Restless Farmers

This statement of the conditions of agricultural depressions fifty years ago, prepared for the Palimpsest by Geo. F. Robeson, has been derived mainly from H. C. Nixon's "Populist Movement in Iowa" in The Iowa Journal of History and Politics, Vol. 26, published in January, 1926. — The Editor.

The "plight of the farmers" is a common phenomenon in the social history of America. Agricultural depressions have occurred with increasing frequency since the passing of the frontier, and of course the locale of the problem has been chiefly in the Middle West—the great food laboratory of the nation.

During the years preceding 1880 the production of wheat and corn "almost doubled" in Iowa. This situation, however, was not entirely local. Both at home and abroad the increased competition for markets inevitably caused the price of grains to fall.

As a result there was in the eighties a noticeable agricultural transformation. During the decade following 1880, wheat production "declined by nearly three-fourths", and "hundreds of thousands of wheat acres" in Iowa were devoted to hay as "cattle herding gave way to cattle feeding". In some regions dairying supplanted wheat production, while in others hog, cattle, and horse raising became primary. "The hog followed corn in the westward movement", and Iowa was taking the lead in the production of both.

Not only were the prices of agricultural produce adversely affected by the rapid increase in marketing grain and animals, but by a new competition in the field of science. The price of hogs was affected by the development of commercial substitutes for lard and the dairy industry was injured by the production of oleomargarine. Yet despite these factors Iowa farms "were increasing in value". Indeed, it may be said that farming in Iowa was becoming more and more a "matter of capital, business, and scientific method." Farm machinery alone had by 1890 reached an estimated value of over \$136,000,000.

This development was accompanied rather naturally by an increase in farm tenancy and indebtedness. By 1890 tenants constituted almost thirty per cent of Iowa's farm families. Furthermore, farmers "occupying encumbered farms in their own name made up an additional 37.53 per cent". That farm indebtedness was mounting is also evi-

denced by the fact that during the decade prior to 1890 a half million mortgages were executed to an amount of more than one-fifth of the estimated value of the land, including improvements. One estimate in 1890 was that forty-seven per cent of the taxed land in the State was under mortgage. And debts of course mean an especially burdensome fixed charge of interest.

Meanwhile produce prices during the decade ending in 1890 seemed to sag with each passing year; corn dropping from forty-four to nineteen cents, wheat from one dollar and six cents to sixty-three, cattle declined over thirty per cent from 1885 to 1890, while hogs sold lower than at any time since 1879.

Clearly the Iowa farmer was in something of a "plight" during those years. Everything seemed against him and his interests. The decrease in farm produce prices meant an increase in the "commodity value" of debts and wages, since these did not fluctuate with prices.

The decline in agricultural commodity prices was not due entirely to over-production. That would have been bad enough. But the belief was current that the depression was due in a large part to "combinations on the part of those who handled agricultural products or provided important items for the farmer". Chief among these "combina-

tions" were said to be the "big four" — meat packers, the union stock yards, the line elevator companies, and the railroads. Thus was the farmer affected as a seller. As a buyer the farmer had to contend with the barbed wire "syndicate", the binder twine "trust", and the farm machinery "combine". In addition he believed that the insurance "interests" also discriminated against him.

But above all the farmers felt aggrieved toward the railroads. For this view there were several reasons. In the first place the railroads were alleged to have been the recipients of "donations and exemptions" to the extent of fifty million dollars in Iowa alone and that tracts of land amounting "to more than one-eighth of the area of the State" had been allotted to them. Then, too, it was felt that the railroads were not paying their just share of taxes — having "one valuation for income and another for taxation". Moreover, some counties "were struggling under heavy loads of bond taxes, levied twenty-five years ago, to aid railways, of which not one foot" had been built.

The people were convinced that they were being exploited by the railroads through escape of taxation and exorbitant rates. In 1887, a year of drouth in Iowa, the net income of the railroads in this State, amounting to \$13,000,000, was one-third of the value of the corn crop and three mil-

lion dollars more than the value of the whole wheat crop.

But the Iowa farmer was not only incensed that rates were such that "he had to give one car of corn to pay for the transportation of another to Chicago", but he complained bitterly of the charge of "from \$60 to \$80 from Western Iowa, when it is understood that cars from points still farther west" were taken right by his door to some eastern point for considerably less.

It was common knowledge that the railroad interests were playing a prominent part in the politics of the State as well as in its economic development. The power of the railroads was further augmented by close relations with the press. "Free passes and mileage contracts for advertising were important items with newspaper men in those days, as were passes for important shippers, politicians, and office-holders in general." The plight of the farmers seemed hopeless indeed.

And still the pressure of declining agricultural prices went on, intensified by corporate dictatorship, an unreliable press, and political parties deaf to the pleas of the depressed. Taxation was constantly increasing, the aggregate amount raised for State and local purposes having risen from eleven million dollars in 1881 to fifteen million in 1889, two-thirds of which fell upon farms.

All through this critical period of Iowa history—the eighties and early nineties—rural wealth was increasing. Still the feeling persisted among Iowa farmers that they were not getting what they really deserved. As expressed in one newspaper of the time the Iowa farmer "is about the only man that is in competition. Nearly everything else is in combination."

To cope with these disheartening conditions, the farmers of Iowa and the Middle West during the eighties launched various coöperative organizations. The Grange was revived and the eight locals of 1885 increased to fifty-two by 1890. Some of the old grange spirit was also carried over into the new organizations, one of which was the Iowa Farmers' Alliance, formed in Des Moines on January 12, 1881, to protect the farmers against 'class legislation, monopoly, and swindling'.

This State Farmers' Alliance was officially interlocked with the Farmers' Protective Association which was organized three months later for the purpose of fighting the barbed wire trust. A. B. Cummins became chief attorney for the Association, and a "free factory" was established in Des Moines to manufacture wire "for sale at reasonable prices."

Out of the Farmers' Alliance also grew farm-

ers' mutual insurance organizations. By 1886 "about half of the counties" had such organizations, and three years later there were "one hundred and sixteen mutual fire and tornado insurance companies, composed largely of farmers", handling one-seventeenth of the total non-life insurance business of the State. Farmers' coöperative elevators and stores were also set up.

That rural dissatisfaction would turn into political channels was natural and inevitable. The Iowa Greenback party had become the "partial heir" of the Anti-Monopoly party of the Granger period. Indeed, there was some continuity of leadership and personnel "from the Anti-Monopoly party through the Greenback party to the Populist party — the real political organ of the disaffected rural regions which reached a climax in the early nineties. Many remedies for the economic ills were proposed - inflation of the currency, free coinage of silver, withdrawal of privileges from corporations, income taxation, government loans to liquidate mortgages, and above all more political control by the people. The list, with the exception of the last item, seems remarkably familiar.