups was the "gold maniac squeeze". This was stressed by J. B. Weaver and the Populists, as well as by other elements. Two "radical free silver men" were among the unusually large number of

[76] Governor Horace Boies quoted by the *Sanborn Pioneer*, February 12, 1891. In this New York speech — a criticism of the tariff — Governor Boies used information from the State Bureau of Labor Statistics. This information was severely criticized by Republican papers, particularly the portion indicating corn production at a loss. For the data see the *Biennial Report of the Bureau of Labor Statistics for the State of Iowa*, 1890-1891, pp. 14, 15, 97–171.

[77] *The Iowa Homestead* (Des Moines), January 5, 1894.

[78] *Iowa State Register* (Des Moines, Morning Edition), July 9, 1893. See also the *Cherokee Weekly Times*, July 27, 1893.

[79] *Iowa Agricultural Report*, 1895, p. 75.

Democratic representatives elected to Congress in 1890.[80] In the midst of the panic of 1893, the *Farmers' Tribune* and the *Dubuque Telegraph,* a Democratic paper, published tables to show that the horses, mules, milch cows, oxen, and sheep on Iowa farms in 1893 were worth $45,265,010 less than they would have been worth in 1873, and attributed the decline to the "gold maniacs". In these comparisons, it was admitted that the Iowa hogs in 1893 were worth $16,625,550 more than the same number would have been worth in 1873, but it was claimed there was a relative loss even on hogs through prevention of a greater rise in prices.[81] The *Farmers' Tribune* refrained from discussion of the tariff on the plea that such talk "would be only playing into the hands of the gold bugs, who use the tariff to divert the people from the need of financial reform".[82] The *Homestead*[83] had observed that increase in the commodity value of debts was working hardships on producers and furnishing a point to the bi-metalists. It is needless to remark that the financial crisis of 1893 furnished fuel to the Populists and anti-gold Democrats of the State for intensified criticism of President Cleveland's monetary policy.

Following the panic of 1893 came what was pronounced the "most severe drouth[84] that the entire country west of

[80] Cole's *A History of the People of Iowa,* p. 480.

[81] *Farmers' Tribune* (Des Moines), August 2, 1893, with clipping from the *Dubuque Telegraph.*

[82] *Farmers' Tribune* (Des Moines), October 24, 1894.

[83] *The Iowa Homestead* (Des Moines), January 25, 1889. Making comparisons between changes in prices of farm machinery and those in prices of farm products, E. W. Bemis (in the *Journal of Political Economy,* Vol. I, March, 1893, p. 208) said: "The prices of what the farmer buys have fallen even faster than those of what he sells." But this did not explain away the hardships of declining prices on debtor farmers. "The people who are head over heels in debt want a debt-paying currency," said the *Iowa Sentinel* (Corydon), a Populist paper, on April 13, 1893.

[84] *The Iowa Homestead* (Des Moines), October 26, 1894.

the Mississippi . . . . ever experienced for forty years''. Because of this drouth, in parts of western Iowa hogs were rushed to market, spring pigs were killed in August, horses were killed for hog feed, and some corn was repurchased by farmers and hauled back from the elevators at double the prices originally received by the farmers.[85] The average yield of corn per acre for the State in 1894 was only twelve bushels; and the total yield was estimated to be 80,867,640 bushels, slightly more than one-third of an average crop, with an unusual proportion of unsalable product.[86] In 1895 the spread of hog cholera was particularly noticeable, attracting legislative attention and resulting in action designed to check the disease.[87]

But over against the catalog of economic maladjustments must be placed a consideration of those conditions and developments that tended to offset, minimize, or, at least, diffuse the unrest. As indicated above, a high percentage of the mortgages were of the constructive and investment type, not suggestive of distress or frequent foreclosures. Though there was an increasing farm tenancy, with complaints against non-resident alien ownership of land in the State platforms of both major parties,[88] there was also a discounting of the idea of land monopoly in Iowa.[89]

There was contemporary testimony that Iowa ''can well be proud of the progress she has made in State control of

[85] *The Iowa Homestead* (Des Moines), August 17, 1894.

[86] *Iowa Agricultural Report,* 1894, p. 73. The average price at the nearest railroad station for this crop was given as forty-five cents per bushel.

[87] *The Iowa Homestead* (Des Moines), November 8, 1895, January 3, February 14, April 17, 1896. This disease, which had caused trouble in previous years, was estimated to have ''swept away nearly 40 per cent of our total swine herds'' in 1896.— *Iowa Agricultural Report,* 1896, p. 122.

[88] *Appleton's Annual Cyclopaedia,* Vol. XII (1887), pp. 393, 394.

[89] *The Iowa Homestead* (Des Moines), July 12, 1889.

railroads.''[90] As a result, it was claimed, hay and corn from northern Iowa were sold at good prices in the dairy counties of eastern and southern Iowa in large quantities instead of paying tribute to Chicago as formerly.[91] ''Eastern and middle Iowa once sold corn at 20 cents; these localities keep stock and buy feed now [1889] from the grain belt that has moved west.''[92] For the year ending on September 30, 1890, the amount of butter shipped by rail from Iowa was 71,255,796 pounds net.[93] Of the corn crop in 1892, estimated at 200,221,000 bushels,[94] only nineteen per cent was ''shipped out of county where grown.''[95]

In the number of hogs packed, Iowa ranked third in the United States, coming next to Illinois and Missouri, during most of the ten years following 1890.[96] Iowa packing houses were slaughtering many of the hogs raised in the State, and Iowa was furnishing a large percentage of the hogs sent to the Chicago market.[97] In spite of the ravages of hog cholera, it meant something to be the leading hog State, for the hog was a good ''freight condenser'', a chief source of prosperity, and the most continuously profitable animal

[90] Larrabee's *The Railroad Question* (Eleventh Edition), p. 348. The first edition appeared in 1893.

[91] *Annual Report of the Board of Railroad Commissioners of Iowa,* 1891, p. 10.

[92] *The Iowa Homestead* (Des Moines), January 4, 1889.

[93] *Iowa Agricultural Report,* 1898, p. 169. ''The dairy portion of the State is the most prosperous'', said the *Iowa Agricultural Report* for 1896, p. 112.

[94] *Statistical Abstract of the United States,* 1893, p. 288.

[95] *Report of the Secretary of Agriculture of the United States,* 1892, p. 446. Kansas and Nebraska, with smaller yields, shipped twenty-two per cent and forty-two per cent respectively out of the county where grown.

[96] *Annual Report of the Chicago Board of Trade,* 1899, pp. 52, 53, quoting the *Cincinnati Prices Current.*

[97] It was claimed by the President of the State Agricultural Society, in discussing the year 1896, that Iowa was furnishing ''50 per cent of the hogs and almost 30 per cent of the cattle sent to the great Chicago market''.—*Iowa Agricultural Report,* 1896, p. 115.

bred on the farms, and this, too, under the largest variety of circumstances. Because of this it was said that "for the 'plain people' in the agricultural west the hog has been king."[98] In 1893 the price of mess pork was greater than it had been for ten years;[99] and hog prices furnished a good item for the anti-calamity argument of Governor Boies in the panic year.[100] To meet the variety of price fluctuations for the different products, Iowa had a diversification of live stock. "The horse, sheep, and hog have all had their innings since cattle. . . . The farmer has taken off his hat to each of them in turn".[101] Unfortunately this variation caused many farmers to follow price-chasing and to shift emphasis constantly from one form of live stock to another.[102]

A rosy picture of Iowa and the immediately adjacent regions in contrast with the more arid regions farther west was published in the *Financial World* of Boston in 1894; no other section afforded "greater evidence of growth and prosperity. On every other hand the traveler sees new barns being erected, the houses are well kept, the villages are thriving."[103] Another witness[104] in the time of the panic, said, "No state in the union is in such good shape as the Hawkeye state", but urged every person to employ all

[98] *The Iowa Homestead* (Des Moines), October 4, 1895, September 18, 1896.

[99] *Statistical Abstract of the United States,* 1894, p. 410, quoting figures from the New York Produce Exchange. However, the high price was accompanied by a large decline in the number of hogs packed in the Mississippi Valley, including a heavy decline for Iowa. The *Cherokee Weekly Times* for April 13, 1893, noted that, in spite of the increase in hog prices, the total receipts from sales by farmers in the past winter was slightly less than in the previous season.

[100] *Council Bluffs Weekly Globe,* October 6, 1893.

[101] *The Iowa Homestead* (Des Moines), February 23, 1894.

[102] *The Iowa Homestead* (Des Moines), January 20, 1893.

[103] Quoted by *The Iowa Homestead* (Des Moines), August 10, 1894.

[104] *Des Moines News* quoted by *Council Bluffs Weekly Globe,* August 4, 1893.

the labor his means warranted and to keep every dollar in the bank he could.

The percentages of commercial failures in Iowa for the years 1891, 1892, 1893, and 1894 were 0.50, 0.52, 0.48, and 0.64, respectively; while corresponding percentages for Minnesota were 1.25, 1.06, 1.67, and 1.43; for Kansas 1.23, 0.92, 1.42, and 1.28; for Nebraska 1.92, 1.02, 1.68, and 1.15; and for the United States 1.07, 0.88, 1.28, and 1.25.[105] Only four of the three hundred and twenty-five State and savings banks of Iowa went into the hands of receivers during the quarter ending on June 30, 1893;[106] and the Comptroller of the Currency reported that "the Iowa banks are the safest and best managed in the union."[107] The amount of savings deposits in the savings banks in Iowa in 1893-1894 was $26,230,214,[108] nearly ten millions more than the amount for the year 1889-1890. Flurries and financial straits were noted, particularly in the western part of the State, between 1893 and 1896.[109] In Monona County it was reported that a mob of fifty farmers rose against a deputy sheriff who was trying to serve writs issued for a banker-landowner, alleged to have "stripped tenants to destitution".[110] But

[105] *Statistical Abstract of the United States,* 1893, pp. 26, 27, 1894, pp. 366, 367. The amount of liabilities involved in failures in Iowa in 1893 was $11,452,932, some millions more than the amounts of other years. Heavy failures occurred this year at Sioux City, where eastern money had been borrowed extensively and rather extravagant developments had been made.— *Iowa State Register* (Des Moines, Morning Edition), April 26, 1893.

[106] *Council Bluffs Weekly Globe,* October 6, 1893.

[107] *Des Moines News* quoted by *Council Bluffs Weekly Globe,* August 4, 1893.

[108] *Statistical Abstract of the United States,* 1894, p. 47. The amount reported for Iowa was slightly greater than the total reported for Illinois, Indiana, and Wisconsin.

[109] *Council Bluffs Weekly Globe,* June 16, July 7, August 4, 1893, January 3, 1896; *Iowa State Register* (Des Moines, Morning Edition), April 26, May 10, 1893.

[110] *Council Bluffs Weekly Globe,* January 3, 1896.

Jesse Macy, in an article in *The Review of Reviews* for July, 1894,[111] explained why the Populist movement in Iowa was not formidable and declared that the financial distress had not borne heavily on this section of the country.

It appears, therefore, that Iowa was in better condition to escape unrest than the regions to her west. Incidentally she had no city proletariat comparable to that of Illinois on the east, although there was "a tramp nuisance" during the panic period. Yet a Des Moines newspaper, while generally preaching bullish sentiment on Iowa, was ready to call attention to the big gains in the total value of American manufactures in contrast with the insignificant gains for agricultural products.[112] Iowa farm conditions were used by Governor Boies to illustrate his claim that "the nation's wealth is being constantly increased . . . . largely derived from its agricultural resources and . . . . those engaged in that industry are transacting business at a loss", that farming must be put on a different basis or the "nation must prepare for a storm, the consequences of which . . . . no man can measure".[113] Economic grievances of Iowa farmers, however, were not a Populist monopoly. It was feared that the farmers' movement would swell the ranks of the third party instead of trusting for results "at the hands of one of the old parties".[114] Iowa had been the "Gibraltar of Republicanism", with farmers making up the rank and file of that party,[115] and through that party

[111] *The Review of Reviews,* Vol. X, p. 43.

[112] *Iowa State Register* (Des Moines, Morning Edition), April 9, 1893.

[113] Quoted from an anti-tariff speech by the *Sanborn Pioneer,* February 12, 1891.

[114] *Sanborn Pioneer,* May 14, 1891; *Adair County Democrat* (Greenfield), November 9, 1893.

[115] *The Iowa Homestead* (Des Moines), February 24, 1888; Irwin's *Is Iowa A Doubtful State?* in *The Forum,* Vol. XIII, pp. 257–264.

farmers had seen their grievances bear fruit in 1874 and 1888. The Democratic party was strong in the river towns and counties, receiving much support from the German element which was dissatisfied with the Republican prohibition attitude. There was a poor chance for the Populist party to grow in Iowa. It could only threaten to exercise a balance of power in politics and attract attention to farmers' grievances. The permanent effect of the Populist movement in Iowa is to be found in the intensification of the agrarian leanings or achievements of the major parties.

HERMAN CLARENCE NIXON

THE IOWA STATE COLLEGE OF
AGRICULTURE AND MECHANIC ARTS
AMES IOWA