

1997

The Development of a New Deal Land Policy: Fergus County, Montana (1900-1945).

Melissa Gilbert Wiedenfeld

Louisiana State University and Agricultural & Mechanical College

Follow this and additional works at: https://digitalcommons.lsu.edu/gradschool_disstheses

Recommended Citation

Wiedenfeld, Melissa Gilbert, "The Development of a New Deal Land Policy: Fergus County, Montana (1900-1945)." (1997). *LSU Historical Dissertations and Theses*. 6608.
https://digitalcommons.lsu.edu/gradschool_disstheses/6608

This Dissertation is brought to you for free and open access by the Graduate School at LSU Digital Commons. It has been accepted for inclusion in LSU Historical Dissertations and Theses by an authorized administrator of LSU Digital Commons. For more information, please contact gradetd@lsu.edu.

INFORMATION TO USERS

This manuscript has been reproduced from the microfilm master. UMI films the text directly from the original or copy submitted. Thus, some thesis and dissertation copies are in typewriter face, while others may be from any type of computer printer.

The quality of this reproduction is dependent upon the quality of the copy submitted. Broken or indistinct print, colored or poor quality illustrations and photographs, print bleedthrough, substandard margins, and improper alignment can adversely affect reproduction.

In the unlikely event that the author did not send UMI a complete manuscript and there are missing pages, these will be noted. Also, if unauthorized copyright material had to be removed, a note will indicate the deletion.

Oversize materials (e.g., maps, drawings, charts) are reproduced by sectioning the original, beginning at the upper left-hand corner and continuing from left to right in equal sections with small overlaps. Each original is also photographed in one exposure and is included in reduced form at the back of the book.

Photographs included in the original manuscript have been reproduced xerographically in this copy. Higher quality 6" x 9" black and white photographic prints are available for any photographs or illustrations appearing in this copy for an additional charge. Contact UMI directly to order.

UMI

**A Bell & Howell Information Company
300 North Zeeb Road, Ann Arbor MI 48106-1346 USA
313/761-4700 800/521-0600**

THE DEVELOPMENT OF A NEW DEAL LAND POLICY:
FERGUS COUNTY, MONTANA (1900-1945)

A Dissertation

Submitted to the Graduate Faculty of the
Louisiana State University and
Agricultural and Mechanical College
in partial fulfillment of the
requirements for the degree of
Doctor of Philosophy

in

The Department of History

by
Melissa Gilbert Wiedenfeld
B.A., Kansas Wesleyan University, 1981
M.A., Texas Tech University, 1983
December 1997

UMI Number: 9820762

UMI Microform 9820762
Copyright 1998, by UMI Company. All rights reserved.

**This microform edition is protected against unauthorized
copying under Title 17, United States Code.**

UMI
300 North Zeeb Road
Ann Arbor, MI 48103

Acknowledgments

Many people helped with this undertaking. Professor Burl Noggle gave me his time, even after becoming Distinguished Alumni Professor Emeritus. Dr. Charles Shindo discussed the topic with me many times, helping clarify the focus of the dissertation. Dr. Robert Becker offered his invaluable editorial expertise. Dr. Paul Paskoff assisted with statistics. Dr. Gaines Foster and Dr. Stanley Hilton generously agreed to help at the last minute.

Many others helped with the research in various ways, including Elaine Bolger at the Denver Branch of the National Archives, Jim Muhn of the Bureau of Land Management in Denver, Bill Volk of the Bureau of Land management in Billings, and Curt Lund of the Montana Agricultural Statistics Service in Helena. Everyone at the Montana Historical Society in Helena was helpful, especially Bob Clark, Dorothea Simonson, and Diane Wilkinson. I owe Kirby Lambert of the MHS special thanks for help at the society as well as his generous hospitality, his good cooking, and many years of friendship. At Middleton Library, Roberta Ruiz expedited many difficult interlibrary loans.

Dr. Connie Evans and Dr. Karen Fritz both provided advice, encouragement, and example. Dr. David Good provided zoological and statistical advice.

Finally, I owe the greatest debt to Dr. David A. Wiedenfeld, who went before me and showed me the way. I could not have completed this dissertation without his personal encouragement, unwavering support, and constant faith. Amy Wiedenfeld made it all worthwhile.

Table of Contents

Acknowledgments.....	ii
List of Illustrations.....	v
Abstract	vi
Chapter 1 Introduction.....	1
Chapter 2 The Arid Landscape: Fergus County, Montana.....	23
Chapter 3 The Homestead Boom and Economic Prosperity in Fergus County.....	42
Chapter 4 Montana Farmers Go Bust.....	82
Chapter 5 The Emerging Land Utilization Movement.....	138
Chapter 6 The Homestead Movement in Reverse: The New Deal Land Utilization Program.....	179
Chapter 7 The Land Utilization Program Implemented.....	225
Chapter 8 The Results.....	258
Chapter 9 Conclusion.....	287
Bibliography	307
Vita	324

List of Illustrations

Figure 1	Map of Montana Counties.....	23
Figure 2	Map of Fergus County, Montana.....	24
Figure 3	Annual Rainfall for Lewistown.....	58
Figure 4	Montana Wheat Prices Before World War I.....	74
Figure 5	Montana Farms and Wheat Prices during the Economic Boom.....	75
Figure 6	Montana Wheat and Cattle Prices.....	77
Figure 7	Index of Montana Wheat Prices and the Consumer Price Index, 1900-1919.....	78
Figure 8	Wheat Prices Compared to Yield.....	85
Figure 9	Montana Wheat Earnings Per Acre Harvested.....	86
Figure 10	Index of Montana Wheat Prices and the Consumer Price Index, 1900-1939.....	91
Figure 11	Montana Wheat Earnings Per Acre Compared to Percent of Crop Harvested.....	92
Figure 12	A Comparison of Wheat and Cattle Prices from 1900 through 1945.....	97
Figure 13	Index of Consumer Price Index, Farm Taxes and Earnings Per Acre of Wheat in Montana.....	101
Figure 14	Farm Tenancy in Fergus County and Montana.....	267
Figure 15	Fergus County Pasture Land.....	271
Figure 16	Number of Farms and Average Farm Size in Fergus County, 1925-1950.....	273
Figure 17	Number of Farms and Average Farm Size in Fergus County.....	274
Figure 18	Amount of Crop Land in Fergus County.....	276
Figure 19	Wheat Acreage in Fergus County.....	277
Figure 20	Fergus County Wheat Yield Per Acre.....	279
Figure 21	Fergus County Earnings Per Acre of Wheat.....	281
Figure 22	Montana Farm Population, 1920-1945.....	283

Abstract

Encouraged by the Enlarged Homestead Act, higher than average rainfall, and various boosters, thousands of Americans homesteaded in Montana and the northern Great Plains during the 1910s. The agricultural economy boomed during World War I, but the post-war contraction during the 1920s, coupled with drought, caused serious economic problems for farmers. In response to the problems in the agricultural economy, a Land Utilization movement emerged, led by agricultural economists such as Lewis C. Gray. Land utilizationists believed that a readjustment of land use would correct the problems in the agricultural economy. Toward that end they sought changes in federal land policy, especially on the Great Plains, because of the problems caused by cultivating submarginal land – land that could not consistently raise crops. Federal land laws, including the Homestead Act, had all but guaranteed that land on the plains would not be put to its best use. The situation worsened during the Great Depression and subsequently, under the New Deal, many of the ideas of the Land Utilization movement came to fruition. During the mid-1930s, the federal government made dramatic changes to land policy, ending the homestead movement and initiating a Land Utilization Program that repurchased failed submarginal farmland and created a new public domain. The program purchased more than 11 million

acres, including nearly 100,000 acres in Fergus County, Montana. Through the purchase of submarginal agricultural land and the conversion of that land to grazing, the Land Utilization Program contributed to the stabilization of the agricultural economy in Fergus County. In part because of the implementation of the ideas of the Land Utilization movement, grazing increased, wheat farming decreased, and farms got larger and more diversified. The influence of the movement is also reflected in land classification and planning efforts. Ultimately, the new policies signified a deeper shift in the role of government as the government relinquished its trust of individual landowners to protect and maintain the country's land resources.

Chapter 1

Introduction

The New Deal ushered in dramatic reforms in government policy in an effort to remedy the economic problems that plagued the country during the Great Depression. While reforms in federal land policy under President Franklin D. Roosevelt's New Deal affected the entire country, many of these reforms were meant to correct problems on the drought-plagued Great Plains. Historically, farmers and ranchers on the northern Great Plains have not followed land use practices best suited to the arid environment. Federal land laws all but guaranteed that land on the plains would *not* be put to its best use. Since homestead laws required that land be cultivated, many homesteaders plowed up the native grasses even when it was not prudent (in the long-term) to do so. Under the New Deal, the federal government made dramatic changes in land policy in an effort to make agriculture (grazing and cultivated) more sustainable over the long-term in that region. This study demonstrates how a new land policy developed and was meted out in one county – Fergus County, Montana – on the northern Great Plains.

Fergus County serves as a case study of the larger story of homesteading, farm failure, and the New Deal program that purchased and rehabilitated many of those farms. But it also reflects the changes in federal land policy over the decades, from the tradition of settling the frontier (public domain) with independent family farmers to the New Deal's dramatic changes that resulted in greater government control of a new public domain that would be leased, not sold. I have chosen Fergus County because the land utilization project in that county was typical of many of the projects in the West. Although the Central Montana Land Use Project was large, acquiring nearly 80,000 acres during the late 1930s and early 1940s, the largest land utilization project was actually in three counties immediately north and east of Fergus, where the Federal government acquired more than ten times as much land.

Settlement on the Great Plains was difficult. The arid region has fewer trees and lower, sometimes erratic, precipitation than the eastern United States, and consequently settlers had to make immediate adjustments. Walter Prescott Webb, taking an environmental determinist position, discusses these adjustments in his seminal study *The Great Plains*. He argues that the unfamiliar

arid environment of the plains stalled westward settlement at about the ninety-eighth meridian until technological advancements could be made to help settlers deal with that environment. Furthermore, according to Webb, that environment eventually altered the cultural institutions that were imported across that fault line.¹ Since Webb published his book before the worst years of the Great Depression and before the New Deal, he does not discuss the shift in federal land policy that occurred in the 1930s and that is a crucial subject in my dissertation. But this study does support Webb's idea that institutions, including federal land policy, ultimately have to adapt to the arid environment.

Because Fergus County's natural environment was important to the success or failure of its settlers, and is critical to understanding what happened during the 1910s, 1920s, and 1930s, I offer a general description of it in Chapter 2. Early explorers such as Meriwether Lewis and William Clark noted the arid climate and doubted the success of settlement. Similarly, early settlers such as Granville Stuart chose their

¹ See Walter Prescott Webb, *The Great Plains* (New York: Ginn and Company, 1931).

landholdings carefully to take advantage of scarce surface water sources.

Federal land policy evolved in the humid eastern United States, and the efforts by Congress over the years to adjust the land laws reflected many misconceptions about the arid West. The 1862 Homestead Act granted 160 acres of land to homesteaders who agreed to cultivate it for several years. On the northern Great Plains, that meant that homesteaders had to cultivate the land but frequently it was land that could not consistently produce cash grain crops. Furthermore, although 160 acres might have supported a family in the humid eastern United States, it was not enough to support a family in the arid West. For half a century Congress amended the Homestead Act in various efforts to transform the West into a garden.² For example, the Timber Culture Act of 1873 encouraged tree planting (in a region that could not naturally grow trees except in riparian areas) and the Desert Lands Act of 1877 promoted reclamation (which took substantial capital or massive cooperative efforts as

² Henry Nash Smith discusses the various images of the West, including that of a garden, in *Virgin Land* (Cambridge: Harvard University Press, 1950). Walter Prescott Webb later gave his perspective on the images of the West in his article, "The American West: Perpetual Mirage" in *Harper's Magazine* 214 (May 1957):24-31.

well as access to surface water). By 1909, the Congress recognized that it required more than 160 acres of land to successfully homestead in the northern Great Plains, so through the passage of the Enlarged Homestead Act it increased the amount of land granted to homesteaders to 320 acres.³

Encouraged by the Enlarged Homestead Act, homesteaders poured into the northern Great Plains. Fergus County, Montana, was no exception to this migration – between 1910 and 1920, the number of farms there nearly doubled. As the country was becoming more industrialized, Montana provided what seemed like the "last best" opportunity to homestead and acquire a farm.⁴

Although federal land laws encouraged settlement and cultivation in Montana, other influences helped to bring settlers West. Boosters, including railroad companies, state and local governments, and businessmen, published and distributed pamphlets about the bounty of the

³ For a comprehensive look at the major land laws, see Paul W. Gates, *History of Public Land Law Development* (Washington, D. C.: Government Printing Office, 1968), hereafter cited as Gates, *Public Land Law*.

⁴ Daniel N. Vichorek's *Montana's Homestead Era*, Montana Geographic Series, vol. 15 (Helena: Montana Magazine, 1987) provides a good overview of the Montana homestead experience.

northern Great Plains and its farming potential.⁵

Perhaps most importantly, the homestead boom during the 1910s coincided with a period of higher than average precipitation that lulled many homesteaders into believing that the climate was becoming more humid. Consequently, many of them overestimated the agricultural potential of the region.

In Chapter 3, I discuss the boosters and the factors that contributed to the homestead boom of the 1910s, which was centered largely on the northern Great Plains, where there were millions of acres of the public domain open for settlement. Federal land policy, boosters, and increased precipitation all encouraged the plowing of the plains, but the increased agricultural production might not have been so significant had it not coincided with several years of improved agricultural markets due to World War I. The Allies needed the grain crops produced on the Great Plains and the rising price of wheat reflected that need, increasing at a higher rate than other consumer goods. The 1910s boom helped farmers improve their status as many borrowed money to buy more

⁵Mary Wilma M. Hargreaves extensively covers the booster efforts and farming on the northern Great Plains in *Dry Farming in the Northern Great Plains, 1900-1925* (Cambridge: Harvard University Press, 1957).

land or improve the land they already had. Homesteaders on the Great Plains, then, profited from very cheap land (acquired through Homestead laws), several years of higher than average rainfall, and greatly improved agricultural markets, despite the aridity of the land. Perhaps the boosters had been right.

In Chapter 4, I discuss the inevitable bust that came as World War I ended and drought set in on the northern Great Plains. The problems were intensified because the land use had been inappropriate for the arid environment. Acres of once productive grassland that had been plowed to produce cash grain crops lay idle. As the agricultural economy declined, so did the fortunes of those who depended on agriculture. Rates of foreclosure, bankruptcy, and tax delinquency increased as farmers struggled to pay their financial obligations. As farmers lost their land to creditors and county governments, the rate of farm tenancy increased.

Although individuals bear some responsibility for the problems that plagued agriculture on the northern Great Plains, the federal government actually created problems by instituting land policies that did not take into account the arid western environment. Making matters worse, the government had encouraged the plowing

of the plains to feed Europe during World War I, with little concern for the inevitable post-war contractions.

Chapter 5 is a discussion of the emerging Land Utilization movement which sought solutions for the declining agricultural economy. Agricultural economists, including several from the University of Wisconsin, studied the problems facing agriculture and determined that the root cause of much of the difficulties facing agriculture stemmed from improper land use. They believed that careful land planning coupled with efficient land use would prevent many economic problems and stabilize the agricultural economy. Consequently, these agricultural economists formed the core of the Land Utilization movement, with University of Wisconsin graduate Lewis Gray serving as vanguard for more than two decades.

An important tenet of land utilization was the readjustment of land use. Although they did seek rural zoning as part of their land planning efforts, land utilizationists recognized the rights of individual land owners. In order to readjust land use to a more appropriate use, then, they believed that the federal government should acquire submarginal land (land that was unsuitable for cultivation) and alter its use. In some

areas that meant the reforestation of cut-over land, but because much of the concern was for the Great Plains, it often meant converting cultivated land to grazing land.

Land utilizationists, above all, wanted comprehensive national land use planning, which they believed could ameliorate the effects of boom and bust economic cycles. They believed that with federal land planning, large surpluses or shortages of agricultural products and natural resources could be avoided. They wanted sustainable agriculture (although they did not use the term) - agriculture that matched land use to the environment for the long-term. Land utilizationists, in their push for efficiency, wanted higher yields per acre as agricultural technology improved and as crops and soils were appropriately matched. For planning purposes, land needed to be classified according to its potential its use adjusted appropriately.

Land utilizationists looked not only at the land, but various problems resulting from "maladjusted" land use. They studied foreclosure, bankruptcy, tax delinquency, and farm tenancy (although they initially did not see farm tenancy as a problem). After publishing several land utilization studies, the land utilizationists believed that, in addition to

comprehensive national land planning, larger more diverse farm units were better than small single cash grain crop farms.

The Great Plains, wreaked by years of drought and depression, was the area of principal concern. Because of aridity, many land utilizationists believed that parts of the northern Great Plains should be converted to grazing land. The federal purchase of land would assure the alteration of land use, but it would also stabilize the land tenancy and ownership in areas of great flux (such as on the Great Plains, because the poor economic situation did not promote stability) because the government could offer long-term leases. A portion of the grazing lease fees would be granted to the county government, relieving the tax collecting problems that plagued the submarginal areas while putting money into county coffers.

As the agricultural economy worsened, the comprehensive planning ideas of land utilization seemed like a cure-all and political support gradually developed. And even though many supported land utilization efforts, years passed before the federal government made changes in land policy. Land utilizationists had begun arguing for reform in the

1920s, but it was not until the agricultural depression worsened in the 1930s that the federal government forced the land policy reforms.

I discuss the inauguration of federal land utilization reform in Chapter 6. Through the massive reforming efforts of the New Deal, land utilizationists were eventually able to achieve some of their goals. In 1934, the Taylor Grazing Act, coupled with an Executive Order, essentially ended the homestead movement.⁶ The New Deal also ushered in some of the land utilization reforms, including efforts at national land planning, with the creation of a National Resources Board. And in order to readjust land use, the federal government began the submarginal land purchase program. After decades of a federal policy that alienated the public domain, the federal government began a policy of acquiring a new public domain.

Frederick Jackson Turner recognized the significance of the closing of the frontier when he wrote his 1893

⁶ Paul Gates disagrees that 1934 marked the end of homesteading because homesteading was allowed under certain circumstances and, for example, in Alaska. See Gates, *Public Land Law*, and E. Louise Peffer, *The Closing of the Public Domain: Disposal and Reservation Policies, 1900-50* (Stanford, California: Stanford University

essay, "The Significance of the Frontier in American History," but the closing of the frontier he wrote about was more symbolic than real.⁷ It was the changing of federal policy during the New Deal that actually closed the frontier, cutting off future expansion of settlement by homesteaders. Furthermore, the implementation of the federal Land Utilization Program to acquire a new public domain represented a dramatic reversal in public land policy. Instead of alienating the public domain by sale or by granting homestead patents, the federal government began acquiring it.

During the New Deal, the government set out to solve the problems in the agricultural economy. But solving the problems involved major changes in federal land policy and caused major shifts in agriculture. The era of unfettered homesteading ended, and the federal government began acquiring a new public domain - often repurchasing land it had only alienated two or three decades before. The federal Land Utilization Program, then, reversed the homestead movement. This study

Press, 1951), hereafter cited as Peffer, *The Closing of the Public Domain*.

⁷ Frederick Jackson Turner, "The Significance of the Frontier in American History," in *The Frontier in*

illustrates how the tradition of settling the frontier with the small independent farmer ended with the New Deal.

Chapter 7 is a discussion of the implementation of the federal Land Utilization Program in Montana, particularly in Fergus County. The federal Land Utilization Program underwent several incarnations to fix various internal problems, but by the late 1930s the federal government began purchasing parcels of land on the northern Great Plains in Montana to convert to grazing land. Montanans had pioneered the development of cooperative grazing organizations, and it was those organizations that initially leased the newly converted grazing land.

Many Great Plains residents had recognized the sources of problems in agriculture even while policy makers in Washington debated the future of the region. Most Montanans realized by the 1930s that the prosperity of the 1910s would not return because it had fundamental flaws. And Fergus County farmers, many in a desperate situation, welcomed reform as the federal government implemented the Central Montana Land Use Project.

American History (New York: Henry Holt and Company, 1920).

One important question arises about the flow of federal funds into Fergus County and the Great Plains. Who profited from the Land Utilization Program? A few profited in the short run. Abstract offices near land utilization project areas had a steady business during the Depression. A few people who purchased land from the county shortly before the implementation of the submarginal land purchase program were able to profit from sale to the federal government, but many banks and other investors sold land to the government for much less than they had invested in it. A few homesteaders may have profited from borrowing money and then skipping out on the loans. The homesteaders who stayed on to sell to the federal government had very little to show for two or three decades of work. While it could be argued that the federal government profited from paying little for land that had many improvements made by homesteaders or subsequent landowners, the federal government removed buildings and fences and spent thousands on land rehabilitation that included reseeding, erosion control, and stock tank projects. Because the federal government converted much of the land acquired on the northern Great Plains to grazing land, improved it with fences, reservoirs, and soil conservation measures, and

subsequently leased it to cooperative grazing organizations, ranchers may have benefited most from the Land Utilization Program.

Chapter 8 is a look at the long-term results of the federal program, particularly as it was meted out in Fergus County. Although the federal Land Utilization Program failed to purchase the proposed 75 million acres of submarginal land, it did have some effect in the areas that had land utilization projects. The purchase of more than two hundred parcels in Fergus County, Montana, for example, helped reduce the number of farms (those most likely to fail), and increased the average farm size. The program, then, promoted large scale farming as well as government control of a new public domain available for long-term lease, not sale, ultimately to large ranch businesses. The federal government, instead of promoting the sale of the public domain, became a landlord. This was a fundamental shift away from the idea that the federal government should encourage individual ownership of land to one that encouraged the leasing of land.

In order to understand how the Land Utilization Program worked in an individual project at the local level, I studied the individual parcel files for the Central Montana Land Utilization Project. These records,

which previously had not been studied, are available in the Records of the Bureau of Land Management at the Rocky Mountain Region branch of the National Archives in Denver, Colorado. Each file includes abstract information that gives all of the county legal information pertaining to the land, so details such as mortgages, liens, foreclosures, and tax delinquency provided information on many individuals' financial situation. Files also include the federal land assessments which provide detailed information on the land use and value at the time of purchase as well as the improvements to the land. Federal assessors measured buildings and structures on the properties and detailed their condition on forms included in the files. The Fergus County Clerk of Court supplied additional or missing information on the parcels purchased by the federal government. Local histories and two decades of the *Lewistown Democrat-News* filled in the details on some individuals and furnished further information on Fergus County. Also useful are the state and county documents available in the Montana Historical Society Library. The paper trail left by New Deal bureaucrats is invaluable; many of the federal government documents can be found at

a good federal depository library, such as Louisiana State University's Middleton Library. Two very important sources were Phil Hooker's unpublished "Chronology of the Land Utilization Program" and H. H. Wooten's *The Land Utilization Program, 1934-1964*. Both provide important information, but neither has the analysis or detail of this work.⁸

Despite the volumes of secondary sources on the New Deal or federal land policy, many historians have overlooked the land utilization efforts of the 1930s. Theodore Saloutos discussed New Deal agricultural policy, including efforts to reduce agricultural production, in his book *The American Farmer and the New Deal*. His emphasis, however, was on aspects of federal policy other than the permanent retirement of submarginal lands from cultivation.⁹ John Opie has written extensively about federal land policy but has written little about efforts to buy back submarginal land. In *The Law of the Land*:

⁸ See Phil Hooker, "Chronology of the Land Utilization Program," Unpublished Manuscript, United States Department of the Interior Bureau of Land Management, Montana State Office, Billings, Montana, 1941; and H. H. Wooten, *The Land Utilization Program, 1934 to 1964*, Agricultural Economic Report No. 85 (Washington, D. C.: USDA Economic Research Service, 1965).

⁹ See Theodore Saloutos, *The American Farmer and the New Deal* (Ames: Iowa State University Press, 1982).

Two Hundred Years of American Farmland Policy, he recognized the importance of the federal reservation of lands in the public domain but he did not discuss the Land Utilization Program.¹⁰

Richard Lowitt discusses the importance of the United States Department of Agriculture (USDA) to the Great Plains during the New Deal in his book, *The New Deal and the West*. He emphasizes the problems caused by the expansion of cultivated agriculture on lands more suited for grazing, and cites the various ways the New Deal worked to alleviate those problems. Lowitt discusses the submarginal land purchase efforts and efforts to change land use within the context of broader New Deal efforts, but his broad scope did not allow for a detailed discussion of the Land Utilization Program. He does highlight the problems the USDA had in working with the Department of the Interior (DOI). Agriculture Secretary Henry A. Wallace and Interior Secretary Harold Ickes battled over grazing, conservation, and reclamation both in the Great Plains and in what Lowitt refers to as

¹⁰ See John Opie, *The Law of the Land: Two Hundred Years of American Farmland Policy* (Lincoln: University of Nebraska Press, 1987).

"Ickes's Inland Empire," the mountain and Great Basin states.¹¹

E. Louise Pepper detailed a half a century of federal land policy in her book, *The Closing of the Public Domain: Disposal and Reservation Policies, 1900-1950*. Particularly useful is her discussion of the Taylor Grazing Act and federal grazing policy. Unfortunately, Pepper does not discuss the federal Land Utilization Program and how it reversed earlier federal land policy.¹² Paul Wallace Gates published and edited several important books on public land law but, like Pepper and others, he did not write about the submarginal land purchase program.¹³

R. Douglas Hurt does briefly discuss the submarginal land purchase program in his book, *The Dust Bowl: An Agricultural and Social History*. Hurt's research was focused on the southern Great Plains and, consequently,

¹¹ See Richard Lowitt, *The New Deal and the West* (Bloomington: Indiana University Press, 1984).

¹² See Pepper, *The Closing of the Public Domain*.

¹³ See for example, Gates, *Public Land Law*; Paul W. Gates, *History of Public Land Law Development* (Washington, D. C.: Government Printing Office, 1979); Paul Wallace Gates, ed., *Public Land Policies: Management and Disposal* (New York: Arno Press, 1979).

his book did not include information on the program in the northern Great Plains.¹⁴

Donald Worster wrote about the efforts of land utilizationists in more detail than Hurt. In a chapter titled "Facing up to Limits" in his seminal book, *The Dust Bowl: The Southern Plains in the 1930s*, he included information on the Land Utilization movement and the submarginal land purchase program. According to Worster, these early land use planners realized that a maturing country faced limits to expansion and that planning and conservation would be necessary for wise natural resource use. Unlike the Progressive conservationists, land utilizationists proposed to conserve *agricultural* land. Worster recognized the importance of Lewis Gray and the Bureau of Agricultural Economics at the United States Department of Agriculture to land planning efforts during the 1920s and 1930s. Perhaps more importantly, he sees the implications of such planning as approaching a compromise between socialism and capitalism. Even though Worster provides a brief summary of land utilization efforts during the 1930s, he does not go into great

¹⁴ See R. Douglas Hurt, *The Dust Bowl: An Agricultural and Social History* (Chicago: Nelson-Hall, 1981).

detail, and he did not use the individual parcel records in Denver.¹⁵

Tim Lehman also discusses the land utilizationists and their efforts to conserve farmland in a chapter in his book *Public Values, Private Lands: Farmland Preservation Policy, 1933-1985*. He recognized the importance of Lewis Gray's leadership as well as the significance of the submarginal land purchase program, and includes a discussion of New Deal land use planning efforts. Those efforts, however, did not survive through World War II and, Lehman suggests, the nation lost an opportunity to avoid the rural land abuse of later generations.¹⁶

The efforts of historians provide important information and insight into past events, but academic history cannot always convey the entire story. Writer Jonathan Raban filled in many gaps in the story of Montana homesteaders in his book, *Bad Land: An American*

¹⁵ See Donald Worster, *Dust Bowl: The Southern Plains in the 1930s* (New York: Oxford University Press, 1979), 182-197.

¹⁶ See Tim Lehman, *Public Values, Private Lands: Farmland Preservation Policy, 1933-1985* (Chapel Hill: University of North Carolina Press, 1995).

Romance.¹⁷ Raban visited with several families who homesteaded during the homestead boom, many of whom failed during the Great Depression. His book includes some of the historical details, but it also conveys the emotion and essence of those homesteaders. Raban's book does not cover the same ground as this study, and in many ways they complement each other. Both are a story of homestead failure in an environment not meant for sustained cultivation. This study documents that homestead failure as well as the federal efforts to remedy some of the problems inherent in farming an arid landscape.

¹⁷ See Jonathan Raban, *Bad Land: An American Romance* (New York: Pantheon Books, 1996).

Chapter 2

The Arid Landscape: Fergus County, Montana

Fergus County, Montana is located in the center of the state (see Figure 1). The Missouri River forms the northern boundary and Arrow Creek, a Missouri tributary, serves as the northwestern boundary of the county. The Judith River, named by Lewis and Clark for Judith Hancock, the woman Clark eventually married, drains the

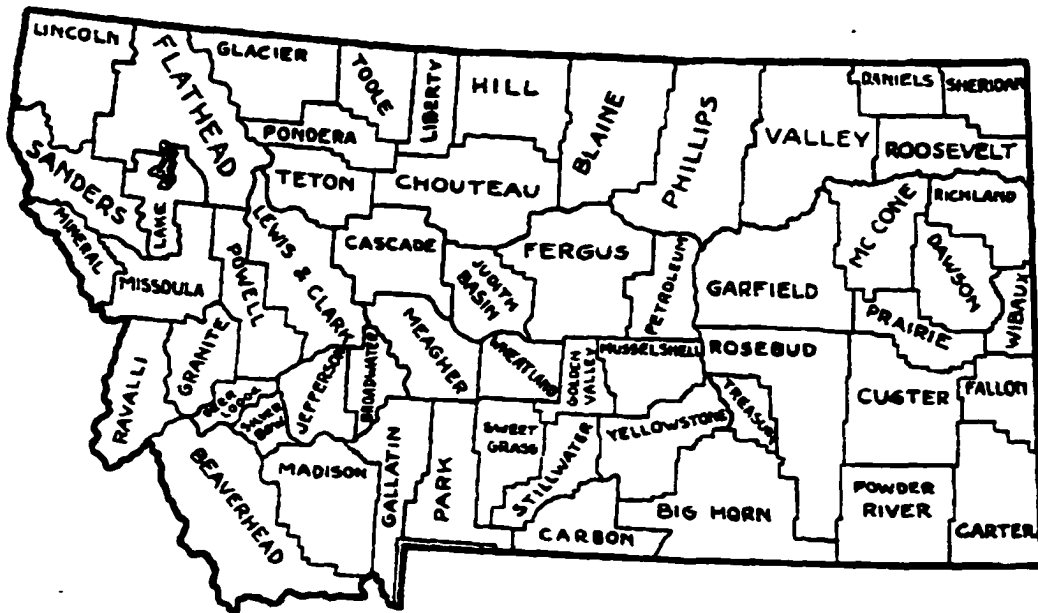


Figure 1. Map of Montana Counties.¹

¹ Roland R. Renne, *Montana County Organization, Services, and Costs*, Montana Agricultural Experiment Station Bulletin no. 298 (Bozeman: Montana Agricultural Experiment Station, 1935), 6.

northern and western part of the county into the Missouri River, while the Sacagawea River, named for the Shoshone woman who acted as a guide for Lewis and Clark, and Box Elder and Flat Willow Creeks drain the southern and eastern part of the county into the Musselshell River, also a tributary of the Missouri (see Figure 2).

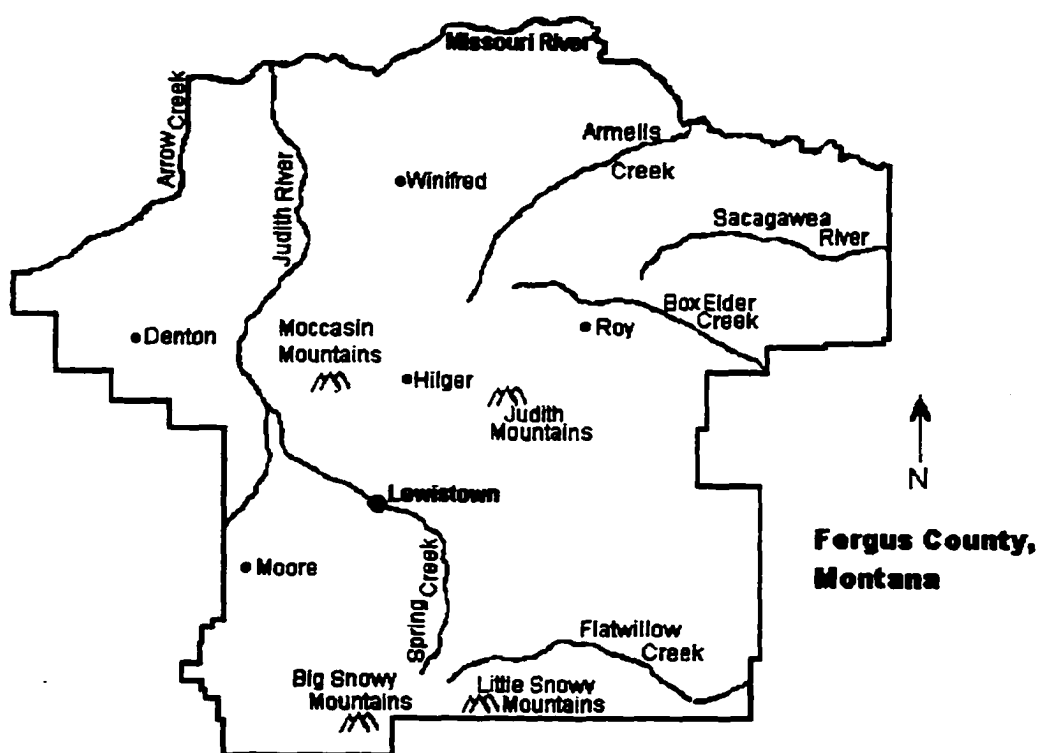


Figure 2. Map of Fergus County, Montana.

The Judith and Moccasin Mountains in the central part of the county separate the watersheds. The Big and Little Snowy Mountain ranges rise out of southern Fergus County; West Peak, the highest point in the county, reaches an elevation of 8211 feet. Some of the central Montana mountains hold gold, silver, and sapphires. Not including the mountains, the altitude of Fergus County gradually rises, east to west, from about 2800 feet to about 4400 feet.

Benchlands of short grass prairie stretch from the foothills down to the tributary rivers, though near the Missouri River itself the land breaks up into the steep hills and bluffs called the Missouri Breaks. The Judith River, like other rivers and creeks in the basin, slices deeply through the landscape, leaving bluffs and cut banks. Coulees meander through the landscape toward the rugged badlands and the rivers. Despite these creeks and rivers, some of which have water only seasonally, Fergus County has an arid climate. Weather stations at Denton, Grassrange, Lewistown, and Winifred average between 14 and 18 inches of precipitation per year, with most rain falling during the spring and summer growing season. Higher elevations in the mountains receive more precipitation. Lewistown averages a temperature of 23°

during the winter and 63° in the summer, but the recorded extreme temperatures are -46°F and 105°F.²

Some of the first Euro-Americans and the first trained naturalists to explore the upper Missouri River recognized the limits of the region. They did not envision its ever being farmed, nor did they expect any kind of thriving community to develop there. Meriwether Lewis and William Clark traveled through what became Fergus County on their way to and from the Pacific coast and wrote the first descriptions of the area. On the expedition up the Missouri toward its source somewhere to the west, both Lewis and Clark kept journals that included information on the climate, flora, fauna, geography, and geology, providing a detailed picture of the landscape they traversed.³ On Thursday, 23 May 1805,

² Claire O. Clark, *Soil Survey of Fergus County, Montana*, United States Department of Agriculture Soil Conservation Service (Washington, D. C.: Government Printing Office, 1988), 1-3, hereafter cited as Clark, *Soil Survey*; Fergus County Agricultural Economic Conference, *A Program for the Development of Agriculture in Fergus County, Montana*, 1927 (Lewistown, Montana: Montana State College Extension Service, 1927), 6.

³ The literature on the Louisiana Purchase and on the Lewis and Clark Expedition abounds. A recent study of much merit is D. W. Meinig, *The Shaping of America: A Geographical Perspective on 500 Years of History*, vol. 2: *Continental America, 1800-1867* (New Haven: Yale University Press, 1993), 4-23, 58-77. For the latest assessment of the Lewis and Clark Expedition, a biography

a little more than a year after starting out, they reached what would eventually become the northern boundary of Fergus County. It took them nearly a week to travel the Missouri along the future county's border, but they took time to go ashore at several locations to explore the land beyond the river. Lewis and Clark commented again and again on the aridity of the land and questioned its ability to sustain human life. Lewis wrote in his journal, "This is truly a desert barren country. . . ." ⁴ They did get rained on while in central Montana, but it was not enough to change their opinion of the climate. The expedition endured temperatures below freezing several mornings in May 1805 as they traveled up the Missouri. Such late freezes are common in the short growing season typical of the area. ⁵

Lewis and Clark carefully noted and mapped the tributaries of the Missouri, large and small, as they moved north and west. The first two creeks they passed

of Meriwether Lewis, see Stephen Ambrose, *Undaunted Courage: Meriwether Lewis, Thomas Jefferson, and the Opening of the American West* (New York: Simon and Schuster, 1996).

⁴ Gary E. Moulton, ed., *The Journals of the Lewis and Clark Expedition*, 8 vols. (Lincoln: University of Nebraska Press, 1987), 4:202, hereafter cited as Moulton, *Journals*.

⁵ *Ibid.*, 4:183-207.

in what would become Fergus County were nearly dry, with obvious salt buildup along the banks and in the stream, but the deep percolation of rainwater dissolved salts and moved them downslope, creating saline seeps and salt deposits along the streams. Lewis and Clark passed the visibly dry Sand Creek, although Lewis speculated that the water flowed under the sand. Five and a half miles upstream from Sand Creek, South Mountain Creek (later renamed Armells Creek) flowed out of the Judith Mountains south of the Missouri River. It was three times wider than Sand Creek and had more flowing water than several of the streams they had recently passed.⁶

Further upriver, they passed the mouth of Two Calf Creek, which was about twenty yards wide and, like Sand Creek, had no running water. On the 29th of May, the expedition came upon a large tributary of the Missouri River. Clark named it the Judith River. Lewis went ashore to walk south along the clear flowing river, which he estimated was about 100 yards across and was lined with more timber than was the Missouri River. Lewis also found the remains of a recent Indian camp along the Judith. That night, the explorers camped on the north

⁶ Ibid., 4:187-193.

side of the Missouri River, opposite the mouth of Arrow Creek, the northwestern boundary of modern Fergus County.⁷

Lewis noted that "the Country on either hand is high broken and rocky" [sic]. These steep, rocky hills, later called the Missouri Breaks, had been carved during the last glacial period. About five or six miles down river from Cow Island, near one of their campsites, Lewis and Clark were able to see the Judith Mountains to the south. On Sunday, 26 May 1805, Lewis and Clark went ashore, climbed a hill, and looked at the snowy peaks of the Rocky Mountains for the first time. "Whilst I viewed those mountains," Clark wrote, "I felt a Secret pleasure in finding myself So near the head of the heretofore Conceived boundless Missouri" As they moved West, Lewis and Clark passed "steep" and "rugged" bluffs. Although they mentioned that the Missouri had an obvious cline, the river gradually widened to 200 yards, and included many islands.⁸

As the expedition moved up the Missouri River through Montana, the vegetation along the river became increasingly sparse. Lewis noted that the high river

⁷ Ibid.

⁸ Ibid., quotes on 4:195, 204.

banks along the Missouri had no trees, but that the broken hills had some "pine spruce" or Douglas fir (*Pseudotsuga menziesii*) and "dwarf cedar" or creeping juniper (*Juniperus scopulorum*). He thought the soil in the sandy hills along the river "poor and sterile," with little grass or ground cover evident. The bottom lands supported mostly sagebrush (*Artemisia abrotanum*) and greasewood (*Sarcobatus vermiculatus*), both indicating the aridity of the land. When they saw the Judith Mountains, they commented on the paucity of trees – only a few pines and spruces. One evening they camped near two dead cottonwoods (*Populus deltoides*), the only wood they could find. (The lack of wood later caused problems for steamboat traffic on the Missouri River and led to deforestation where any wood was found.) Lewis recorded that the land along the Judith River had more trees, however, including boxelders (*Acer negundo*), cottonwoods, and willows (*Salix* sp.).⁹

Lewis and Clark's journals provided an early picture of the natural environment in central Montana. Both men took careful field notes on the animals they saw, their numbers, and behavior, but they killed some for food, and

⁹ Ibid.

others to preserve as scientific specimens. As they traveled west through the future Fergus County, they wrote that the wildlife became scarcer, perhaps because of the increasing aridity of the land. Lewis described in his notes a large prairie dog (*Cynomys ludovicianus*) colony, the first detailed written description of those animals. They went ashore at various points and killed deer (*Odocoileus virginianus*), elk (*Cervus elaphus*), beaver (*Castor canadensis*), buffalo (*Bison bison*), and bear (*Ursus americanus*). Lewis and Clark collected their first bighorn sheep in central Montana (*Ovis canadensis*), although they had seen bighorn earlier on the trip. They also saw antelope (*Antilocapra americana*), a skunk (*Mephitis mephitis*), jack rabbits (*Lepus* sp.), a rattlesnake (*Crotalus viridis*), a spotted spiny soft shell turtle (*Trionyx spiniferus*), and several species of birds, including Ross' goose (*Chen rossi*).¹⁰ North of the mouth of the Judith River, Lewis found the remains of many buffalo at what he believed was a buffalo jump (also called a piskun), a bluff used by Indians to kill large

¹⁰ Ibid., 4:183-207.

numbers of buffalo by driving them over the edge; he also spotted wolves (*Canis lupus*) around the carcasses.¹¹

On 29 May 1805, the expedition left Fergus County and headed toward the Pacific. On their return from the west coast in the summer of 1806, Lewis and Clark split up as they traveled through Montana so Clark could explore the Yellowstone River while Lewis followed the Marias and Missouri Rivers. The trip east was much faster, and since much of it was over territory they had previously mapped, they took fewer notes. Lewis continued to write about the flora and fauna he saw in central Montana, noting several species of birds, including mourning doves (*Zenaida macroura*), rain crows or cuckoos (*Coccyzus americanus* or *C. erythrophthalmus*), and red-headed woodpeckers (*Melanerpes erythrocephalus*). And he took additional notes on the wild clover he saw in bloom, the golden rye (*Elymus* sp.), and prickly pear cactus (*Opuntia fragilis* or *O. polycantha*). On July 30, Lewis again passed the mouth of the Judith River; two days later he passed the Musselshell, and two months later Lewis and Clark arrived in St. Louis. Although they were not the first Euro-Americans to explore the

¹¹ Ibid.

American West, their reports were the first that were (after some delay) made available to the public.¹²

Because of its remote location and because of Lewis and Clark's pessimistic outlook for settlement, several decades passed before any real effort was made to extract resources, other than furs, from central Montana. Fur trappers and traders established short-lived trading posts there, but little permanent settlement occurred. Manuel Lisa's Missouri Fur Company established a fur trading post at the confluence of the Big Horn and Yellowstone Rivers in 1807, only one year after the return of Lewis and Clark, but the post lasted only a few years. John Jacob Astor's American Fur Company sent fur traders to the upper Missouri River in the 1820s, and by the 1830s the company began using steamboats on the Missouri to transport goods as far as Fort Union, at the confluence of the Yellowstone and Missouri Rivers. The American Fur Company built the short-lived Fort Chardon at the confluence of the Judith and Missouri Rivers in 1843, but shortly thereafter, fur trade declined.¹³

¹² Ibid., 8:140-145, 4:215-271.

¹³ Bernard DeVoto discusses early westward exploration and the fur trade in two of his classics, *The Course of Empire* (Boston: Houghton Mifflin, 1952) and *Across the Wide Missouri* (Boston: Houghton Mifflin, 1947). See

The Lewis and Clark Expedition was the first of many government-sponsored expeditions to explore and report on the West beyond the hundredth meridian. Lewis and Clark were optimistic but realistic about western resources, but the reports of later expeditions described the West as either a desert or a garden. Some even argued that cultivation increased rainfall.¹⁴ Nonetheless, in the early nineteenth century, the outlook for permanent agricultural settlements on the high plains was bleak. Certainly the West seemed formidable because it was arid and unlike the East. According to the historian Walter Prescott Webb, the Great Plains were so arid and so

also K. Ross Toole, *Montana: An Uncommon Land* (Norman: University of Oklahoma Press, 1959), 40-63, hereafter cited as Toole, *Uncommon Land*; Federal Writers' Project, *Montana: A State Guidebook* (New York: Viking Press, 1939), 418; Michael P. Malone and Richard B. Roeder, *Montana: A History of Two Centuries* (Seattle: University of Washington Press, 1976), 42-47.

¹⁴ White, *"It's Your Misfortune and None of My Own": A History of the American West* (Norman: University of Oklahoma Press, 1991), 121. Lieutenant Zebulon Pike labeled the Great Plains the "Great American Desert" after his 1806 expedition, and Stephen Long's 1820 expedition reinforced Pike's assessment. In the 1840s, Francis Parkman also viewed the plains as being desolate. On the other hand, boosters, such as Missouri Senator Thomas Hart Benton, his son-in-law John Charles Frémont, and William Gilpin, in an effort to encourage settlement of the plains, promoted the West as a lush and fertile garden. For a discussion of the changing image of the West, see Henry Nash Smith, *Virgin Land* (Cambridge: Harvard University Press, 1950).

overwhelming that the 98th meridian, more or less the eastern boundary of the Great Plains, served as a "faultline" that halted immigration for a generation before Americans could come to terms with the landscape of the Great Plains.¹⁵

In 1863, President Abraham Lincoln named Sidney Edgerton as the chief justice of Idaho Territory and assigned him to Bannack, which was located east of the Continental Divide. Edgerton soon realized that it was impossible to govern on both sides of the Divide and joined with others in requesting that a territory separate from Idaho be delineated. On 26 May 1864, Congress established Montana territory and named Edgerton governor.¹⁶

As in much of the West, a pastoral frontier preceded an agricultural frontier in the Great Plains. Stockmen, such as Granville Stuart, began using the range land in

¹⁵ Parts of Webb's environmental determinist thesis have been refuted, but his book remains a landmark study. See Walter Prescott Webb, *The Great Plains* (New York: Ginn and Company, 1931). About Webb and his definition of the West, Donald Worster wrote, "I know in my bones, if not always through my education, that Webb was right." See Donald Worster, "New West, True West: Interpreting the Region's History," *Western Historical Quarterly* 18 (April 1987):146.

¹⁶ Toole, *Uncommon Land*, 96.

Fergus County in the 1880s. Journals and notes he kept over the years became the basis for a book that provides glimpses of Fergus County when it had few settlers. The territory was unsettled open range when Stuart began scouting for grazing land in central Montana in May 1880. The area was ripe for settlement; the federal government had eliminated the Indian threat and hunters had drastically reduced the great herds of buffalo that once lived in the Judith Basin. Stuart traveled along the Yellowstone River, then moved north over the divide to the Musselshell River near what became Fergus County in 1885. He thought the water was better than he had found earlier on his trip, because it was less alkali. He described the area near the Musselshell River as "black with buffalo," quite unlike the descriptions of Lewis and Clark decades earlier. The numerous buffalo actually posed a threat to their camp, so they worked to frighten the animals away. As Stuart and his companions moved northwest toward Flatwillow Creek, he commented on the buffalo consuming the sparse range forage. But the buffalo provided them with buffalo chips for fuel when there was no wood available. Buffalo, elk, deer, and antelope provided meat when necessary. Other wildlife included beaver, frogs and birds, but Stuart recorded few

details. Near Flatwillow Creek, he and his companions shot, fried, and ate prairie chickens (*Typanuchus pallidicinctus*).¹⁷

Stuart further noted: "The country, both bottom and hills, is all covered with stunted sage and greasewood and but little grass. There are petroleum indications all through here and some day Montana will produce oil but it is worthless now. The myriads of buffalo have eaten out what little grass there is so our poor horses will fare badly here." As Stuart and his companions moved northwest toward Flatwillow Creek, he wrote that the hills became rounded and covered with "short curly buffalo grass."¹⁸

Muddy Flatwillow Creek was lined with sandstone bluffs on which pines and cedars were growing. In the valley there were only a few trees, mostly cottonwoods,

¹⁷ Clark, *Soil Survey*, 1; Stuart prospected in California, then moved to Montana and worked as a merchant before becoming a cattleman. He later became a U.S. envoy to Uruguay and Paraguay, traveled all over North and South America, and in 1904 became the librarian at the Butte, Montana library. See Granville Stuart, *Forty Years on the Frontier as seen in the Journals and Reminiscences of Granville Stuart, Gold-Miner, Trader, Merchant, Rancher, and Politician*, ed. by Paul C. Phillips, 2 vols. (Cleveland: Arthur H. Clark Company, 1925), 2:124-136, quote on 2:124.

¹⁸ Ibid., quotes on 2:124, 126

boxelders, and chokecherries (*Prunus virginiana*), but there were plum thickets (*Prunus* sp.), and the best grass Stuart had seen since he had left the Big Horn River to the south. He moved up the valley toward the Little Snowy Mountains and found hawthorn (*Crataegus* sp.) and bull berries (*Shepherdia argentea*).¹⁹

Much of Stuart's journal was devoted to the type, height, and quality of the grass, and as he moved up Flatwillow and McDonald Creeks he found the grass improved. North and east of McDonald Creek, the quality of the grass diminished, and sagebrush became more prevalent. Availability of water was an important factor when one considered the grazing potential of land. Stuart noted that there was standing water in several places, more than two weeks after a heavy rain, and he was rained and snowed upon during his travels through central Montana, but he realized that standing water usually would not last long. The cold lasted, however. On 19 May 1880, near the Little Snowy Mountains, he wrote, "this is a cold bleak region and there are snow drifts still under banks and in ravines."²⁰

¹⁹ Ibid.

²⁰ Ibid., quote on 2:135.

In June 1880, Stuart scouted further north and west, near the Judith River, which he described as being "high, swift, and quite muddy owing to the placer [gold and silver] mines at Yogo. . . . This whole basin is fine grass country but poor shelter for stock." Stuart selected a site for a ranch headquarters on Ford's Creek near the base of the Judith Mountains, and there he built a stable, a bunkhouse, a blacksmith shop, and two cabins. He purchased and fenced 400 acres of land and also "located one thousand acres of hay land," but it was not clear if he gained title to it. In addition to his private property, Stuart used acres of unfenced, unclaimed public domain to graze large herds of cattle. In July, the United States Army established Fort Maginnis on part of Stuart's hay meadow. He hated the loss of land but appreciated the conveniences of the fort. Within a few months, he had 5,000 head of cattle and was supplying a few head to the fort. Within a few years many other ranchers had moved into the area.²¹

By 1885, enough settlers had moved to central Montana to justify forming a county government, so the Montana Territorial Legislative Assembly established

²¹ Ibid., 2:142-174, quote on 2:142.

Fergus County, with Lewistown as the county seat.

Although the county lost territory when several other counties were created, it still totals about 2,716,160 acres (4,244 square miles), making it more than twice the size of the state of Delaware.²²

The grazing took its toll on Fergus County's natural environment. By 1902, when Montana Agricultural Experiment Station scientist Frank Spragg studied the grasses of the Judith Basin, stockmen had been using the land for forage for two decades and only a few homesteaders had trickled into Fergus County. He expressed concern for the future of the range because overgrazing threatened to destroy important grasses. "When the pioneer came west he found the ranges covered with vast forage resources. . . . Now conditions have changed. There is more stock on our ranges than they can support." Spragg did not foresee a massive influx of homesteaders, probably because much of the land was unsuitable for farming without irrigation (although he does mention artesian water and springs in the Judith Basin). Instead, he predicted that the public domain would eventually be owned or leased by ranchers, but he

²² Toole, *Uncommon Land*, 96; Clark, *Soil Survey*, 1.

was not so optimistic about the future of the range. "It has been asserted," he wrote, "that all the ranges need is rest, but it has been pointed out, in speaking of the blue gramma [*Bouteloua oligostachya*] (the most important of the native forage grasses), that conditions have come where the most valuable of our range grasses have been nearly exterminated."²³ Even though the county had little settlement and agriculture, the environment had noticeably changed since Lewis and Clark traveled through nearly a century before. Because of overgrazing, native grasses were vanishing, removing the ground cover that held the top soil in place and prevented wind and water erosion. The conditions for the disasters to come were already in the making.

²³ Frank A. Spragg, *Forage Conditions of Central Montana*, Montana Agricultural Experiment Station Bulletin no. 3 (Bozeman: Montana Agricultural Experiment Station, 1902), 12.

Chapter 3

The Homestead Boom and Economic Prosperity in Fergus County

Despite the misgivings of those early explorers and settlers, homesteaders did flock to central Montana. The federal government eagerly divided up the land and parceled it out to willing settlers. Railroads crossed the state, improving access to markets. A long period of higher than average rainfall misled many homesteaders to overestimate the agricultural potential of the region. And during the 1910s, war in Europe improved the market for agricultural products dramatically.

Before settlement could take place, however, the land had to be surveyed and divided.¹ The U.S. Rectangular Land Survey, established by the Ordinance of 1785, divided the country into six-mile square townships that were in turn divided into thirty-six numbered sections of 640 acres each (one square mile), which were then divided as necessary for sale. The grid survey

¹ The public domain has not been officially defined, but it was usually considered that land which was owned by the federal government, yet was not set aside or reserved for a specific purpose. Since the end of homesteading in 1934, the meaning of the term has expanded to include more federally owned lands, even if set aside for a specific purpose. See E. Louise Pfeffer, "Which Public

system, strictly oriented to the cardinal directions (north, south, east, and west), made land disposal orderly and relatively easy, but it failed to take into account the natural landscape, imposing an unnatural rectangular form on the natural curvilinear landscape. Nonetheless, according to some geographers, the United States Rectangular Land Survey provided a relatively even-handed dispersal of land because it used a systematic survey process. In addition, it allowed more equitable access to roads and communities because roads tended to follow survey lines.² But, perhaps most

Domain Do You Mean?," *Agricultural History* 23 (April 1949):140-146.

² For information on the U.S. Rectangular Survey and how it affected land use, see Hildegard Binder Johnson, *Order Upon the Land* (New York: Oxford University Press, 1976), and Norman J. W. Thrower, *Original Survey and Land Subdivision: A Comparative Study of the Form and Effect of Contrasting Cadastral Surveys* (Chicago: American Association of Geographers, 1966). Johnson stopped just short of blaming the dust bowl of the 1930s on the tendency of American farmers to follow survey lines instead of landscape contours when plowing. Thrower found the rectangular survey so influential that, for example, roads strictly followed the grid even if it meant crossing rivers and streams at inefficient angles, forcing the construction of longer bridge spans than necessary. Furthermore, Thrower's research indicated that there were more roads under the grid survey system because roads were built at section lines, and that under the grid system no one was more than one-half mile from a road, unlike under the metes and bounds survey system. Thrower also found that the grid system reduced the monopoly of desirable riparian land. However, his

importantly for the arid West, as John Wesley Powell eventually pointed out, the rectangular survey failed to take into account the location of surface water.

The United States government promoted settlement for a variety of reasons. The sale of public lands generated revenue for the federal government for the building of an infrastructure of roads, canals, and schools. The Ordinance of 1785 set aside one section per township (this would later be increased to two sections per township) to generate income for public schools, either by lease or sale and investment. More importantly, as some of the country's founding fathers believed in the late eighteenth century, the methodical division and sale of land would ensure a republican future for the country as the public domain was transformed into small farms. Because land was readily available at a reasonable price, the entrenched social and political system of landlords and tenants in Europe could be avoided. The federal

research focused on two different sections of Ohio, in the humid East. In the West a researcher might come to different conclusions because of the aridity. For a general history of the rectangular survey, see C. Albert White, *A History of the Rectangular Survey System* (Washington, D. C.: Government Printing Office, 1983).

government then, instead of acting as a landlord, worked to alienate as much of the public domain as possible.³

In 1862, the United States Congress enacted the Homestead Act to encourage the settlement of the Trans-Mississippi West. The Homestead Act stipulated that to receive a grant of 160 acres of land (one-quarter of a section), prospective homesteaders must be over the age of twenty-one or the head of a household, and must either be or plan to become American citizens. After living on the property for six months, homesteaders could buy the homestead for \$1.25 per acre (\$200 for 160 acres), or after five years of living on and cultivating the homestead, they could pay a \$15 filing fee and receive patent (full title) to the land.⁴

³ Richard White, *"It's Your Misfortune and None of My Own": A History of the American West* (Norman: University of Oklahoma Press, 1991), 138-140, hereafter cited as White, *Your Misfortune*.

⁴ A land patent is a fee simple title to land, granted by the United States government. United States Department of the Interior Bureau of Land Management, *Historical Highlights of Public Land Management* (Washington, D. C.: Government Printing Office, 1962), 29-30, hereafter cited as BLM, *Historical Highlights*. For more detailed analysis of public land law, see Paul Wallace Gates, *History of Public Land Law Development* (Washington, D. C.: Government Printing Office, 1968). See also E. Louise Peffer, *The Closing of the Public Domain: Disposal and Reservation Policies, 1900-50* (Stanford, California: Stanford University Press, 1951), and John Opie, *The Law of the Land: Two Hundred Years of American*

From 1862 through the 1920s, settlers headed West to take advantage of the vast public domain that the federal government put up for grabs, gradually pushing the edge of frontier settlement westward across the Great Plains. For several decades, Congress continued to amend the Homestead Law in an effort to remake the West into the garden the promoters of Western settlement imagined possible, and later, to accommodate the laws to the Western environment. Treelessness made the plains seem more forbidding, so to encourage the planting of forests on the plains, Congress passed the Timber Culture Act in 1873, which granted an additional 160 acres of land to settlers who planted and maintained trees for a decade on forty of those acres. Little understanding the arid environment, lawmakers expected to remake the plains in the image of the East. There were reasons trees did not grow naturally on the plains nor would they grow there without irrigation, which, where available, would be used on cash crops, not on trees. Nevertheless, many did file timber claims. Because this law was so impractical and

Farmland Policy (Lincoln: University of Nebraska Press, 1987), hereafter cited as Opie, *Law of the Land*.

made so little sense, many claimants filed *false* claims and in 1891, Congress repealed the act.⁵

In 1877, Congress changed federal land policy again when it passed the Desert Lands Act, which granted 640 acres of the public domain in several western states and territories (including Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming) to homesteaders who paid a total of \$1.25 per acre and showed proof of reclamation of the land through irrigation *and* cultivation. This law did not make much sense either. Very little of the West could be irrigated and irrigation projects took substantial capital homesteaders did not have or cooperative efforts they were not willing to make. The amount of land granted to each homesteader under the Desert Lands Act was cut by half in 1891, because (Congress presumed) irrigation would reduce the amount of land needed to support a family.⁶

⁵ BLM, *Historical Highlights*, 34, 35, 40, 44, 46; White, *Your Misfortune*, 150-151. Walter Prescott Webb also described the problem of treelessness, and the resulting delay in settlement of the plains, in *The Great Plains* (New York: Ginn and Company, 1931), hereafter cited as Webb, *Great Plains*.

⁶ BLM, *Historical Highlights*, 40, 44, 46; Webb, *Great Plains*, 413.

In 1909, Congress passed the Enlarged Homestead Act, which increased the amount of non-irrigable land granted to homesteaders from 160 acres to 320 acres, but only one-half had to be cultivated. Three years later, Congress passed the Three-Year Homestead Act, which allowed a homesteader to receive the patent on a homestead in three years instead of five, and allowed an absence of five months a year, essentially to allow homesteaders to earn an income somewhere else. The Stock-Raising Homestead Act in 1916 granted 640 acres of grazing land to homesteaders (a wildly inadequate amount of land for stock raising on the arid high plains).⁷ These acts and modifications were supposed to further encourage settlement of public lands or to adjust the land laws to the arid Western environment. None worked as planned.

Ideally, the Homestead Act was meant to further the republican ideal, to create a society of independent small landholders in the West. It never worked as planned. Under the Homestead Act more than 1.3 million people settled on the public domain and received the final patent for their land, but the Homestead Act did

⁷ Ibid.

not relocate the Eastern urban poor to their own land in the West. It took resources, and at least some capital to homestead: to pay the filing fee, purchase supplies to last a year before a crop was harvested, to build a shack, dig a well, and build fence. During the first two decades of the twentieth century, the settler on the northern Great Plains needed at least \$1000 to make it through the first harvest, and perhaps twice that much.⁸ Generally the urban poor could not afford the costs of homesteading. Some homesteaders lacked the skills or knowledge necessary to farm anywhere, much less on the dry Great Plains. Moreover, the requirement that homesteaders live on their claim caused settlers to be widely separated. This isolated farm families from each other and made it difficult to provide public services such as schools. Only one-third of those who filed land claims under the Homestead Act eventually received title to the land they tried to settle.⁹

⁸Mary Wilma M. Hargreaves, *Dry Farming in the Northern Great Plains, 1900-1925* (Cambridge: Harvard University Press, 1957), 519-520, hereafter cited as Hargreaves, *Dry Farming, 1900-1925*.

⁹ There is a vast amount of literature on the homestead movement. Gilbert Fite discusses the historiography of the homestead movement and public land policy in "The American West of Farmers and Stockmen," *Historians and the American West*, ed. by Michael P. Malone (Lincoln:

For the first four decades after the passage of the Homestead Act in 1862, only a few homesteaders settled in Montana. In 1867, the United States Congress established the Montana land district, named a surveyor general, and shortly thereafter began distributing the public domain.¹⁰ David Carpenter filed the first homestead

University of Nebraska Press, 1983), 209-233. Roy M. Robbins criticizes the federal government's land policy in *Our Landed Heritage: The Public Domain* (Princeton: Princeton University Press, 1942). Fred Shannon studied the Homestead Act, Timber Culture Act, Desert Land Act, as well as the railroad land grants and found that few small yeoman farmers benefited from the acts designed to help them acquire public land. Instead, it was the railroads and land monopolists who profited. Shannon believed that land fraud characterized much of the land purchases in the West. See *The Farmer's Last Frontier: Agriculture, 1860-1897* (New York: Farrar and Rinehart, 1945). Paul Wallace Gates discusses the failings of and contradictions in federal land policy in "The Homestead Law in an Incongruous Land System," *American Historical Review* 41 (July 1936):652-681. Gates found that despite efforts to the contrary, more land went to speculators. Gilbert C. Fite debunks several ideas about homesteaders in his study, *The Farmers' Frontier, 1865-1900* (New York: Holt, Rinehart, and Winston, 1966). Fite refuted Fred Shannon's argument by showing that there was a significant increase in the number of small farms as a result of the Homestead Act. He also discusses the hardships of the homesteaders (including drought, grasshoppers, hard winters, and low capital), but shows that they persisted, many due to governmental relief. Moreover, according to Fite, it was the success of agriculture that fueled America's industrial expansion and helped America become a large creditor nation during World War I.

¹⁰ James McClellan Hamilton, *From Wilderness to Statehood: A History of Montana, 1805-1900* (Portland, Oregon: Binfords and Mort, Publishers, 1957), 345-412.

claim in Montana, near Helena, in 1868, but he chose to purchase the land before the end of the usual five years. In 1873, five years after the first homestead claim in Montana had been filed and the first year any patents could have been issued for Montana land, only one Montana homesteader made the final entry to receive full title to his land.¹¹

Homesteaders eventually flocked to Montana.¹² Between 1870 and 1890, the number of farms in Montana grew at a moderate rate (from 851 to 5,603). But between 1900 and 1920, the number grew from 13,097 to 57,700, an increase of 6,680 percent in fifty years.¹³ Between 1900 and 1920, when the population of Montana more than

¹¹ Daniel N. Vichorek, *Montana's Homestead Era*, Montana Geographic Series, vol. 15 (Helena: Montana Magazine, 1987), 8, hereafter cited as Vichorek, *Montana's Homestead Era*.

¹² Montana homesteaders were sometimes referred to as "honyockers." The origin of the term is unknown, but elsewhere in the northern Great Plains Slav immigrants were pejoratively called "hunyacks." Most histories of Montana use the term, but I did not find the term in primary sources, and it is not clear if the term was derisive. See Joseph Kinsey Howard, *Montana: High, Wide, and Handsome* (New Haven: Yale University Press, 1943; reprint ed., 1959), 180-181.

¹³ Clark C. Spence, *Montana: A Bicentennial History* (New York: W. W. Norton and Company, 1978); Montana Agricultural Statistics Service, *Montana Agricultural Statistics, State Series 1867-1991* (Helena: Montana Department of Agriculture, 1992), 3, hereafter cited as *Montana Agricultural Statistics*.

doubled, it was land promoters' or boosters' propaganda on the potential of dry land farming, above all else, that lured people to homestead on the northern plains.¹⁴

Railroads, chambers of commerce, and real estate speculators sponsored dry farming promotional campaigns. Newspapers carried stories about the fertile land awaiting cultivation. Politicians spoke of the bounty of the West. State and local governments encouraged settlement on and cultivation of the dry land. Federal and state land disposal encouraged the division and distribution of the public domain for homesteads, rather than disposing of large parcels for grazing purposes. Only the Northern Pacific Railway Company tried to suspend land sales until dry land farming had been tested.¹⁵

¹⁴ K. Ross Toole, *Twentieth-Century Montana: A State of Extremes* (Norman: University of Oklahoma Press, 1972), 60, hereafter cited as Toole, *Twentieth-Century Montana*.

¹⁵ Hargreaves, *Dry Farming, 1900-1925*. Hargreaves defines dry farming as "agriculture without irrigation in regions of scanty precipitation." (p. 3) She argues that land promoters were interested in the success of the farmers, refuting Fred Shannon who argues that land promoters were only interested in immediate self-gain, not the long-term success of the farmer, and that the railroads and land monopolists made great profits from land settlement policies, instead of the farmer. See Shannon, *The Farmer's Last Frontier: Agriculture, 1860-1897* (New York: Farrar and Rinehart, 1945).

While homesteaders moved West during the boom in hopes of acquiring land and making money off of that land, others encouraged settlement hoping to profit from the population influx. Among those who hoped to make money off of the homesteaders were companies with money to lend. Farmers, hoping to improve their land or to buy more land borrowed money easily during the boom years because their land values had increased. In Lewistown, the Wright Land and Investment Company advertised in the local newspaper that its company offered low rates for farm loans, several payment plans, quick service, and unlimited funds. Alex B. Lehman, president of the Hilger Loan and Realty Company, advertised that his loans had "all the good features of every other Farm loan and then some."¹⁶

During several years of the homestead boom, the Montana Department of Agriculture and Publicity published booklets promoting agricultural settlement. In 1914, it published *The Resources and Opportunities of Montana*, which extolled the agricultural bounties of Montana, county by county. Near Grass Range, one farmer supposedly planted turkey red wheat and harvested 49

¹⁶ *Lewistown Democrat-News* 2 January 1920, 1 January

bushels to the acre. Since the yield in 1913 for the entire state of Montana was 25.5 bushels per acre, the Fergus County farmer's yield was almost twice the state average. The Montana booklet described homestead laws and requirements under the heading, "How to Go About It to Secure a Free Farm From Uncle Sam." (In July 1913, Fergus County still had about 1.4 million acres available for homesteading, although not all of that land was necessarily arable). The pamphlet included the agricultural advice of Thomas Shaw, who worked for Great Northern and Northern Pacific Railways and who considered himself an expert on dry farming techniques, even though his education was in animal husbandry. Whether working for railroads or helping with the state publication, Shaw acted as a booster for Montana, trying to draw homesteaders to settle the state. He recommended deep plowing and disc harrowing to conserve moisture and control weeds, coupled with crop rotation and the practice of summer fallowing (letting the land rest every other year or so).¹⁷

1920.

¹⁷ Montana Department of Agriculture and Publicity, *The Resources and Opportunities of Montana, 1914 Edition* (Helena: Independent Publishing Company, 1914), 34-80,

Like the state government, railroad companies published pamphlets and booklets to lure settlers to Montana since settlement meant business and profits for the companies. The Chicago, Milwaukee, and St. Paul Railway published a booklet in 1908 on Fergus County that was typical of much booster literature. According to the pamphlet, Fergus County gold mines were very productive and successful and provided an important nearby market for agricultural products. The pamphlet claimed that Fergus County wheat farmers averaged over 36 bushels per acre, much higher than the state average. The pamphlet went so far as to claim that the county's soil was twice as productive as that of the "central states." While Montana's soil fertility may have been higher than that in some long-cultivated land in the Midwest, its lower rainfall reduced its production capability.¹⁸

In promoting Fergus County, railroads hoped to profit from the influx of settlers, not from the sale of land. Although several railroads had been granted land by the federal government to help finance construction,

quote on 53; *Montana Agricultural Statistics*, 4; Hargreaves, *Dry Farming, 1900-1925*, 134-135, 179-183.

¹⁸ Chicago, Milwaukee and St. Paul Railway, *Fergus County, Montana, 1908* (n. p., 1908); *Montana Agricultural Statistics*, 4.

none of the granted land was in Fergus County. Lewistown and Fergus County were originally served by the locally funded Jaw Bone Railroad, but it was purchased by the Chicago, Milwaukee, and St. Paul Railway in 1908. The Northern Pacific had some success in selling land during the homestead boom, selling more than 1.3 million acres in Montana in 1916 alone. The Great Northern railroad, which ran north of Fergus County, was the only major Western railroad built without major federal aid. The Northern Pacific Railroad, because Montana was a territory, had received forty sections (25,600 acres) per mile of track constructed.¹⁹

The railroads and other boosters had helped from mother nature in drawing the homesteaders west during the boom. Although periodic droughts occurred, accompanied by crop failures, periods of above average rainfall during the 1880s and 1910s helped encourage settlement.²⁰ When several years of higher than average annual rainfall coincided with the swell of homesteaders moving west, many people came to believe that "rain followed the

¹⁹ Toole, *Twentieth-Century Montana*, 60; White, *Your Misfortune*, 145-147, 252-257; Dan Noble, *The Judith Basin of Central Montana* (Chicago: Chicago, Milwaukee, and St. Paul Railway, 1927), 2.

²⁰ Hargreaves discusses this phenomenon in her book, *Dry Farming, 1900-1925*.

plow."²¹ Geologist Samuel Aughey wrote that plowing the land increased the "absorptive power of the soil" which in turn caused increased evaporation and then increased rain.²² One Montana civil engineer theorized that changes in the Pacific Ocean's currents were responsible for the improved rainfall.²³ Misconceptions such as this about farming on the Great Plains were common because people were unfamiliar with the arid environment.

The United States Department of Agriculture Weather Bureau collected data at several locations in Fergus County during the first three decades of the twentieth century, but much of its record keeping was sporadic. The data for Lewistown, however, were nearly complete, the information missing for only one year (1917) between 1896 and 1930 (see Figure 3). And Lewistown may be taken

²¹ Many historians have discussed the "rain follows the plow" misconception, including Walter Prescott Webb in *Great Plains*, 375-382; and Richard White, *Your Misfortune*, 132, 150-151. See also C. Warren Thornthwaite, "Climate and Settlement in the Great Plains" in *Climate and Man*, United States Department of Agriculture Yearbook of Agriculture, 1941 (Washington, D. C.: Government Printing Office, 1941), 177-187.

²² Samuel Aughey, *Sketches of the Physical Geography and Geology of Nebraska* (Omaha: Daily Republican Book and Job Office, 1880), 43-46.

²³ Dan Fulton, *Failure on the Plains: A Rancher's View of the Public Lands Problem* (Bozeman: Big Sky Books, 1982), 53.

as representative of Fergus County in general, even though rainfall in the western United States is erratic, varying greatly over short distances, depending on the topography and the vagaries of weather. Higher elevations in Fergus County may have received more precipitation, while areas north and east of Lewistown often received less. Between 1900 and 1945,

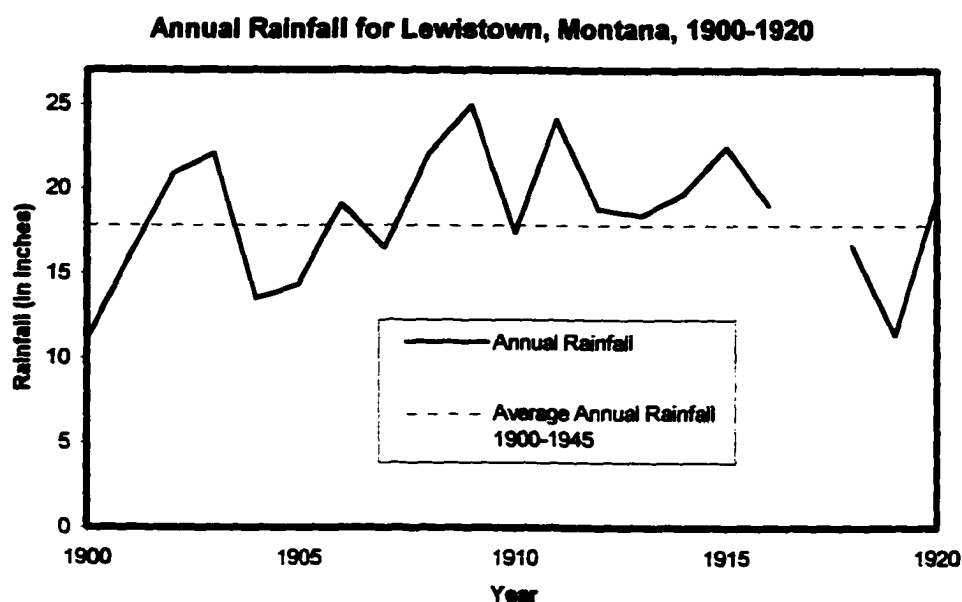


Figure 3. Annual Rainfall for Lewistown, Montana, 1900-1920, also showing average rainfall for 1900-1945.²⁴

²⁴ United States Department of Agriculture Weather Bureau, *Climatic Summary of the United States* (Washington, D. C.: Government Printing Office, 1937) 7/1- 11/19, hereafter cited as Weather Bureau, *Climatic Summary*; National Climatic Data Center, National Oceanic and Atmospheric Administration, Department of Commerce, Asheville, North Carolina.

Lewistown averaged about 17.86 inches of rain per year, ranging from nearly 25 inches in 1909 to about 11 inches in 1900.²⁵ In general, Lewistown fit the pattern across much of the West: during several years of above average rainfall, much of the available land was claimed by homesteaders.

In his *Report on the Lands of the Arid Region of the United States*, John Wesley Powell warned of the unpredictable nature of rainfall in the West. He believed the only consistent way to produce reliable crops in the arid West would be to irrigate. Powell stated that "the limit of successful agriculture without irrigation has been set at 20 inches" of annual rainfall.²⁶ Lewistown was several hundred miles west of that isohyet but received more than twenty inches of rain annually during several years of the homestead boom. Most of Montana's homesteads were filed for after Congress passed the Enlarged Homestead Act in 1909, coinciding with a period of increased rainfall, and in

²⁵ Ibid.

²⁶ John Wesley Powell, *Report on the Lands of the Arid Region of the United States With a More Detailed Account of the Lands of Utah*, House Executive Document No. 73, 45th Cong., 2d sess., serial 1805 (Washington, D. C.: Government Printing Office, 1878), 1-13, quote on 3.

1908, 1909, and 1911, Lewistown averaged over twenty-two inches of precipitation. In 1914, Lewistown received nearly twenty inches, and in 1915, it again received over twenty-two inches.²⁷

Even though many settlers homesteaded during periods of higher rainfall, they still had to cope with what was for them a strange agricultural environment. The early settlers on the Northern Great Plains were unprepared to deal with the semiarid environment. They faced both an unfamiliar climate and unfamiliar soils and had to adjust their methods and crops to successfully farm the northern plains. The key seemed to be the development of dry farming techniques.²⁸

Although agricultural scientists, encouraged by colleges and the federal government, were important to the success of agriculture on the northern Great Plains, it was often the "experts" who worked for the railroads who were more well known among settlers. While the former advocated a realistic approach to agriculture on the northern Great Plains (developing drought-resistant

²⁷ Weather Bureau, *Climatic Summary*, 7/1- 11/19.

²⁸ Dry farming is "agriculture without irrigation in regions of semiaridity." See Mary W. M. Hargreaves, *Dry Farming in the Northern Great Plains: Years of*

crops and diversified cropping methods), booster-supported experiments (which may have been less than scientifically rigorous) clouded scientific advances in dry farming.²⁹

Hardy Webster Campbell developed dry farming methods during the 1880s, began publicizing them a few years later, and became an important dry farming booster for the railroads. He homesteaded in Dakota Territory in the 1870s, and though he had no farming or scientific background he began experimenting with dry farming techniques. He noticed that grass grew in horse and wagon tracks even though an adjacent field failed, leading him to believe that packed subsurface soil, with some loose soil on the surface, would be the best way to prepare the arid northern Great Plains soil for raising crops. He developed a method for packing the subsurface soil, which was to be used in conjunction with frequent surface cultivation, and began publicizing it. He argued that this method helped retain soil moisture and prevented the soil from blowing. Railroads hired

Readjustment, 1925-1990 (Lawrence: University Press of Kansas, 1992), 1.

²⁹ Hargreaves, *Dry Farming, 1900-1925*; Mary W. M. Hargreaves, "Dry Farming Alias Scientific Farming," *Agricultural History* 22(1948):83-125.

Campbell to manage demonstration farms and to promote dry land farming in an effort to attract homesteaders and settlers west, and his name became synonymous with dry farming. About the turn of the century, he began promoting the practice of summer fallowing. Campbell was a dry farming booster; he encouraged homesteaders to take advantage of fertile soils and helped bring about new farming methods on the northern Great Plains.

Agricultural scientists discredited Campbell somewhat because of his association with the railroads and land speculation, but he helped to usher in an interest in scientific farming that would be important to those trying to farm the arid northern Great Plains.³⁰

Boosters eventually encouraged scientific farming methods to help bring in settlers. The Lewistown Chamber of Commerce, for example, published the *Farmers' Bulletin* and in 1917 helped establish a county farm bureau.³¹ The publication and dissemination of booster literature on the favorable prospects for Montana agriculture continued into the 1920s, in an effort to lure more homesteaders

³⁰ Ibid., James C. Malin, *The Grassland of North America: Prolegomena to Its History* (Lawrence, Kansas: By the Author, 1947), 227-242; Vichorek, *Montana's Homestead Era*, 10.

³¹ Hargreaves, *Dry Farming, 1900-1925*, 179-187.

into the state. For instance, as late as 1925 the Milwaukee Railway still sponsored educational farm meetings conducted by agricultural experts, who spread "a message of optimism" for the farming industry on the northern Great Plains at a farm meeting in Fergus County.³² That year the *Lewistown Democrat-News* also reported that Montana State College President Alfred Atkinson urged the state to "study her resources of soil and climate and compile information which will guide incoming settlers"³³ Boosters promoted the dry-farming movement in an effort to draw settlers to the northern Great Plains instead of basing it agricultural science and the development of new crop varieties suitable for the arid Western environment.³⁴ More farmers read or heard more about booster literature than scientific literature, the pseudo-scientific booster propaganda being more ubiquitous during the boom years than the more responsible educational efforts of agricultural scientists. As a result, homesteaders on the northern Great Plains often took up claims on the

³² *Lewistown Democrat-News* 26 October 1925

³³ *Lewistown Democrat-News* 8 January 1925.

³⁴ Hargreaves, *Dry Farming 1900-1925*, 220.

basis of false or exaggerated information. They had, in a way, already been programmed to fail.

The number of homesteaders slowly increased, but the Montana homestead boom did not begin until after the turn of the century. Montana was admitted to the Union as a state in 1889; that year homestead final entries increased to 372. In the same year, the Dakotas recorded more than fifteen times as many final entries.³⁵

Settlers gradually moved west, taking up claims on the best arable land available. Not much of that land was in Montana, but homesteading in Montana dramatically increased after the passage of the Enlarged Homestead Act in 1909. From 1910 through 1918, there were 33 million acres of homestead entries in Montana — nearly 4 million per year.³⁶ Two-thirds of the land homesteaded in Montana was entered between 1910 and 1919. Because the homesteading boom coincided with periods of increased rainfall, homesteaders overestimated the agricultural potential of the land.³⁷ At the same time, World War I

³⁵ Vichorek, *Montana's Homestead Era*, 8-9.

³⁶ R. R. Renne, *Montana Farm Bankruptcies*, Montana Agricultural Experiment Station *Bulletin* no. 360 (Bozeman: Montana Agricultural Experiment Station, 1938), 42.

³⁷ Neil W. Johnson and M. H. Saunderson discuss the rainfall and settlement trends briefly in *Types of*

stimulated the agricultural economy during the late 1910s. Europeans turned to the United States for agricultural commodities. In order to meet the demand and to support the American war effort, the federal government encouraged homesteaders to cultivate as much acreage as possible.³⁸ Furthermore, the increased demand for agricultural products inflated their price. Homesteaders flocking to the northern Great Plains envisioned a bright future, with ample rainfall and rising prices for what they planned to grow.

In Fergus County, Montana, there was public domain available to be taken up from the 1870s through the 1920s, although the best land (most arable) always went first. In 1878 a Mr. and Mrs. Janeaux filed for the first homestead in what would become Fergus County, Montana.³⁹ Four years later Abraham and Mary Walton Hogeland were among the first settlers in Fergus County,

Farming in Montana, Part I, Montana Agricultural Experiment Station Bulletin no. 328 (Bozeman: Montana Agricultural Experiment Station, 1936), 30-31. Weather Bureau, *Climatic Summary*, 7/1- 11/19.

³⁸ U.S. Department of Agriculture, *Yearbook of Agriculture, 1919* (Washington, D. C.: Government Printing Office, 1920), 32-33.

³⁹ Claire O. Clark, *Soil Survey of Fergus County, Montana*, United States Department of Agriculture Soil Conservation Service (Washington, D. C.: Government Printing Office, 1988), 1.

buying land and establishing a ranch along Spring Creek, a tributary of the Judith River. Abraham Hogeland, a Pennsylvania native and an honors graduate of Lafayette College, became a surveyor for the Northern Pacific Railroad, and like many young men moved West with the railroad. At the age of 27, he left the railroad to take advantage of Montana's natural resources, believing that the Judith Basin had great promise, with rivers and grassland, and timber in the nearby mountains. He filed for a homestead and brought his wife and infant to the cabin he built on Spring Creek. He acquired more land and became a sheep rancher but continued to conduct surveys for Fergus County. Even though Hogeland homesteaded early enough to get some of the better land in Fergus County, he apparently farmed only enough to prove up his homestead claim, then turned to ranching, a land use more appropriate to the arid environment. He also continued to work at an outside job, which may have indicated that his land could not support a family.⁴⁰

Only a few homesteaders like the Hogelands settled in Fergus County before 1900; most of the land was

⁴⁰ Mary Clearman Blew, *All but the Waltz: A Memoir of Five Generations in the Life of a Montana Family* (New York: Penguin Books, 1991), 15-38.

homesteaded during the 1910s. The later homesteaders had to contend with the same problems as earlier settlers. They too had to build dwellings and cultivate the land. George Martin left his native North Dakota in 1910 and headed west, eventually settling in Fergus County during the homestead boom. (Many Fergus County homesteaders came from North Dakota and Minnesota, essentially following the railroad West.) He claimed a 160-acre homestead near Armells Creek, northeast of Lewistown, receiving his patent in November 1915. That same month, he married Lena Lucier, a Fergus County native whose French Canadian parents had come to Fergus County because of the gold rush in the early 1880s but stayed to homestead. Like Abraham Hogeland, George and Lena Martin worked at various jobs in addition to working the land. The Martins worked to make the most of their property and limited income. For example, their chicken house was built into the side of a hill to save on building materials. Moreover, Lena Martin used a coffee can to churn butter and sold the excess butter and eggs for cash.⁴¹

⁴¹ LUMT-38-22-358, Box 20, Land Use Case Files, 1934-1953, Records of the Bureau of Land Management, Montana, Record Group 49, National Archives, Rocky Mountain Region, Denver, Colorado, hereafter cited as Land Use

It was not unusual for several family members to take up adjacent homesteads, trying to acquire land and take advantage of the boom. Harry McDonald, along with his brother and two sisters, left Iowa for Montana during the early 1910s. All four McDonald siblings took up homesteads near Rose Creek, in northeastern Fergus County. Harry McDonald later married Pearl Johnson, who had also homesteaded in northeastern Fergus County near her brother. Despite the fact that Harry and Pearl McDonald had two homesteads between them, they both worked at other jobs to support themselves. Harry McDonald worked at grain elevators, while Pearl McDonald taught school.⁴²

Montana homesteaders lived relatively isolated lives. The Frank Weygant family were typical homesteaders during the 1910s Montana. Frank Weygant left Ada, Minnesota, near the North Dakota state line, and headed west to Montana to homestead in 1913, in part to improve his health but perhaps also because three of

Case Files; Babbie Deal and Loretta McDonald, eds., *The Heritage Book of Central Montana* (Lewistown: 1976 Fergus County Bicentennial Heritage Committee, 1980), 216-218, 235-236.

⁴² Jim Arthur, ed., *A History of Winifred, Montana* (Lewistown, Montana: Central Montana Publishing, 1988), 89.

his nine children had already settled there. His wife and part of the family stayed behind to sell their possessions, but in May 1914 they took the train to Denton in northwestern Fergus County and joined him. Despite the luxury of train travel (in comparison to earlier homesteaders who headed West in Conestoga wagons), the Weygants found themselves in an isolated area, with few neighbors and no amenities. Like many other homesteaders, the Weygants had little or no agricultural experience; Frank Weygant was a pharmacist. They homesteaded in the badlands along Wolf Creek, near the Missouri River breaks, in northern Fergus County. The homestead had little bench land to cultivate, but to comply with homestead laws the Weygants planted some wheat with no real expectation of crop success. Instead, they raised cattle and hogs for a living while Frank Weygant worked in a nearby town. Some of their neighbors went ahead and plowed under the sagebrush, cultivating the arid land, confident about success. There had been a few good years of rainfall, so many homesteaders were optimistic.⁴³

⁴³ Noemi Weygant, *Rimrock Land: Our Homestead Site* (Duluth, Minnesota: Priory Press, 1978), 1-33.

Homesteaders often invested little in their homes, often by necessity, occasionally by choice. The Frank Weygants, and their son, Otto Weygant, built two typical homesteader's cabins when they arrived. These were often just simple one-room dwellings, although some had no intention of making the homestead a permanent home. Otto Weygant's cabin was an investment of labor rather than capital. Logs for his cabin were hauled to his homestead from coulees and the Judith River breaks. Once the logs were in place, they had to be chinked with cement, and the corners trimmed. The finished size was 16 feet wide by 20 feet long. The cabin roof consisted of one-inch lumber sheathing covered with tar paper and a layer of sod. The cabin had two frame windows and a door made of tongue and groove siding. One corner of the cabin held an important cache, four hundred bushels of Turkey red wheat to be used as seed, which conveniently served as a bed.⁴⁴

Frank Weygant's cabin was similar in size and construction but had an additional window and was more carefully constructed. While Otto Weygant's cabin was located on bench land, the Frank Weygant cabin was

⁴⁴ Ibid., 19-20.

located near Wolf Creek, in rougher country, but had protection from the rimrocks. The roof had wide eaves to provide some protected outdoor storage. According to one of the Weygant daughters, "a hundred and one things were stored there from hammer and colored crayons, to bottles of creosol and packages of garden seed. One night a box of bullets for the '22', kept high up under the eaves, was struck by lightening; and while none of the bullets penetrated the thickness of the logs, we did wait for what seemed endless moments, wondering which one of us was going to be shot first, and from what direction." The large uniform logs smelled like pine and served as good insulation for the cabin. The sod which insulated the roof sprouted a native garden. Unlike many homestead dwellings, the Frank Weygant cabin had mosquito netting over the windows and a screen door. Mrs. Frank Weygant tried to make the cabin comfortable and attractive. She created cots that turned into couches during the day, made decorative pillows, hung curtains, and placed embroidered cloths on tables. According to her daughter, Mrs. Weygant even washed the sheets every week. An oil painting and an ivory carving added an elegant touch.⁴⁵

⁴⁵ Ibid., 34-35.

The Weygant family seemed comfortable in their log cabins, but other homesteaders were not as comfortable, especially in winter. Many homestead shacks often had only thin tarpaper to supplement wooden siding, and newspaper had to be used as insulation on the inside. The cellar underneath the floor of many homestead dwellings helped keep milk and butter cool in the summer, but in the winter, cold air moved in through cellar doors, chilling the homesteaders.⁴⁶ Few could afford to build shacks on their claim and nice houses in town. William E. Jones left Nebraska for Fergus County, Montana, in the fall of 1913 and filed on 160 acres, one-quarter of a section, west of the town of Roy. He built his "homestead shack" in the late fall in order to comply with the homestead laws but returned to Nebraska for the winter. In the spring of 1914, Jones returned to his homestead and was joined by his wife and children, who brought their household goods and machinery from Nebraska. Jones either had substantial savings or was able to borrow money on his land because he built a house and garage in the town of Roy in August 1914, just as war

⁴⁶ Ibid., 67.

began breaking out in Europe. He then had to travel back and forth to his homestead.⁴⁷

Despite the physical hardships associated with homesteading and the lack of amenities, many people flocked west to homestead. Ultimately, homesteaders believed that, with hard work, they would be able to secure their homestead and make a profit. Before 1914, agricultural prices were relatively stable; Wheat prices remained between \$.61 and \$.91 per bushel (see Figure 4).⁴⁸ Although the prices were low, their stability made it easier for farmers to plan their future because, for example, tax assessments would also remain relatively stable.

World War I, however, ushered in an economic boom in agriculture, which provided further incentive to homesteaders as the United States began supplying the Allies with foodstuffs. Wheat acreage in the United States increased from 53.5 million in 1914 to 60.5 million in 1915, and continued to increase during the war years. In 1915, America produced a record-breaking billion bushels of wheat. In 1916 and 1917, the wheat

⁴⁷ Alberta C. Sparlin, *The Trail Back* (Published by Author, 1976), 140-141, quoted 140.

⁴⁸ *Montana Agricultural Statistics*, 4.

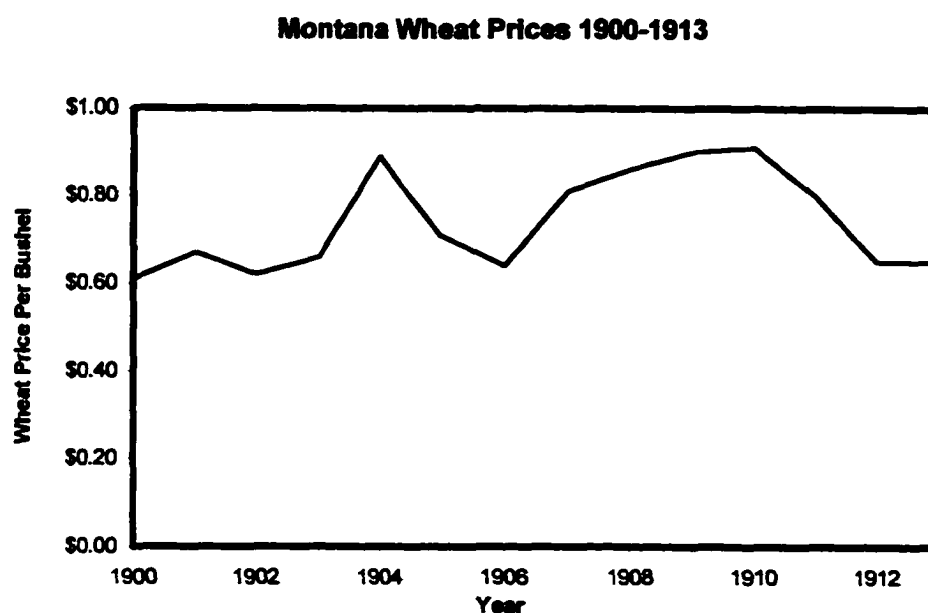


Figure 4. Montana Wheat Prices Before World War I.⁴⁹

crop was not as great, but the price of wheat in Chicago jumped from \$1.06 in June 1916 to \$3.40 in May 1917.

(Montana's wheat prices went from \$1.06 to \$2.28 during the same time.) As a result, Montana's homesteaders made great leaps in income during the war years. In addition, the federal government encouraged homesteading and plowing up the Great Plains during World War I to help the war effort. In 1917, after the passage of the Food Control Act, the government made more public land available to homesteaders and Americans were urged to

⁴⁹ Ibid.

homestead and farm to increase world food supplies to help prevent famine.⁵⁰ Consequently, the number of farms climbed with the price of wheat (see Figure 5).⁵¹

**Number of Farms and Price of Wheat in Montana,
1910-1919**

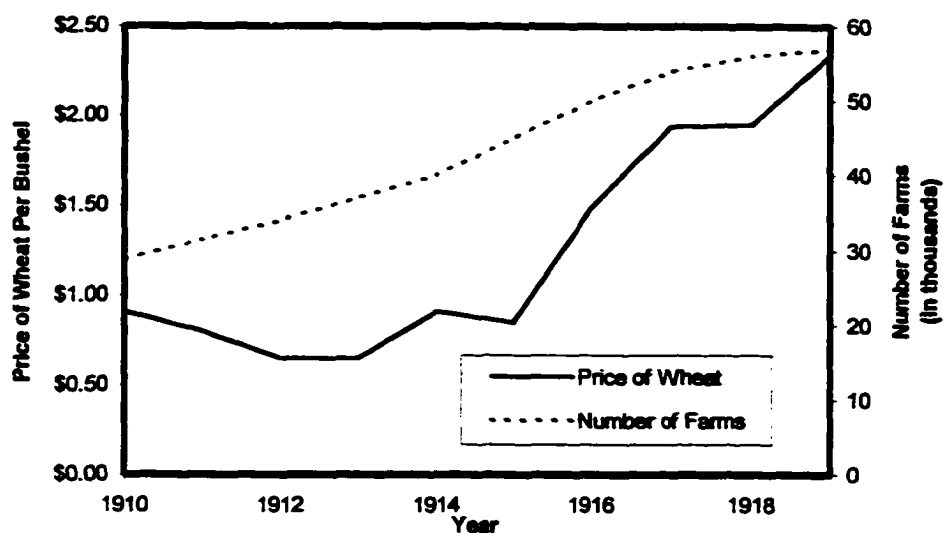


Figure 5. Montana Farms and Wheat Prices during the Economic Boom, 1910-1919.⁵²

Agricultural economists expected food shortages in the United States as well as in Europe, and settlement and cultivation of the Great Plains seemed to be the solution. Secretary of Agriculture David Houston made a

⁵⁰ Murray R. Benedict, *Farm Policies of the United States 1790-1950: A Study of their Origins and Development* (New York: The Twentieth Century Fund, 1953), 156-161.

⁵¹ *Montana Agricultural Statistics*, 3-5.

⁵² *Ibid.*

patriotic plea to farmers in the annual "Report of the Secretary" in the *Yearbook of Agriculture, 1917* to respond to the predicted emergency and to raise more crops.⁵³ Farmers responded, increasing the acreage under cultivation to raise the necessary food.

Following the national trend, Montana cattle as well as wheat prices began climbing after the war started in Europe, and peaked in 1919 and 1920 (see Figure 6). Before the war, average annual wheat prices in Montana remained below a dollar a bushel, but prices climbed during the war, and in 1919 and 1920 farmers received more than two dollars per bushel. In 1914, cattle averaged between \$6 and \$7 per hundredweight, but the price climbed to a pre-World War II high of over \$12 per hundredweight in May 1919.⁵⁴

During the 1910s, the agricultural economy in Montana boomed. Although farmers paid more for goods during the boom years, their purchasing power increased even faster as the price of wheat and cattle climbed. Montana farmers enjoyed significantly more purchasing

⁵³ U.S. Department of Agriculture, *Yearbook of Agriculture, 1917* (Washington, D. C.: Government Printing Office, 1918), 9-61.

⁵⁴ *Montana Agricultural Statistics*, 93, 108.

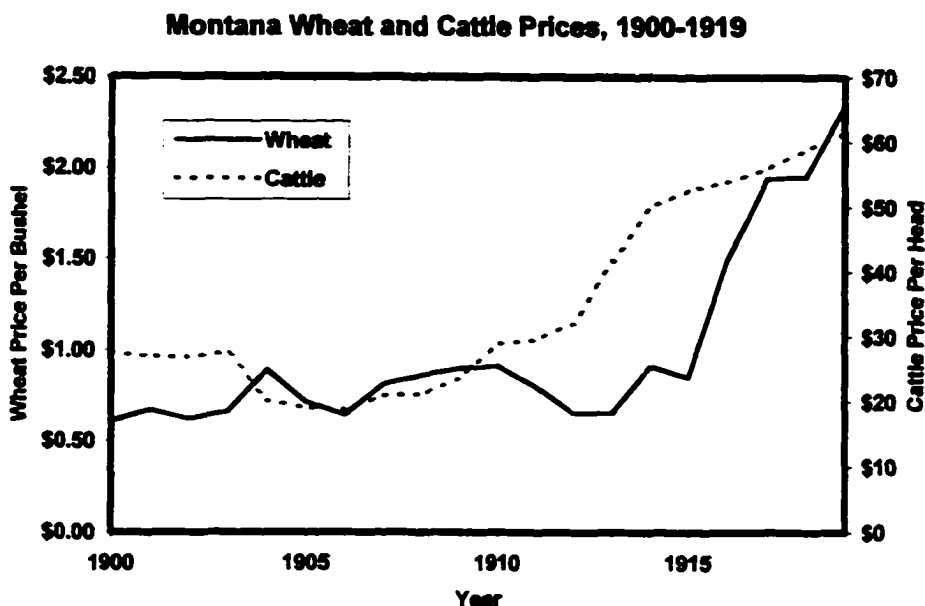


Figure 6. Montana Wheat and Cattle Prices, 1900-1919.⁵⁵

power between 1915 and 1919. Between 1900 and 1919, the price of wheat nearly quadrupled, while the Consumer Price Index slightly more than doubled (see Figure 7).⁵⁶ With bright prospects, they looked for ways to improve their lives and their livelihoods, often by borrowing money for equipment or land.

⁵⁵ Ibid., 4-5, 48-49.

⁵⁶ U.S. Department of Commerce Bureau of the Census, *Historical Statistics of the United States, Colonial Times to 1970, Part 1* (Washington, D. C.: Government Printing Office, 1975), 192, 211.

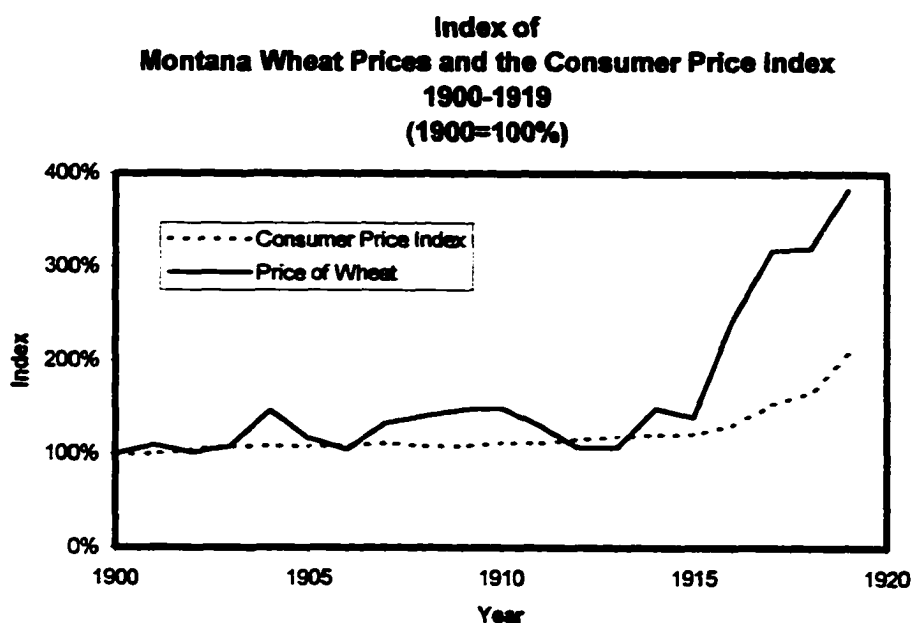


Figure 7. Index of Montana Wheat Prices and the Consumer Price Index, 1900-1919.⁵⁷

As farmers prospered, so did others in the community – there was money to be made during the boom. Banks enjoyed profits from high-interest loans, often 10 percent or more. Merchants benefited from the increased flow of money as people increased their consumption. Those trading in wheat also made money. The *Lewistown Democrat-News* reported that Henry De Young "left [Lewistown] after accumulating quite a stake playing the wheat market. . . ."⁵⁸

⁵⁷ Ibid.

⁵⁸ *Lewistown Democrat-News* 24 March 1931.

Even though agricultural prices were rising, it took capital to develop a homestead. Not all homesteaders had the capital, so many borrowed money during the boom years. Banks encouraged farmers and homesteaders to borrow as the government urged agricultural expansion. As a result, many borrowed to improve or expand their homestead. After years of relative stagnation, agricultural prices climbed and many farmers assumed the trend would last.

Montana homesteaders had faith in the future. Martin and Anna Stofer homesteaded on 320 acres just east of Roy in Fergus County, probably in late 1916, when he was in his early forties and she about a decade younger. In March 1917, the Farmers State Bank of Roy lent them \$880, with a 10 percent interest rate on the loan if it passed the due date of 1 August 1917. The following year, the Stofers borrowed an additional \$1246.11 from the First National Bank of Roy. They continued to borrow on their homestead into the 1920s. By the early 1920s, the couple had managed to accumulate "household furniture, farm machinery, horses, cattle, hogs, chickens, grain, and farm tools" and to improve their homestead with wells and reservoirs. Walter H. Gooch and his wife, Helen R. Gooch homesteaded in eastern Fergus

County during the early years of the boom. The federal government granted a patent to Gooch in 1915 for 320 acres of land. They built a large log cabin (16 by 48 feet) and several outbuildings. In 1919, when they wanted capital to invest in their homestead, they went to the Montana Joint Stock Land Bank of Helena for a \$2500 loan.⁵⁹ Fergus County homesteaders, like farmers across the Great Plains, believed the future looked bright and chose to borrow against that bright future.

The agricultural economy did look promising, not just to the boosters and those who homesteaded, but also to many who purchased mortgages as an investment. Farmers arranged their mortgages through banks, but the mortgages were quickly sold to other investors – such as banks and insurance companies as well as individuals – usually from out of state. Central Montana had little capital, so the sale of mortgages to outsiders kept up the influx of outside capital. (Fergus County banks often found investors in Minnesota, which was easily linked to Montana by the Great Northern Railway.) The mortgage of Fergus County homesteaders Charles and Tillie Peterson was typical. They took out a mortgage on May 9,

⁵⁹ Land Use Case Files, Box 8, LU-MT 38-22-155.

1917; ten days later it was assigned to an individual investor in Hennepin County (Minneapolis), Minnesota. In 1921, the University State Bank of Minneapolis purchased the mortgage, and in 1922 the Petersons paid off their mortgage.⁶⁰

As the country was becoming more industrialized, Montana offered a final opportunity to homestead and farm, and opportunity to be one's own boss. Consequently, more and more people moved to Montana to homestead, to gain economic independence earning a profit from their labor. As the agricultural economy improved during the 1910s, the earning power of the land increased, often at a higher rate than consumer goods. The increased rainfall led to higher yields per acre, and the increased demand for agricultural goods forced agricultural prices up. Because their land brought in increasingly more income, farmers could borrow more money to improve their property. On the whole, the standard of living seemed to be improving for rural Montanans and the future looked bright.

⁶⁰ Land Use Case Files, Box 16, LU-MT 38-22-284.

Chapter 4

Montana Farmers Go Bust

In June 1919, World War I officially came to an end with the signing of the Treaty of Versailles and, subsequently, the agricultural boom in America collapsed. It would be more than a half century before wheat prices matched those for the 1919 Montana wheat crop. An economic boom lasted through the 1920s for much of the country, but not for American farmers, who after the end of World War I faced declining markets, falling prices, and drought. During the 1910s, plowing up as much of the Great Plains as possible had seemed appropriate to further the war effort, and wheat production there did boost the American economy, but once European farmers returned to their fields after the war, demand for American agricultural products declined. The resulting contraction in agricultural prices continued through the 1930s. In Montana, the average price of wheat for the 1919 crop was \$2.34 per bushel; two years later it had dropped to less than a dollar per bushel.¹ A drought on

¹ Montana Agricultural Statistics Service, *Montana Agricultural Statistics, State Series 1867-1991* (Helena: Montana Department of Agriculture, 1992), 4-6, hereafter cited as *Montana Agricultural Statistics*.

the northern Great Plains during the 1920s and 1930s coincided with the end of the agricultural boom and further reduced agricultural income by reducing output. But because of the market contraction, agricultural prices did not rise as the drought worsened and production fell. The agricultural boom of the 1910s that had coaxed homesteaders West and encouraged the breaking of the sod on the northern plains was over.

Although the year 1919 marked the beginning of the end of the agricultural boom, drought had reduced the Great Plains wheat crop and world demand for wheat remained high, but the drought would last longer than the high demand for wheat. That year, Lewistown received just over eleven inches of rain; Havre, about 175 miles north of Lewistown, received less than nine inches. As a result, wheat farmers in Montana averaged only five bushels per acre, the lowest recorded yield for that state, while the annual average price of wheat reached a record \$2.34 per bushel.² Despite the problems, many homesteaders hung on and continued to farm, dependent now

² Ibid.; United States Department of Agriculture Weather Bureau, *Climatic Summary*, 7/1- 11/19, hereafter cited as Weather Bureau, *Climatic Summary*; U.S. Department of Agriculture, *Yearbook of Agriculture*, 1923 (Washington,

on outside help, such as loans. For example, in 1919, Walter and Helen Gooch mortgaged their 320 acre homestead in Fergus County and took out a loan for \$2500.³ In early 1920, F. B. Linfield, the Director of the Montana Agricultural Extension Station, tried to be somewhat optimistic about the three years of drought and declining crop yields when he pointed out that the drought was an aberration in the forty years during which records had been kept.⁴

Wheat prices were an important determinant in the success of homesteaders, but many other factors affected agricultural prosperity, including rainfall, acreage planted, acreage harvested, yield per acre, and total bushels harvested. A comparison of wheat prices and yield shows that there was a negative relationship between those two factors (see Figure 8). From 1900 to 1929, when the wheat yield (bushels per acre) was high, prices went down but when wheat yield was low, prices

D. C.: Government Printing Office, 1924), 1211-1222, Table 37.

³ LUMT 38-22-155, Box 8, Land Use Case Files, 1934-1953, Records of the Bureau of Land Management, Montana, Record Group 49, National Archives, Rocky Mountain Region, Denver, Colorado, hereafter cited as Land Use Case Files.

⁴ University of Montana Agricultural Extension Station, *Twenty-Sixth Annual Report* (Bozeman: University of Montana Agricultural Experiment Station, 1920), 7-8.

went up. The relationship between yield and price diminished somewhat after 1929, when prices dropped even when yield was low, and the entire country began to suffer economic problems.⁵

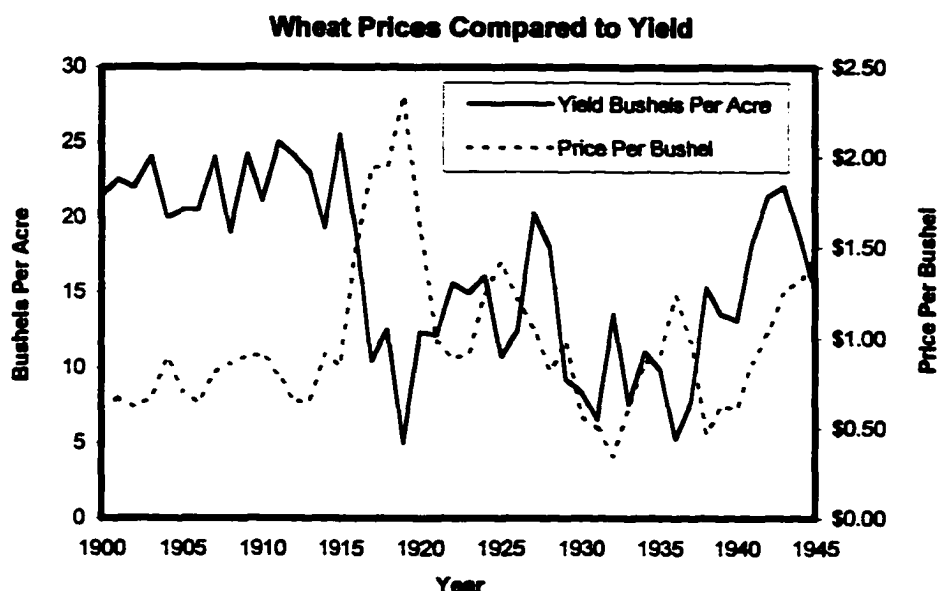


Figure 8. Wheat Prices Compared to Yield.⁶

While the price of wheat is an important element in assessing the Montana farm economy, other important data should be considered, such as yield per acre. A combination of those two factors showing the actual gross

⁵ Ibid. The years 1900 through 1945 were selected for convenience to show the economic trends from before the homestead boom through the end of the Great Depression.

⁶ *Montana Agricultural Statistics*, 4-5.

income per acre of wheat provides a fuller picture of the economic situation Montana farmers and homesteaders faced (see Figure 9). For example, drought or insects might reduce the production per acre, but increased prices

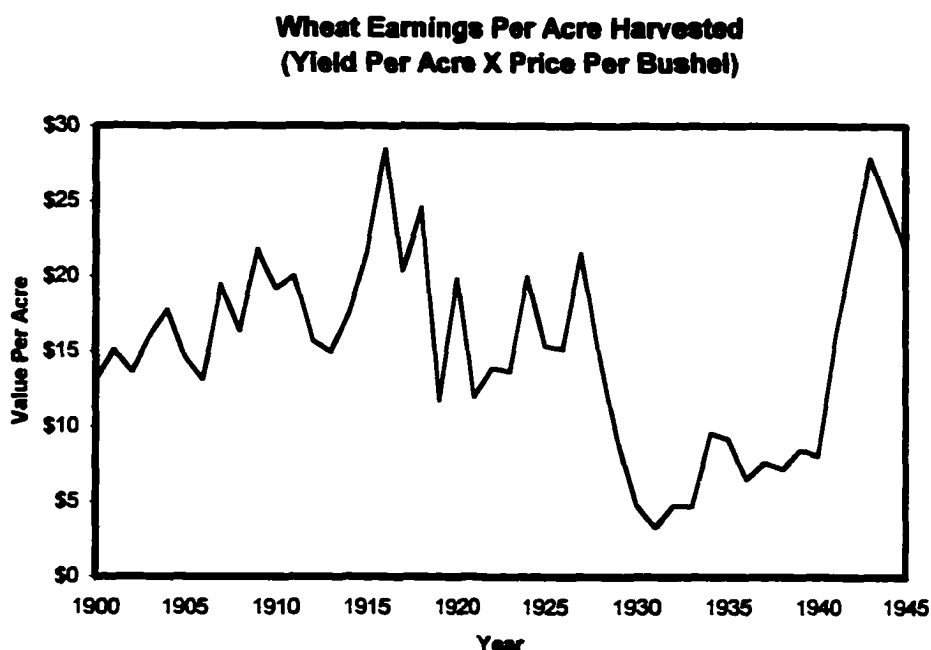


Figure 9. Montana Wheat Earnings Per Acre Harvested (Yield Per Acre multiplied by the Price Per Bushel).⁷

Could negate the crop loss. Although many other factors helped determine the income of a farmer or homesteader, who may have raised other crops or livestock, wheat

⁷ Ibid. In order to provide a better picture of the income from wheat in Montana, I multiplied the yield per acre (in bushels) by the dollar price per bushel to come up with a figure showing the actual gross income per acre of wheat that was harvested.

proved to be the most lucrative cash crop. During the mid 1910s, the earnings per acre of wheat hit new highs, reaching \$28.46 in 1916. By 1931, the earnings per acre had plummeted to \$3.30. During the 1920s and 1930s, problems surfaced because those high income years during the boom had established an unrealistic standard for farmers, bankers, and boosters. Because those high earning years coincided with the homestead boom in Montana, many of the homesteaders believed that the higher income was the norm.⁸

Wheat prices fluctuated according to a variety of factors which were generally out of the control of the average farmer. During the first few years after the passage of the Enlarged Homestead Act, 1910 through 1916, a farmer could anticipate reaping, on average, 22.4 bushels per acre of wheat, and could average just under \$20 per acre income on wheat acreage harvested. During those years, Lewistown averaged about two inches more precipitation than normal each year. Those were high yield years, although the price of wheat was not high. But the following seven years (1917 through 1923) were not as good. Lewistown averaged below normal rainfall,

⁸ Ibid.

and from 1917 to 1923, Montana wheat farmers harvested only 11.9 bushels per acre, about half the crop of the previous seven years, but the average price of wheat climbed to \$1.52 per bushel, making the per acre dollar yield just over \$18, about 90 percent of the dollar yield for the previous seven years. The difference in the average earnings per acre for those two time periods is not as significant, because of the relationship between wheat yields and price, but the price declines continued through the 1920s and the 1930s as yields per acre sagged.⁹

According to Montana Agricultural Experiment Station statistics from 1919 to 1934, on average, Fergus County raised more wheat than any other Montana county. The county yield for those years was 13.9 bushels per acre, only slightly higher than the state average of 12.6 bushels per acre.¹⁰

⁹ *Montana Agricultural Statistics*, 4-5; Weather Bureau, *Climatic Summary*, 7/1- 11/19.

¹⁰ The Missouri River has always served as the northern boundary of Fergus County, although remaining boundary lines for Fergus County have changed several times as new counties were created. There have been no changes in the Fergus county boundary since 1924. Because of changes in the county size, any comparison of county crop statistics before 1924 with later years would be flawed, unless adjusted to take into account the land loss. Nonetheless, the county statistics hint at the importance

During the 1920s, despite the fluctuation in the agricultural economy and a growing unease, there was still an optimism among farmers and boosters reflected in newspaper articles. The *Lewistown Democrat-News* suggested that the ordinary farmer was doing well, and that those with poor judgment were the ones having a difficult time.¹¹ Long-term averages of wheat earnings indicate that may have been true for the first three decades of the century, but consumer prices were not stagnant during the same period. The average earnings per acre of wheat varied from year to year, but averaged by decade the variation was not as great during the first three decades of the twentieth century as during the 1930s. From 1900 through 1909, the earnings per acre of harvested wheat averaged \$16.07. The following decade averaged \$19.42, and during the 1920s it dropped to \$15.51, a variation of less than a dollar from the first

of wheat to the Fergus County agricultural economy as well as the county's contribution to the state agricultural economy. E. A. Starch, *Readjusting Montana's Agriculture*, VII. *Montana's Dry-Land Agriculture*, Montana Agricultural Experiment Station Bulletin no. 318 (Bozeman: Montana Agricultural Experiment Station, 1936), 8-9, hereafter cited as Starch, *Readjusting Montana's Agriculture*, VII.

¹¹ *Lewistown Democrat-News* 3 January 1925.

decade to the third decade.¹² What appeared to be relative stability actually was stagnation, because prices increased on the goods the farmer purchased. According to F. B. Linfield, prices on products farmers purchased in the early 1920s were between 75 percent and 100 percent higher than the pre-war prices, and freight rates charged Montana farmers remained high compared to prewar rates. Even though both the price of wheat and the Consumer Price Index declined from their highs at the end of World War I, during the 1920s and 1930s, the price of wheat remained comparatively lower than the Consumer Price index in most years (see Figure 10). Furthermore, farmers faced the added expense of purchasing expensive new machinery, even though machinery improved yield and efficiency. The 1930s, however, were catastrophic for farmers in Montana as the average earnings per acre of wheat plunged to \$3.30.¹³

¹² *Montana Agricultural Statistics*, 4-5.

¹³ Although during many years farmers were able to harvest more than 90% of the wheat acreage they planted, some years were devastating. In 1919, only 52% of the acreage planted was harvested. *Montana Agricultural Statistics*, 4-5; University of Montana Agricultural Extension Station, *Twenty-Eighth Annual Report* (Bozeman: University of Montana Agricultural Experiment Station, 1922), 8; U.S. Department of Commerce Bureau of the Census, *Historical Statistics of the United States, Colonial Times to 1970*, Part 1 (Washington, D. C.:

**Index of Montana Wheat Prices and the
Consumer Price Index, 1900-1939
(1900=100%)**

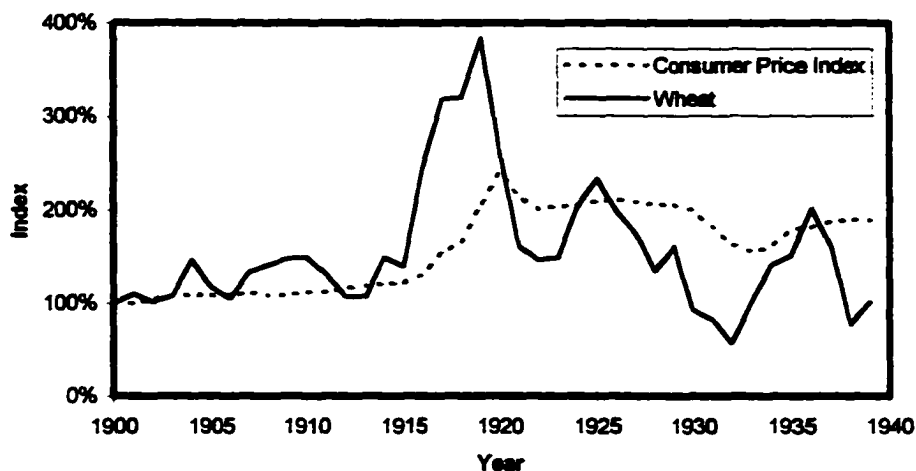


Figure 10. Index of Montana Wheat Prices and the Consumer Price Index, 1900-1939.¹⁴

Environmental factors influenced the income of Montana farmers as well. Farmers rarely harvested all of the wheat they planted. Hail, drought, and insects caused crop loss. After 1915, statistics were kept on the acreage of wheat planted and the acreage of wheat harvested, so it is possible to come up with a percentage of acreage that made it to harvest (see Figure 11). From 1916 through 1929, Montana farmers harvested 90 percent of the wheat acreage that was planted, but during the

Government Printing Office, 1975), 192, 211, hereafter cited as Bureau of the Census, *Historical Statistics*.

¹⁴ *Montana Agricultural Statistics*, 4-5; Bureau of the Census, *Historical Statistics*, 192, 211.

1930s, only 74 percent of the acreage was harvested. Agricultural income declined in the 1920s in comparison to the earlier boom years, but during the 1930s, agricultural income plummeted. In 1936, Montana wheat farmers harvested only 45 percent of the wheat acreage they planted, the lowest percent recorded. The widespread loss of wheat before harvest was compounded by dramatic decline in agricultural prices. Wheat averaged

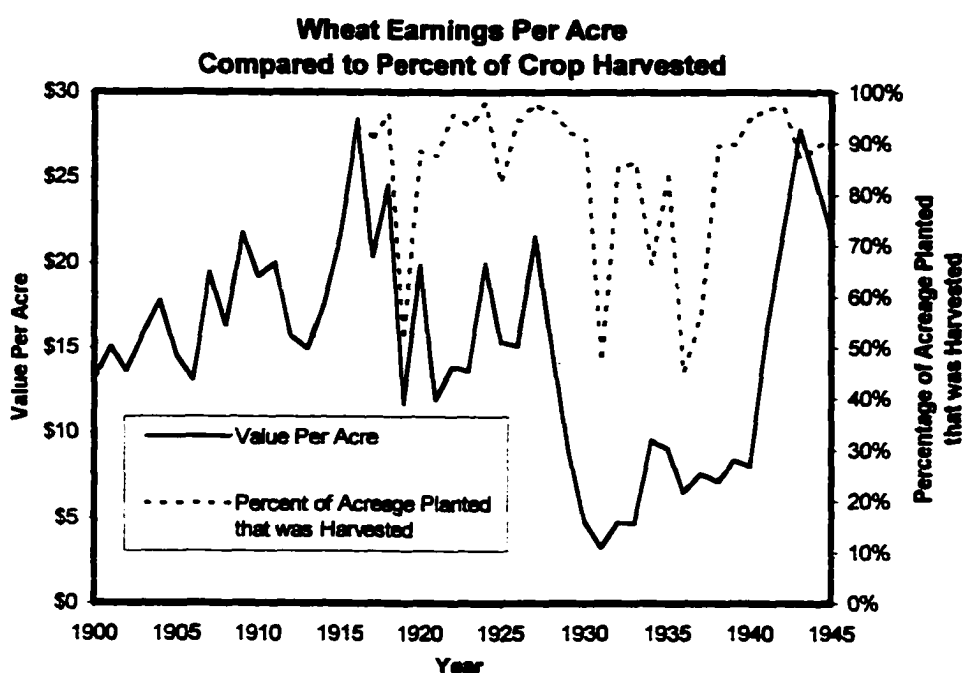


Figure 11. Montana Wheat Earnings Per Acre Compared to Percent of Crop Harvested.¹⁵

only \$.71 per bushel in the 1930s, and the average yield declined to less than ten bushels per acre, making the

¹⁵ *Montana Agricultural Statistics*, 4-5.

earnings per acre about \$6.60, one-third what farmers had received during the agricultural boom during the 1910s. Wheat prices dropped to a low of \$.35 per bushel in 1932.¹⁶

Despite the contraction in the agricultural economy and several years of drought, boosters attempted to reassure farmers and settlers – and to lure more homesteaders west. The *Lewistown Democrat-News* reported on the success of a few area farmers in January, 1925. The price of wheat had risen slightly, so the boosters had some reason to be optimistic, if only for the short term. The newspaper reported:

From reports gathered from people who have an intimate knowledge of what the farmers in this section have been up against the past few years and what can be accomplished on the low priced and heavy yielding lands found in this section it is given as a conservative estimate that more than 95 per cent of the farmers who stayed on their farms and took care of their crops and used ordinary judgment in preparing the soil for planting are coming through the depressing times in splendid shape and are rapidly getting back onto their feet again.¹⁷

The *Democrat-News* suggested that the farmers who were having difficulties had failed to use prudent financial judgment. Giving specific examples of how area

¹⁶ Ibid.

¹⁷ *Lewistown Democrat-News* 3 January 1925.

farmers handled their money, the newspaper painted a rosy financial picture, as if farmers would have no problems if they were more judicious with their spending. No names were given, so the veracity of the reports cannot be proven. In one example, the owner of a 240 acre parcel near Denton supposedly planted 110 acres of "grain," and with the income from its sale was able to pay interest of \$973.82 on a \$5,000 mortgage, \$848.85 in taxes (including back taxes), and \$264 on a seed lien. Those three payments totaled nearly \$2,100. According to the article, the owner "wiped out all back indebtedness with nothing more to bother about regarding payments until tax season in 1925."¹⁸ If the farmer paid \$973.82 in interest, he had borrowed the money at twenty percent, a very high rate. Traditionally, farm loans required the annual payment of interest, with the principal due in a lump sum, but the practice was changing to include amortized loans, so perhaps that payment included principal and interest. According to production statistics, farmers averaged 16.1 bushels of wheat per

¹⁸ Ibid.

acre in 1924, and in January 1925 the price of wheat had climbed to \$1.57 per bushel. If that farmer had all of his 110 acres in wheat, brought in an average crop, and waited to sell until January, he may have earned about \$2,780. In 1924, Montana wheat farmers harvested 98 percent of the acreage they planted, so that most farmers were able to bring in a full crop. If he or she sold earlier than January or if part of the acreage was in another grain (wheat was the most lucrative dry land grain crop), the income would have been less. After paying the three major expenses mentioned in the newspaper article, that farmer would have had less than \$700 to pay for other expenses such as supplies, fuel, machinery, food, and other necessities. The article related several other presumed examples of Fergus County farmers who got out from under debt and paid back taxes with their 1924 crop. While the article may have been meant to encourage (or shame) people into sticking with their homesteads, it was written after a good wheat harvest, when prices were moderately increasing. Those conditions did not last long, because wheat prices began falling again after 1925.¹⁹

¹⁹ Ibid.; *Montana Agricultural Statistics*, 4-22, 93.

Cattle prices may also help depict the financial situation of Fergus County farmers. Homesteaders cultivated their land, because they had to in order to win clear title to it, but many also grazed livestock. Some homesteaders, including the Frank Weygant family in Fergus County, made only a minimal effort to cultivate their homestead land, because they ultimately intended to become ranchers. Unfortunately for them, cattle prices generally followed the same broad trends as wheat, particularly after 1912 (see in Figure 12).

In Montana, the average price per head for cattle and calves from 1900 through 1909 was \$23.28. During the following decade, during the homestead boom, average cattle prices per head doubled to \$46.49, but declined to \$37.21 during the 1920s. Prices further declined during the 1930s, dropping to an average \$30.93 per head.²⁰

With the fluctuations in agricultural prices, farmers and ranchers had a difficult time planning for the long term. The agricultural boom during the war years had been intoxicating, but those who counted on continued high prices for their agricultural products suffered when the war ended. Those carrying a heavy debt

²⁰ Ibid.

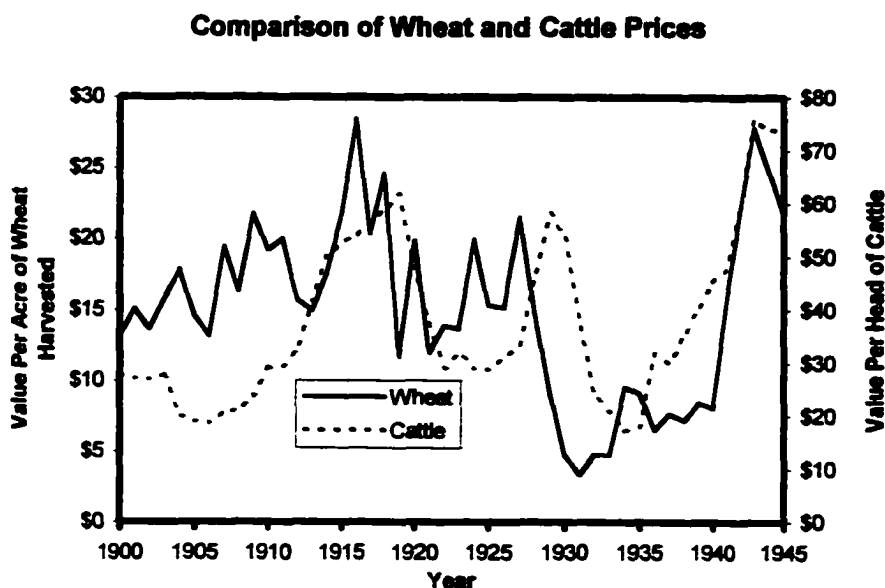


Figure 12. A Comparison of Wheat and Cattle Prices from 1900 through 1945.²¹

load when either prices or production dropped could be forced out of business. Many farmers gradually took on more and more debt, only to find themselves unable to service that debt during the Great Depression. As the economy worsened, Montana farmers faced mounting financial difficulties. Tax delinquency, foreclosure, and bankruptcy loomed for many. In several Montana Agricultural Experiment Station *Bulletins*, agricultural economist Roland Renne discussed farm failures and warned: "Such tax delinquency and mortgage foreclosure

²¹ Montana Agricultural Statistics, 4-5, 48-49.

is indeed just cause for alarm. Not only is it tragic for a great many individuals to lose their homes and life savings, but it causes general social instability by threatening the collapse of local governmental units and challenges the institutions of private property itself."²²

Other agricultural scientists expressed concern about the declining agricultural economy. In 1924, Milburn Lincoln (M. L.) Wilson, the head of agricultural economics at Montana State Agricultural College gave Henry C. Taylor of the USDA Bureau of Agricultural Economics a tour of Montana, where scores of wheat farmers were losing their farms.²³ Unlike others working to shape agricultural policy, Wilson personally understood the plight of farmers and homesteaders. After earning his undergraduate degree in agriculture at Iowa State College, where he had befriended Henry A. Wallace,

²² Roland R. Renne, *Readjusting Montana's Agriculture, VIII. Tax Delinquency and Mortgage Foreclosures*, Montana Agricultural Experiment Station Bulletin no. 319 (Bozeman: Montana Agricultural Experiment Station, 1936), 3, hereafter cited as Renne, *Readjusting Montana's Agriculture, VIII*. Renne, an agricultural economist, wrote several land utilization articles and eventually became president of Montana State College.

²³ Russell Lord, *The Wallaces of Iowa* (Boston: Houghton Mifflin Company, 1947), 295, hereafter cited as Lord, *Wallaces of Iowa*.

Wilson headed west to farm. After tenant farming in Nebraska, he homesteaded in Montana in 1909.²⁴ Wilson described the 1924 trip with Taylor:

We saw what was left of the old pioneer order, a pitiful remnant scratching at sections and half-sections with inadequate equipment. All the eggs in one smashed basket, and that basket too small! Great blocks of land had passed into the hands of loan and insurance companies that did not know what to do with it. And on all sides we saw good farmers - young men, many of them lately married, with the beginnings of a family - caught, starved out on the lower sections of the ladder that leads to farm ownership, with no chance to climb.²⁵

Montana farmers faced additional problems with taxes during the 1920s and 1930s. As property values increased during the boom years, so did the taxes that were based on property assessments. But the flawed prosperity could not sustain the boom or the high real estate prices. Agricultural prices declined through the 1920s and 1930s, and property values followed, but there was a lag between the two. Consequently, many landowners had difficulty paying their property taxes. The average tax per acre for Montana farm land and buildings dropped somewhat

²⁴ Merrill G. Burlingame and Edward J. Bell, Jr., *The Montana Cooperative Extension Service: A History 1893-1974* (Bozeman: Montana State University, 1984), 28-29, 65-92; William D. Rowley, *M. L. Wilson and the Campaign for the Domestic Allotment* (Lincoln: University of Nebraska Press, 1970), 3, hereafter cited as Rowley, *M. L. Wilson*.

²⁵ Quoted in Lord, in *Wallaces of Iowa*, 295.

during the 1920s, but farmers still paid 51 percent more per acre in taxes in 1933 than 1913. The value of the wheat, however, was not higher. In 1913 it was \$.65 per bushel, but only \$.62 in 1933.²⁶

A comparison of data from a 1934 study of Montana farm taxes and the Consumer Price Index indicates that both similarly increased between 1913 and 1922 but both slightly decreased between 1922 and 1933. Although earnings per acre of wheat climbed dramatically during the mid-1910s, they were slightly lower in 1922 than in 1933, and declined dramatically between 1922 and 1922. Farm taxes did not reflect that dramatic decline in income (see Figure 13).²⁷

As more homesteaders moved to Fergus County during the boom years, more services such as schools and roads were required to serve them. Their taxes should have paid for the needed infrastructure, but when homesteaders abandoned their land or when farmers could no longer pay taxes, the county still had to provide schools and roads

²⁶ Roland R. Renne, *Montana Farm Taxes*, Montana Agricultural Experiment Station Bulletin no. 286 (Bozeman: Montana Agricultural Experiment Station, 1934), 3-4, hereafter cited as Renne, *Montana Farm Taxes*.

²⁷ Ibid., 3-10; *Montana Agricultural Statistics*, 4-5; Bureau of the Census, *Historical Statistics*, 192, 211. The tax rates for Fergus County are not

in areas of declining population. The burden of taxes rested heavily on farmers, despite the fact that their land had lost value as agricultural prices dropped. In 1933, Fergus County remained heavily in debt and was among the four most indebted counties in Montana.²⁸

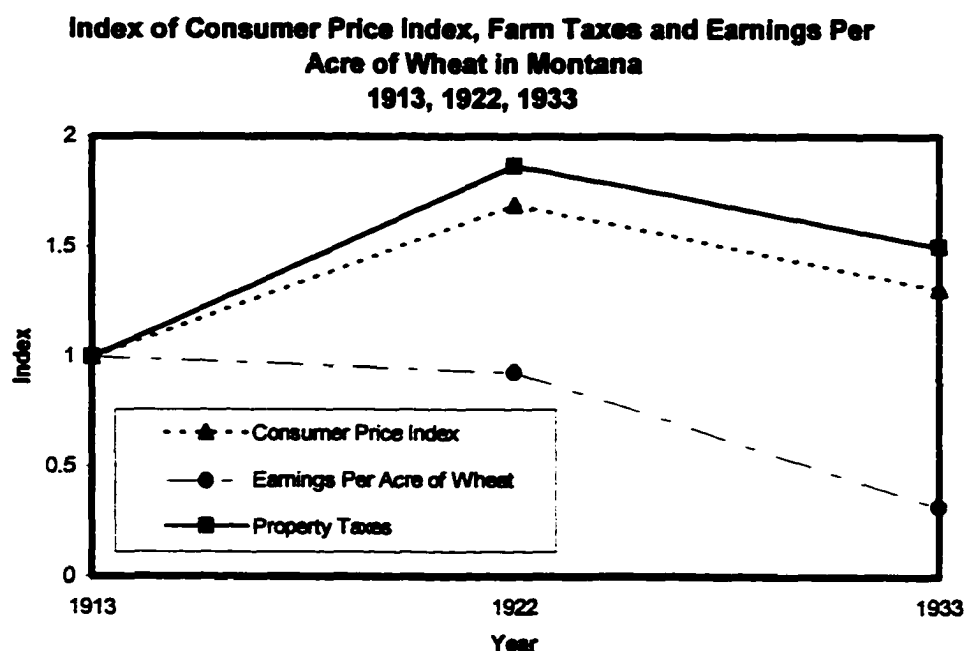


Figure 13. Index of Consumer Price Index, Farm Taxes and Earnings Per Acre of Wheat in Montana, 1913, 1922, 1933²⁹

²⁸ Renne, *Montana Farm Taxes*; Roland R. Renne, *Montana County Organization, Services, and Costs*, Montana Agricultural Experiment Station Bulletin no. 298 (Bozeman: Montana Agricultural Experiment Station, 1935).

²⁹ Renne, *Montana Farm Taxes*, 3-10; *Montana Agricultural Statistics*, 4-5; Bureau of the Census, *Historical Statistics*, 192, 211.

Many landowners had difficulty paying taxes on their land during the 1920s and 1930s and some lost their land as a result. As their incomes declined, county governments suffered as well. The number of counties in Montana rose sharply during the homestead boom, creating more county governments and increasing the tax burden. In addition, the increasing population had demanded better governmental services, so during those years of growth counties accumulated debt which had to be paid off during the leaner years that followed. By the mid-1930s, Montana counties received about 85 percent of their income from property taxes, and most of that from property taxes on farms.³⁰

As farm incomes declined the tax delinquency problem became widespread. In 1920, the *Lewistown Democrat-News* published a list of Fergus County residents who had failed to pay their property and personal taxes the previous year. The list went on for ten pages. Nearly 2500 landowners were delinquent in paying their real estate taxes, and about a thousand were delinquent in paying personal property taxes.³¹ Taxes were a problem

³⁰ Ibid.

³¹ *Lewistown Democrat-News* 5 January 1920, 27 December 1920.

for other Montanans as well. In July 1930, agricultural prices dropped again — the price of wheat was down to \$.64 per bushel, but across Montana, taxes were increasing. So as farmers faced a continuing loss of income, their taxes increased. Forty of the fifty-six counties in Montana in 1930 increased or maintained their taxes, while only sixteen reduced their taxes.³²

By 1934, 40 percent of the agricultural land on tax rolls in Montana was tax delinquent. Twenty-five percent had had no taxes paid for three years or more, and 10 percent had been delinquent for more than five years. Montana counties eventually seized the tax delinquent land, and as a result, from 1925 through 1934, Montana counties increased their land holdings by nearly 5000 percent.³³ In Fergus County, the percent of tax delinquent agricultural land was nearly 55 percent, higher than the state average.³⁴

Many homesteaders had difficulty paying their taxes. In 1917, Ralph and Ida Tait homesteaded on the 320 acres allowed by the Enlarged Homestead Act, although their

³² Lewistown Democrat-News 8 July 1930.

³³ Renne, *Readjusting Montana's Agriculture*, VIII, 3-11.

³⁴ H. G. Bolster, *Planning an Agricultural Program for Fergus County* (Bozeman: Montana Extension Service, 1936), 43.

acreage was in two parcels that included parts of three sections. They borrowed \$400 in 1922 from the First National Bank of Grass Range and were able to satisfy that loan two years later, but they began paying their property taxes late. By 1930, the Taitts were unable to pay all of their property taxes. In 1937, the 120 acre tract was valued at \$160, but a year later the United States Department of Agriculture Bureau of Agricultural Economics Division of Land Acquisition appraised the property at only \$90 (\$.75 per acre), about 60 percent of the previous assessment. The Taitts had tried to make a living from the property, but the land was unsuitable for cultivation and eroded easily. By the late 1930s, saddled with poor land and tax debt, there seemed to be no solution to their problems.³⁵

Others had similar problems paying taxes. George Martin homesteaded 160 acres near Armells Creek in Fergus County during the homestead boom, but a quarter of a century later his land was unproductive. After Martin developed health problems, in 1919 he and his wife rented

³⁵ Land Use Case Files, Box 12, LUMT 38-22-223, LUMT 38-22-224; Fergus County Clerk of Court, Deed Record 64:223; Claire O. Clark, *Soil Survey of Fergus County, Montana*, United States Department of Agriculture Soil Conservation Service (Washington, D. C.: Government Printing Office, 1988).

out their homestead and moved to Washington state for a year. When they returned, their homestead was in disrepair, so they moved to his wife's parents' ranch, but continued to rent out their land. They held onto their homestead but had difficulty paying the taxes after 1935, even though they leased the land out for grazing. Most of the land was on a slope and was not suitable for cultivation, but sixty acres could have been cultivated. The homestead had an old frame two-room house of only 336 square feet (14 x 24 feet), probably the original the Martins built to satisfy homestead requirements, as well as an old shed, a garage, less than two miles of fences, and a twenty foot well. The Martin homestead, like many in Fergus County, was too small to be a ranch but did not have enough arable land to support a family.³⁶

In order to analyze the economic problems facing Montana farmers, agricultural economists developed an index to compare economic factors from year to year. On one particular index, the years 1924 to 1926 were considered the base, and assigned 100 points. By 1928, the index had climbed to 130, demonstrating that the

³⁶ Land Use Case Files, Box 20, LU-MT-38-22-358; Babbie Deal and Loretta McDonald, eds., *The Heritage Book of Central Montana* (Lewistown: 1976 Fergus County Bicentennial Heritage Committee, 1980), 216-218, 235-236.

economic position of Montana farmers had improved, but by 1932, the index had dropped to 24.2, illustrating how far farm income and purchasing power had declined. During the same four years (1928-1932), farm taxes dropped from an index of 102 to 91. Although farm income declined dramatically in the 1930s, tax liability declined only slightly.³⁷

Indices demonstrate dramatic increases in taxes over the years, although a simple comparison of the actual amount of tax per acre of farm land diminishes the significance of those increases. In 1913, Montana farmers earned an average of \$14.95 per acre of wheat, but paid just under \$.08 per acre in taxes. In 1922, the earnings per acre of wheat were \$13.88, but taxes averaged \$.14 per acre. By 1933, drought had reduced wheat production. The earnings per acre had dropped to \$4.71; farm taxes were about \$.11 per acre. Although these figures suggest that, on average, Montana farmers could have paid their taxes out of their wheat profits in 1913 and 1922, but these figures do not reflect the debt load that many farmers carried. Many probably paid their mortgages before their taxes, because foreclosure

³⁷ Starch, *Readjusting Montana's Agriculture*, VII., 11-15.

proceedings could take place within months, but it was usually several years before counties began the tax sale process. Farmers simply delayed paying taxes so they could pay other bills. Furthermore, few farmers had all of their land in the profitable cash crop wheat, so a farmer with 320 acres probably did not make those profits on every acre owned.³⁸ By 1933, Montana farmers were in financial straits and clearly had problems paying the taxes on their land, however small they seemed.

Montana Agricultural Experiment Station researchers and other agricultural economists believed that the tax delinquency problem was caused by drought, depression, and "land use maladjustment," although the reasons for failure to pay taxes included "carelessness, indifference, improvidence, or misfortune." Agricultural economists argued that wise land use and adequately sized land holdings would reduce farm failure, but careful tax assessment also would be necessary.³⁹

By the 1920s and 1930s, many agricultural economists recognized what John Wesley Powell had half a century

³⁸ Renne, *Montana Farm Taxes*, 3-10; *Montana Agricultural Statistics*, 4-5; Bureau of the Census, *Historical Statistics*, 192, 211.

³⁹ Starch, *Readjusting Montana's Agriculture*, VII., 11-15.

before: that it took more land than 320 acres to successfully farm and ranch in the arid West. In a study of tax delinquent land holdings in Montana, farms of less than 260 acres were significantly more likely to become tax delinquent, while farms with more than 500 acres were significantly less likely to fail to pay their taxes. But there were other factors that influenced tax delinquency. Absentee owners (in this study those who resided out of state), were more likely not to pay their taxes and were generally less interested in the long term wise use of the land as well.⁴⁰ Fergus County residents owned the largest percent of the county (nearly 38 percent), but individuals from out of state owned 18 percent of the county. The federal, state, and county governments together owned about 30 percent, and banks, insurance companies, and other corporations owned about 15 percent of the county.⁴¹

⁴⁰ Ibid., 11-15. Leslie Hewes researched farm ownership patterns for his book *The Suitcase Farming Frontier: A Study in the Historical Geography of the Central Great Plains* (Lincoln: University of Nebraska Press, 1973). He similarly found that resident farmers showed more regard for the land, although nonresident farmers usually introduced farming innovations.

⁴¹ Roland R. Renne, *Montana Land Ownership: An Analysis of the Ownership Pattern and Its Significance in land Use Planning*, Montana Agricultural Experiment Station Bulletin no. 322 (Bozeman: Montana Agricultural

Tax delinquency was just one fiscal problem Montana farmers faced during the 1920s and 1930s. For many penniless farmers, if the county did not acquire the land, other creditors would. Many Montana farmers faced bankruptcy and foreclosure as well as tax delinquency. During the boom years, farmers borrowed heavily, counting on a rosy economic future. Instead of just borrowing on the value of their land by taking out a mortgage, some farmers borrowed money using their personal property, such as vehicles, equipment, or personal possessions of value, as collateral. Tenant farmers, for example, had no land to borrow against, so they used personal property as collateral. In addition, many farmers purchased goods on credit. When indebted farmers could not pay their loans and bills, many had to declare bankruptcy. Agricultural economist Roland Renne recognized the problem and wrote that credit had benefited farmers, helping them upgrade equipment, and survive economic downturns, but that "it has also been a great burden to many through its excessive use; and in the case of a

Experiment Station, 1936), 56, Table 1, hereafter cited as Renne, *Montana Land Ownership*.

surprisingly large number of Montana farmers, it has proved their complete undoing."⁴²

Because of the loss of personal property and the admission of failure, bankruptcies represented "the worst and most hopeless condition that can occur in loan experience," even more so than foreclosure. It is not clear if Montana farmers took advantage of the exemptions allowed by law, but in Montana during the 1930s, unless foreclosed upon, a farmer could exempt a homestead of 320 acres or less, some farming equipment, and some personal goods from bankruptcy claims.⁴³

Between 1898 and 1937, about 3,900 Montana farmers declared bankruptcy, but nearly two-thirds of those bankruptcies were between 1922 and 1926. In some Montana counties, 25 percent of the farmers had to declare bankruptcy, the highest rate in the country. Not surprisingly, bankrupt farmers tended to have a high mortgage liability, often higher than the long term productivity estimates on the land, and were likely to be dry land farmers. But it was not just farm owners who

⁴² R. R. Renne, *Montana Farm Bankruptcies*, Montana Agricultural Experiment Station *Bulletin* no. 360 (Bozeman: Montana Agricultural Experiment Station, 1938), 7.

⁴³ *Ibid.*, 10-11.

went bankrupt; tenant farmers went bankrupt at more than twice the rate of farm owners since they had no landed assets to borrow against. Agricultural economists in the 1930s noted that the bankrupt farms were "too small, in most cases, to constitute an economical operating unit." According to agricultural economists, government intervention in the economy slowed the farm bankruptcy rate by 1930, but the farmers with the worst financial problems may have been forced out during the peak bankruptcy years (1922-1926).⁴⁴

As the agricultural economy sagged, many farmers could not pay their mortgages and faced foreclosure. A study of Montana farm foreclosures from 1870 to 1938 showed that the heaviest period of foreclosures was from 1921 through 1925, when nearly two-thirds of the 34,000 foreclosures occurred. Eighty percent of those 34,000 foreclosures took place during the 1920s. Fergus County did not have the highest rate of farm foreclosure in the state, but from 1921 through 1935, banks foreclosed upon more than 40 percent of the mortgages in Fergus County.⁴⁵

⁴⁴ Ibid., 3.

⁴⁵ R. R. Renne, *Montana Farm Foreclosures*, Montana Agricultural Experiment Station *Bulletin* no. 368 (Bozeman: Montana Agricultural Experiment Station, 1939), 3-19.

Foreclosures moved land into the hands of banks and insurance companies, which then attempted to recover their investment, either by sale or lease. But the land was difficult to sell during the 1920s and 1930s. Some farmers ended up working as tenants on the land they had once owned. As the number of foreclosures increased, the land holdings of the banks and insurance companies increased. The Federal Land Bank of Spokane in Montana increased its land holdings by more than 500 percent from 1925 through 1934. By the mid-1930s, banks, insurance companies, and other corporations owned about 15 percent of Fergus County. Because individual investors, many from out of state, also purchased mortgages during the homestead boom, foreclosure proceedings often transferred land ownership to nonresidents.⁴⁶

Not surprisingly, agricultural economists found that farm and ranch foreclosures were related with the quality of the land. In a study of farm foreclosures from 1878 to 1938, Montana Agricultural Experiment Station researchers found that land that had higher wheat yields was significantly less likely to have been foreclosed upon than acreage that had lower wheat yields. Wheat

⁴⁶ Renne, *Readjusting Montana's Agriculture*, VIII., 3; Renne, *Montana Land Ownership*, 56, Table 1.

acreage that yielded 20 bushels per acre represented only 8 percent of the foreclosures, while land that yielded less than 5 bushels per acre represented 61 percent of the foreclosures. During good years, acreage was often over-appraised as assessors ignored the long term production capability of the land.⁴⁷

Farmers who lost their land to foreclosure or tax sale lost their livelihood and had to find some new way to earn a living. Some became tenants on their former property. Many looked for other work in the vicinity. A few packed up and left Montana. Mr. and Mrs. A. C. Doehrel bought land in Fergus County by assuming a prior mortgage, but by the early 1930s, they had difficulty paying the mortgage and the taxes on the land. By the time the Denver Joint Land Bank foreclosed upon the mortgage in 1935, the Doehrels had already moved to the Seattle, Washington region in search of work.⁴⁸

Debt service caused problems for many Montana farmers, as demonstrated by the Clarys. Like many farmers, they borrowed money to pay off earlier

⁴⁷ Phil S. Eckert and Orlo H. Maughan, *Farm Mortgage Loan Experience in Central Montana*, Montana Agricultural Experiment Station *Bulletin* no. 372 (Bozeman: Montana Agricultural Experiment Station, 1939), 2.

⁴⁸ Land Use Case Files, Box 2, LUMT 38-22-45.

mortgages, ratcheting themselves into greater and greater debt. Chester R. Clary and his wife, Ida L. Clary homesteaded on some land in northern Fergus County about 1915; four years later Chester Clary received a patent on the 240 acres. In June 1915, Rogers-Templeton Lumber Company furnished the couple with \$58.40 worth of "lumber and material" to build fence on their property. The Clarys were unable to pay the bill immediately, so the lumber company filed a lien on their land. Agricultural prices were fairly stable during the early 1910s, and the Clarys were able to satisfy the lien in December 1915, but the Clarys sought financial assistance the following year. In October 1916, the Farmers State Bank of Winifred lent the couple \$600, which was due a year later. Within three months, the Clarys had satisfied the mortgage. The average price for wheat for those three months was over \$1.50 per bushel; cattle prices were over \$61.60 per head. The Clarys were doing well. In March of 1918, the Clarys went back to Winifred, this time to the First State Bank of Winifred, to get another loan. The \$1600 mortgage, plus 10 percent interest, was due in October of the same year. Wheat was up even higher, averaging \$1.96 per bushel for the year; cattle prices were up to \$9.88 per hundredweight. The agricultural

economy was booming. The Clarys satisfied that mortgage on 18 November 1918, a week after the armistice was signed by Germany, seven weeks after taking out yet another mortgage. They essentially borrowed money to pay off an earlier mortgage. The Clary's third mortgage, from the Vermont Loan and Trust Company, was for \$3000, and was due five years later on 1 October 1923. Vermont Loan and Trust Company offered a lower interest rate of 6 percent. Interest coupons were due annually, and the \$3000 was due in a lump sum on 1 October 1923. This term loan was typical of the loans made to farmers by banks other than federally supported land banks.⁴⁹

Also typical was the almost immediate assignment of the mortgage to another institution or individual investor. On 26 November 1918, Vermont Loan and Trust Company sold the mortgage to the Bellows Falls Savings Institution of Bellows Falls and Brattleboro, Vermont.⁵⁰ It took a lot of capital to fund farming and settlement, so banks in farming regions and recently settled areas had to look elsewhere for sources of capital. As a result, many Montana farm mortgages were sold to other

⁴⁹ Ibid., Box 29, LUMT 38-22-507; *Montana Agricultural Statistics*, 93, 108.

⁵⁰ Land Use Case Files, Box 29, LUMT 38-22-507.

commercial banks, life insurance companies, and private investors out of state.⁵¹

In October 1921, the price of wheat had dropped to \$.96 per bushel, down from the May 1920 average of \$2.99 per bushel. Cattle prices had dropped to \$4.80 per hundredweight from a May 1919 high average of \$12.20. As a result, the Clary's income dropped dramatically. They went back to the Vermont Loan and Trust Company for a fourth mortgage of \$835.60, due on the first of October the following year. The Clarys continued to have financial difficulties as prices remained comparatively low. Stephens & Son filed a lien on part of Clary's property on 14 September 1922. Wheat prices had dropped to \$.83 per bushel and Clary had been unable to pay Stephens & Son's the bill for threshing his grain, but he did manage to pay it in November, satisfying the lien.⁵²

The Clarys were unable to pay off their \$835.60 mortgage (plus interest) by October 1922. In January 1923, they paid \$765.87 on the loan, and so fell short by

⁵¹ Nils Olsen et al., "Farm Credit, Farm Insurance, and Farm Taxation," U.S. Department of Agriculture, *Yearbook of Agriculture, 1924* (Washington, D. C.: Government Printing Office, 1925), 192-198, hereafter cited as Olsen et al, "Farm Credit."

⁵² Land Use Case Files, Box 29, LUMT 38-22-507; *Montana Agricultural Statistics*, 93, 108.

\$94.08. Furthermore, they were able to pay only \$46.38 toward the \$180 interest due 1 January 1923 on their \$3000 loan. The Clarys were unable to pay even the interest on the debt that had seemed so easy to repay when they took it on five years previously.⁵³

The banking institutions did maintain their claim to the property. Vermont Loan and Trust Company began foreclosure proceedings in March 1923 with a Notice of *Lis Pendens*.⁵⁴ A summons was given to Ida Clary, but her husband, Chester Clary could not be found. He later turned up in Vigo County (Terre Haute), Indiana and was served a summons. Eventually, the bank gained title to the property. In order to do something with the Clary's 240 acres and begin recouping some of their loss, Vermont Loan and Trust Company leased the land for six months to Blake Dawson in June 1923. Dawson must have given up the lease early, because the company leased it to Elmer Johnson in September 1923, for a period of three years.⁵⁵

⁵³ Ibid.

⁵⁴ The process of foreclosure began with a notice of the pending foreclosure, called a *Lis Pendens*. The county sheriff then confiscated the land from the delinquent owners, and "sold" the land to the claimants for the amount owed. The land, then, was essentially transferred to the claimant and the debt erased by the acquisition by the party that held the mortgage.

⁵⁵ Land Use Case Files, Box 29, LUMT 38-22-507.

In 1936, realizing that they could recover no more of their investment, and that the Bellows Falls Savings Institution had more of a claim to the property, the Vermont Loan and Trust Company issued a quitclaim deed to Bellows Falls Savings Institution.⁵⁶ The latter institution, realizing that the Clarys had fled the county more than a decade earlier, released Chester and Ida Clary from the mortgage and established their claim to the property. That year, no one paid the taxes on the property.⁵⁷

The Clarys were not unlike many other homesteaders who became so buried in debt that they could not regain control of their finances. But many factors were out of their control. During the boom years, borrowing money to improve the farm did not seem unwise. But as the agricultural economy declined, farmers could not pay their loans. In addition, it took time for farm assessments to shrink, although it may be argued that taxes never completely followed the decline in income. The Clarys had based their financial decisions on a flawed economic boom. The subsequent collapse of the

⁵⁶ A quitclaim is a legal renunciation of any claim of land ownership.

⁵⁷ Land Use Case Files, Box 29, LUMT 38-22-507.

agricultural economy caught the Clarys and thousands of other farmers off guard.

Another Fergus County homestead family that chose to borrow when times were good ultimately had to skip town. The Gibson family, neighbors of the Weygants, also found credit easy to get during the boom years. They built a four-room house and a garage (an unusual amenity on a homestead), then bought a car to put in the garage. They lived well for a few years during the boom, but as prices began declining they faced difficulties in paying their loans. Instead of going through foreclosure and bankruptcy proceedings, they abandoned their homestead one night, telling no one where they were going.⁵⁸ Many Montana farmers felt equally helpless, unable to regain any financial footing; abandonment was one option. It left banks and other creditors, such as county governments to sort out ownership.

Flight from fiscal responsibility was not uncommon as the agricultural economy declined. Banks suffered significant losses as homesteaders went bust and abandoned their homesteads as well as their debts. John Sears, with his wife Jean Sears, homesteaded on about 327 acres near the head of Coulee Creek in northern Fergus

⁵⁸ Noemi Weygant, *Rimrock Land: Our Homestead Site* (Duluth, Minnesota: Priory Press, 1978), 119, 163, 191-196.

County. He received his patent in the summer of 1918, and purchased an additional 23 acres. In early 1918, he and his wife took out a \$2500 mortgage from the First National Bank of Winifred and were able to pay it off only four months later, but within a month the Sears borrowed \$2100 from the Federal Land Bank of Spokane. The following year the average earnings per acre of wheat in Montana had dropped more than 50 percent to \$11.70. The Sears did not stay on the land long, even though their mortgage was a 5½ percent interest loan amortized over more than thirty years. They deeded their land over to Abraham and Dora Row in exchange for the assumption of the mortgage in 1919. The Rows quickly escalated their debt by borrowing an additional \$1,043.65 at 10% interest from the partnership of T. W. Reeves and L. W. Day. Apparently that was not enough cash to get by on, because less than three weeks later the Rows went to the First National Bank of Winifred and borrowed an additional \$345, also at 10% interest. By the end of October 1919, the Rows owed about \$3,400, not counting interest, to three different companies. They managed to pay back the First National Bank of Winifred loan in January 1921, about nine months late, but they failed to pay the Reeves

and Day partnership, which acquired the land in 1921 during foreclosure proceedings. The Federal Land Bank of Spokane had a claim to the land as well, and began proceedings in 1926 to get their money back, about \$2,950. By that time, all of the parties involved were scattered. John and Jean Sears had picked up and moved to Ojuela, Durango, a town in north central Mexico. Abraham and Dora Row had moved to California, as had L. W. Day. The Federal Land Bank of Spokane became the owners of the 350 acres of submarginal land, not worth the more than eight dollars per acre that bank had invested in it.⁵⁹

Abandonment was often the homesteader's last option. As the editors of the *Lewistown Democrat-News* pointed out, "Most people of normal instincts become attached to the locality which they have long inhabited. . . . We have seen people cling to their precarious existence upon a scrub oak farm with a tumble-down shack where nothing but privation has ever been served to supply their material needs. . . . During those booming years from 1905-1915, thousands of these homes, now unoccupied, were built in this state."⁶⁰

⁵⁹ Land Use Case Files, Box 17, LUMT-38-31-536.

⁶⁰ *Lewistown Democrat-News* 30 November 1931.

Debt (or its lack) often determined the success or failure of many Great Plains farmers during the 1920s and 1930s. In at least one farming community on the northern Great Plains, the Great Depression had little impact. The town of Northwood, North Dakota, and much of surrounding Grand Forks County prospered during the Great Depression in part due to luck (rain at the right time, but not over a wide area) and careful financial management (the farms there carried little or no debt). The farmers who borrowed during the agricultural boom years believed the prosperity would last, but many faced financial ruin during the 1920s and 1930s as they struggled to repay their debts. In Grand Forks County "Norwegian frugality" had prevented the accumulation of debt.⁶¹

Unlike the Grand Forks County experience, many Fergus County farmers suffered financially during the 1920s and 1930s, even with no debt service. In 1915, Mr. and Mrs. Frank Weygant, homesteaders in the northwestern part of the county, argued vehemently with each other over whether to borrow money. The argument made a clear impact on their daughter, who wrote about it more than sixty years later. Mrs. Weygant, who chose to stay on

⁶¹ Gordon Morris Bakken, *Surviving the North Dakota Depression* (Published by author, 1992), vii-xiv, 45.

the homestead and worked to make it profitable, opposed going into debt, while her husband, who worked and lived in the town of Denton as a pharmacist, wanted to borrow the capital to invest in the homestead. The Great War had already started in Europe, and people believed that there was money to be made in Montana agriculture. Mrs. Weygant apparently won out, but years later, drought and low prices forced the family to abandon the homestead.⁶²

Others who remained debt-free had problems. Grover McCandless homesteaded on 320 acres of land in eastern Fergus County, receiving his patent on the land in August 1919. McCandless and his wife never mortgaged the land, but by the late 1930s, they had given up on eking out a living on their homestead and had moved to Lewistown. Although it was a lower grade of land suitable only for grazing and valued at only a dollar per acre, the McCandless parcel had the advantage of access to flowing water, including a couple of springs and creeks. The McCandlesses had not used their money on improving their living conditions as the Gibson family had done. The property had a simple one-room frame house, although it did have lap siding, a stone foundation, and paper on the walls. Though the McCandlesses proved to be frugal

⁶² Weygant, *Rimrock Land*, 110-111, 207-211.

homesteaders who shunned debt and had the advantage of water on their property, even they were unable to make a living on their homestead.⁶³

The plight of Montana farmers like the Clarys and the McCandlesses was not unusual during the 1920s and 1930s; financial problems forced farmers out of business, and had been for some time. In 1920, the number of farms in Montana peaked at 57,700 and declined thereafter. Landholders lost their land and their livelihood. Banks lost the principal and much of the interest owed to them, and gained in return property that had lost much of its value. In the 1910s, the federal government recognized that there were problems in the financing of agricultural debt and had tried to address some of these problems with the creation of Federal Land Banks.⁶⁴ Had farm prices stayed at the levels they were when the Clarys took out their mortgages, they might have been able to service their debt. Or if the Clarys had taken advantage of a revised farm credit system before they got mired in debt, they might have survived the downturn in the agricultural economy.

Before the turn of the century, the Farmers' Alliance and the Populist Party recognized the credit

⁶³ Land Use Case Files, Box 14, LUMT 38-22-253.

⁶⁴ *Montana Agricultural Statistics*, 3.

plight of the farmer and lobbied for changes. It took a substantial amount of capital to buy land, equipment, seed, and livestock, and to survive the first year before any harvest could bring in an income. During the Progressive Era, some changes were made to alleviate the financial problems of farmers. Before legislation in 1913 changed the regulations, national banks could not lend money for farm mortgages, limiting the amount of capital available to farmers. State banks did not have the capital needed to meet the demand for farm loans, so banks and mortgage brokers often sold mortgages out of state, for example to insurance companies or individuals. Local banks often granted short-term loans for the purchase of equipment and materials, but the long-term mortgages were sold quickly to maintain capital. It cost money for mortgages to change hands, and ultimately, the farmer had to pay for it with higher interest rates.⁶⁵

In 1917, Congress established the Federal Land Bank system to provide a cooperative credit system for farmers. To address the high cost of borrowing and to make more money available to farmers, Congress passed the Federal Farm Loan Act of 1916, which established the

⁶⁵ Ibid.; Mary Wilma M. Hargreaves, *Dry Farming in the Northern Great Plains, 1900-1925* (Cambridge: Harvard

Federal Land Bank system and the private Joint Stock Land Banks. Federal Land Bank loans could be used for a limited number of purposes connected to agriculture, including the purchase of equipment, fertilizer, livestock, farm improvements, living expenses, land for agriculture, and the payment of taxes and other loans.⁶⁶ The Federal Farm Loan Board supervised both kinds of banks, although there were distinct differences between the two.⁶⁷

The federal government divided the country into twelve districts and set up a Federal Land Bank in each district. Montana, Idaho, Washington, and Oregon shared a Federal Land Bank, located in Spokane, Washington (District 12). Each Federal Land Bank was lent \$750,000 by the federal government, but that loan was retired through the gradual purchase of shares by borrowers through their local branch of a national farm loan association. Every borrower was required to spend 5 percent of the amount of their loan on Federal Land Bank stock. Essentially, the Federal Land Banks were a

University Press, 1957), 521, 528-531, hereafter cited as Hargreaves, *Dry Farming, 1900-1925*.

⁶⁶ Farm Credit Administration, *The Federal Land Bank System: How it Operates* (Washington, D. C.: U.S. Government Printing Office, 1955), 1.

⁶⁷ Olsen et al., "Farm Credit," 198-199.

cooperative venture, although initially funded and regulated by the federal government.⁶⁸

The land banks were conservative in their lending practices. Federal Land Banks, through local national farm loan associations, could lend money only to farmers, whose land served as collateral. A borrower could only borrow up to 50 percent of the appraised value of the land and 20 percent of the appraised value of the permanent improvements, not to exceed \$100 per acre. The loans benefited farmers because of their lower interest rates, long loan periods, and amortization. Interest was set at 6 percent, the period of the loans varied from five to forty years, and every loan was amortized so that the principal was gradually paid off.⁶⁹

Farms had to be appraised before a Federal land bank loan could be granted. The appraisal price was not simply based on the market value of the land, but on its earning power as well. This was to correct for the problem of inflated or deflated land prices in any one year, and to provide a more accurate picture of the ability of the farmer to repay the loan. In order to take into account farm prices, the Farm Credit Administration used price averages for the years 1909 to

⁶⁸ Ibid., 198-201

⁶⁹ Ibid., 200-201.

1914 to determine the earning power of the land.⁷⁰ The average earnings per acre of wheat during this period was \$18.19, more than three dollars higher than the average from 1900 through 1945.⁷¹

Also regulated by the Federal Farm Loan Board, Joint Stock Land Banks were privately owned and managed. Joint Stock Land Banks could make loans only to farmers and land owners, and no stock purchase was required. The loans were made directly, not through any local association.⁷²

One of the ways the Federal Land Bank system helped farmers was to offer them an amortized schedule of repayment, so that some of the principal was paid back with each interest payment, reducing the amount of interest paid.⁷³ Although many farm loans were still secured through commercial banks, the competition of Federal Land Banks helped bring about lower fees and interest rates, and amortization became more common.⁷⁴

⁷⁰ Farm Credit Administration, *Appraising Farms for Mortgage Loans*, Circular 13 (Washington, D. C.: U.S. Government Printing Office, 1935), 4-5.

⁷¹ *Montana Agricultural Statistics*, 4-5.

⁷² Olsen et al., "Farm Credit," 204-208.

⁷³ Farm Credit Administration, *The Federal Land Bank System: How it Operates* (Washington, D. C.: U.S. Government Printing Office, 1955), 13.

⁷⁴ Hargreaves, *Dry Farming, 1900-1925*, 521, 528-531; Olsen et al., "Farm Credit," 198-208; Farm Credit Administration, *The Federal Land Bank System: How it*

Despite the efforts of the federal government, Federal Land Banks and Joint Stock Land Banks lagged behind other lending sources, such as state and national banks and life insurance companies, in the dollar amount lent to farmers.⁷⁵ Even though the land banks helped many American farmers, the drop in agricultural prices during the 1920s and 1930s proved to be an insurmountable obstacle.

The Gooch family in Montana took advantage of the relatively new farm loan program in 1919, but they still ended up losing their land. In November 1915, the United States granted a patent to Walter H. Gooch for 320 acres of land in Fergus County, Montana. They built a large log cabin (16 by 48 feet) and several outbuildings. Four years later, Gooch and his wife, Helen R. Gooch, took out a loan from the Montana Joint Stock Land Bank of Helena for \$2500. The loan was due in 33 years, and Gooch agreed to pay 6 percent annual interest.⁷⁶

In taking out a farm loan in 1919, Gooch and his wife may have been optimistic about improving their homestead for the future, but it was probably the drought that forced them to borrow. Montana wheat and cattle

Operates (Washington, D. C.: U.S. Government Printing Office, 1955), 1-3.

⁷⁵ Olsen et al., "Farm Credit," 194-195.

⁷⁶ Land Use Case Files, Box 8, LUMT 38-22-155.

prices had continued to climb during the previous decade, especially during the war years, and in 1919 and 1920 respectively, cattle and wheat prices were as high as they would be for more than two decades. The average number of bushels of wheat per acre harvested had been low in 1919, but in 1916, the first year Gooch would have harvested any wheat, Montana farmers on average harvested more than 19 bushels per acre.⁷⁷ Gooch probably had only 30 acres in crop land (15 acres of good crop land and 15 acres of poor crop land), but he also had 290 acres of fair grazing land, from which to earn an income. During those first years on his farm, Montana farmers were doing well, and similarly, Gooch could have made a reasonable profit from his 30 acres, enough to service the debt he was taking on, if prices and weather had remained favorable. Gooch had had trouble with debt before. In 1914, the Power Mercantile Company of Helena won a judgment against Gooch for \$91.50. In 1921, the Goochs sold an oil and gas lease to Clermont Oil, Inc. of Delaware, for \$100 plus one-eighth of any proceeds, but no oil or gas was found. The Montana Joint Stock Land Bank of Helena assigned the mortgage in 1923 to the First Colorado-Wyoming Joint Stock Land Bank of Cheyenne,

⁷⁷ *Montana Agricultural Statistics*, 93-94, 108-109.

which, just four months before the stock market crash, changed its name to the Denver Joint Stock Land Bank.⁷⁸

In 1926, Helen Gooch died, but Walter Gooch continued to farm their homestead. By 1935, Gooch could not pay the taxes on the land. The following year, he could not pay his taxes or the mortgage, so he turned over the deed to his property to the Denver Joint Stock Land Bank.⁷⁹

In 1937, Fergus County assessed the former Gooch property. The land was valued at \$1,340, while the improvements on the land were valued at \$225, for a total of \$1,565, but a year later the United States Department of Agriculture appraised the land at \$815, and the current (as opposed to the salvage) value of the improvements at \$110, for a total of \$925. It is not clear whether the value of the property decreased by 40 percent, or whether Fergus County and the United States Department of Agriculture had very different ideas about land value. In August 1939, the federal government purchased the land and its improvements from the Denver Joint Stock Land Bank for \$885.⁸⁰

Gooch remained on the land after the Denver Joint Stock Land Bank took over the property, effectively

⁷⁸ Land Use Case Files, Box 8, LUMT 38-22-155

⁷⁹ Ibid.

⁸⁰ Ibid.

Gooch remained on the land after the Denver Joint Stock Land Bank took over the property, effectively becoming a tenant farmer on what was his own land. A William G. Gooch of Grass Range had a Temporary Use Agreement with the federal government to "occupy the dwelling and use other such buildings" and to use the land "for grazing purposes and for harvesting and removing present crops" from 22 September 1939 until 1 April 1940. Gooch had only 15 acres of alfalfa, a forage crop, planted in August 1938; his remaining acreage was idle or used for grazing. Essentially, the government let them continue to stay on as tenants until after the winter was over.⁸¹

It was not just farmers who went under in the 1920s and 1930s. Banks were not immune to the farm failures, and banks in agricultural areas were having difficulties as well. The State Bank of Roy closed in 1925, only a few days after the *Lewistown Democrat-News* published an article about how prudent farmers were succeeding despite some of the earlier economic setbacks. The newspaper reported that the bank could not make a profit even with careful management and reduced overhead expenses, and that the small town of Roy could not support both the First National Bank of Roy and the State Bank of Roy.

⁸¹ Ibid.

The surviving bank, like many others, stayed in business only briefly after the 1929 stock market crash.⁸²

In late October 1929, as in much of the country, heavy withdrawals began to plague the banks in Fergus County. On 8 January 1930, the *Lewistown Democrat-News* headline read, "Grass Range Bank Fails to Open Monday, Present Depression and Steady Withdrawals Are Cause Closing of Oldest Bank in County." The bank was only thirteen years old, so apparently none of the Fergus County banks had much of a history. According to the newspaper, "the bank has been the victim of the present depression" Fergus County bank troubles continued. By 20 January 1930, financial difficulties forced the Central Bank and Trust in Lewistown to close. The next day, the Farmers and Merchants Bank of Winnett closed. Two days later, the Central Bank and Trust stockholders invested an additional \$50,000 into the bank to try to reopen it, but shortly thereafter the Northwestern Bank and Trust took over the deposit liabilities of the bank. The First National Bank of Roy, no longer solvent, closed its doors a few days later, and in July its assets were sold to J. R. Miller. The

⁸² *Lewistown Democrat-News* 10 January 1925, 8 July 1930.

following January, the State Bank of Moore merged with the National Bank of Lewistown.⁸³

There were many efforts to find solutions to the problems in the agricultural economy. University of Wisconsin agricultural economist Henry C. Taylor believed that the economic problems facing farmers were not insurmountable and came up with the idea to form a company to help tenant farmers become farm owners. In 1923, Taylor joined with Richard Ely and their former student, M. L. Wilson, and with the help of John D. Rockefeller. Jr., and the Laura Spelman Rockefeller Foundation, established Fairway Farms, Incorporated in Montana. Wilson, who was the head of the Rural Economics Division of Montana State Agricultural College, managed the project. He was well qualified, having earned a degree in agriculture from Iowa State College (where he had known future Secretary of Agriculture Henry A. Wallace and his father, Secretary of Agriculture Henry C. Wallace) and a graduate degree in economics (studying under Ely and Taylor) from the University of Wisconsin. In addition, Wilson had once homesteaded in Montana and

⁸³ *Lewistown Democrat-News* 8 January 1930, 21 January 1930, 22 January 1930, 24 January 1930, 5 February 1930, 16 January 1931.

had become Montana's first county agricultural agent in 1913.⁸⁴

Fairway Farms was an idealistic experiment to correct the problems in agriculture on a small scale. Wilson varied farm size, tenant/prospective owner selection, and equipment, and experts guided the farmers in every way. Purchase contracts eased some of the financial struggle. If the project succeeded, then efforts could be made to apply the knowledge to agriculture on a larger scale. Wilson oversaw the eight Fairway farms established in Montana in 1926. The experimental farms failed for a variety of reasons, primarily drought. Wilson was discouraged at the results but remained intent on working to find solutions to the economic problems that plagued farmers.⁸⁵

Other efforts addressed taxes. In December 1931, the Grass Range community in Fergus County held a meeting to discuss tax problems and to promote solutions.

⁸⁴ Merrill G. Burlingame and Edward J. Bell, Jr., *The Montana Cooperative Extension Service: A History 1893-1974* (Bozeman: Montana State University, 1984), 28-29, 65-92; Rowley, *M. L. Wilson*, 3, 217-235; Lord, *Wallaces of Iowa*, 300-304; Paul K. Conkin, *Tomorrow a New World: The New Deal Community Program* (Ithaca, New York: Cornell University Press, 1959), 76-77.

⁸⁵ Ibid.

Participants drafted resolutions promoting a shift in tax burden, land reassessment, reduction in the school system, and county consolidation. Although citizens were desperate for change, it would be years before the tax situation improved.⁸⁶ Most importantly, none of the reform efforts could make it rain more.

The declining agricultural economy during the 1920s and 1930s caused problems for Fergus County farmers and homesteaders, and the high expectations of the 1910s fell with the price of wheat . Many lost their land because of tax delinquency or the inability to pay loans and mortgages despite earlier banking reforms, and many others abandoned their homesteads. County governments faced a shrinking tax base while being saddled with more land to manage. Banks lost money on bad loans and mortgages and also had to try to manage land they could not sell. Land appraisals did not keep up with the declining agricultural economy, and as a result taxes remained unrealistically high.

Much of the economic downturn of the 1920s was not due to extraordinary circumstances; rather, it was an end to the brief aberration of economic prosperity due to the

⁸⁶ *Lewistown Democrat-News* 11 December 1931.

wartime economy and high rainfall. During the 1920s, the market for agricultural commodities contracted, while the average annual rainfall declined. The economic problems of the 1920s were compounded by drought. The downturn was made worse by the financial borrowing that had preceded it. Montana farmers, unable to make mortgage or other loan payments faced foreclosure or bankruptcy. Those who failed to pay their taxes lost their land to county governments. Many farmers just barely survived the 1920s, only to face a greater decline in income during the 1930s. Increasing frugality could not solve the problems farmers faced due to a lack of rainfall and declining world markets. Some kind of intervention was necessary for the small Montana farmer to survive. As the farm situation worsened, agricultural economists across the country worked to find solutions for the spiraling agricultural economy.

Chapter 5

The Emerging Land Utilization Movement

Agricultural economists, realizing that the agricultural boom during the 1910s was flawed, studied the problems farmers faced as the agricultural economy declined during the 1920s and 1930s. In addition to conducting studies of agricultural commodities, however, some agricultural economists broadened their scope to look at the underlying problems. Why were so many farms being foreclosed upon? Why were so many farmers facing bankruptcy? Why were so many farmers unable to pay their taxes? What caused the increase in farm tenancy? Were land appraisals fair, in light of the economic downturn?

The questions led a growing number of agricultural economists to reevaluate land use practices, especially in the West, arguing that improper land use was the underlying cause of many of these problems, and that land utilization (that is, land planning followed by appropriate land use), would stabilize the agricultural economy. The crusade for land use planning swelled in economic circles, but it required additional effort to transform those ideas into public policy. In the 1930s, land utilizationists instigated the change within government. The Land Utilization movement, then,

provided the transition between the unfettered land use of the homestead period and the careful land utilization that finally became federal policy in the New Deal.¹

The field of land utilization did not draw only on economics, but also relied on the fields of agriculture and geography. Its major proponents were academics with Progressive backgrounds who moved into government to enact change. The conservation movement of the Progressive era had already raised some questions about resource protection, enhancement, and use, especially of forest, water, and range resources, but no attention was paid to agriculture. Progressives were concerned about conservation; land utilizationists were concerned about land use. The 1890 census showed that there was no longer, by the Census Bureau's definition, a frontier line in the United States; wilderness was on the wane. As it declined, Americans began to view the wilderness as something to be enjoyed and so preserved, rather than

¹ The term "land utilization," although seemingly generic, in this work refers to the ideas of appropriate and efficient long-term land use developed during the early twentieth century. "Use" and "utilization," are not always interchangeable. "Utilization" implies practical or efficient use, which is why it was chosen by agricultural economists. See *The American Heritage Dictionary of the English Language*, 3d ed. (New York: Houghton Mifflin, 1992).

something to be conquered, and so administered. That census also influenced historian Frederick Jackson Turner, who delivered his pivotal essay "The Significance of the Frontier in American History," at the World's Columbian Exposition in Chicago in 1893. Wilderness, or the frontier, according to Turner, had been the strongest influence on the development of the American character and institutions. The essay received little attention in 1893, but it clarified the growing importance of wilderness and potential farm land to the country.²

The Land Utilization movement emerged from the University of Wisconsin, which was also important in the Progressive movement. Around the turn of the century, Wisconsin governor Robert La Follette (1901-1906) developed the "Wisconsin Idea," which held that government should be run with the advice of experts, whom he frequently consulted at the nearby university. In

² See Samuel P. Hays, *Conservation and the Gospel of Efficiency: The Progressive Conservation Movement* (Cambridge: Harvard University Press, 1959), hereafter cited as Hays, *Conservation*. Frederick Jackson Turner, "The Significance of the Frontier in American History," in *The Frontier in American History* (New York: Henry Holt and Company, 1920). Ray Allen Billington, *Frederick Jackson Turner: Historian, Scholar, Teacher* (New York: Oxford University Press, 1973), 124-131, hereafter cited as Billington, *Frederick Jackson Turner*; Roderick Nash,

addition, the University of Wisconsin endeavored to reach out to the greater population. It established farmers' institutes to disseminate agricultural information and, in this country; it pioneered the lecture system known as University Extension. President Charles Van Hise, a friend and neighbor of Frederick Jackson Turner, thought that the university and the state had mutual obligations to serve the people of Wisconsin. Toward that end, he worked closely with his former classmate, La Follette, for reform.³

Also at the University of Wisconsin were several agricultural economists who developed the ideas that became central to the Land Utilization movement that emerged during the late 1910s and 1920s. These experts at the university studied farm problems and suggested ways to correct those problems. The school became "the leading center for stimulating the use of the historical

Wilderness and the American Mind (New Haven: Yale University Press, 1967; rev. ed., 1973), 141-160.

³ Merle Curti and Vernon Carstensen, *The University of Wisconsin: A History, 1848-1925*, 2 vols. (Madison: University of Wisconsin Press, 1949), 1:711-739, 2:549-594; Allan G. Bogue and Robert Taylor, eds., *The University of Wisconsin: One Hundred and Twenty-Five Years* (Madison: University of Wisconsin Press, 1975), 20-37. For a biography of Van Hise, see Maurice M. Vance, *Charles Richard Van Hise: Scientist Progressive* (Madison: State Historical Society of Wisconsin, 1960).

and geographical approach in the study of farm economic problems." Agricultural economists on the faculty included Richard T. Ely and Henry C. Taylor. Although both studied land economics and began developing ideas about land utilization, it was their student, Lewis C. Gray, who devoted his career to land utilization. Indeed Taylor, although calling Ely the father of land economics, pronounced Gray the "leader of rural land economics through most of its history to 1939."⁴

Lewis C. Gray received his Ph.D. from the University of Wisconsin in 1911. He worked closely with Ely and Taylor, studying land and agricultural economics, but he also took Frederick Jackson Turner's course on the History of the West. Both Ely and Taylor may have recommended the course to Gray. Turner had studied under Ely at Johns Hopkins, and they remained friends; Taylor admired Turner and regularly recommended that his students take a Turner seminar. There is no direct evidence demonstrating Turner's influence on Gray, but Turner studied the history of the expansion of settlement

⁴ Henry C. Taylor and Anne Dewees Taylor, *The Story of Agricultural Economics in the United States, 1840-1932* (Ames: Iowa State College Press, 1952; reprint ed., Westport, Connecticut: Greenwood Press, 1974), quotes on

across the frontier while Gray spent years of his life promoting the retraction of settlement. The University of Wisconsin influenced Gray's eventual decision to devote his career to public service and continued to influence Gray's research for decades.⁵

287, 870, hereafter cited as Taylor and Taylor, *Story of Agricultural Economics*.

⁵ Turner may not have known or cared about Gray's contribution to the field of agricultural economics, but Gray did write a history of Southern agriculture. In any case, it appears that Gray and Turner did not keep in touch over the years. A number of Turner's former students are mentioned in the Billington biography, but Lewis Gray was not. Although Gray's work reflected the influence of Taylor and Ely, it also reflected the influence of Turner. America had always had abundant available land and natural resources but rapid population growth and expansion across the continent threatened that abundance. In 1893, Turner pointed out that the abundance of land and the American ideal of small-farm ownership had been pivotal in the development of the nation. Against that background, Gray's idea that not all land in America was suitable for cultivation, and that land use should adhere to a national plan, seemed revolutionary. An important part of Turner's thesis was his emphasis on the land limits of the country, but the idea of government land planning and control of any expansion of settlement might have seemed, to Turner, to run counter to the traditional unlimited American expansion that he believed was the font of American individualism and democracy. Turner did not die until 1932, but there is nothing to suggest that he had an opinion on land utilization theory. Billington, *Frederick Jackson Turner*; Richard S. Kirkendall, "L. C. Gray and the Supply of Agricultural Land," *Agricultural History* 37(1963):206-208, hereafter cited as Kirkendall, "L. C. Gray"; Taylor and Taylor, *Story of Agricultural Economics*, viii.

Gray began publishing articles about land economics and resource conservation in 1913. In an article in the *Quarterly Journal of Economics*, he discussed a variety of natural resources, including forest, mineral, and agricultural resources, and the many factors influencing their use. The article reflected Gray's incipient ideas about economics and the efficient utilization of land and natural resources.⁶

The article bridged the gap between the conservation movement of the Progressive era and the emerging post-Progressive Land Utilization movement. The two movements were separated by time and by emphasis but had some ideas in common. The official "closing" of the frontier in 1890, discussed by Turner in his 1893 essay, coincided with a developing wilderness cult in America. Beginning with the Progressive era, many Americans realized that natural resources were limited, and that conservation was necessary to ensure the prosperity of future generations of Americans. Gray himself, not unlike other Progressives, believed that the central issue for conservationists and economists was how to *balance* the

⁶ L. C. Gray, "The Economic Possibilities of Conservation," *The Quarterly Journal of Economics* 27 (1913):497-519, hereafter cited as Gray, "Conservation."

self-interest of the current generation against the interests of future generations.⁷

The rhetoric Gray used was like that of the conservation movement of the early 1900s, and it would be used in future conservation efforts. One historian noted that "although Gray was not an ecologist, he wrote of physical limits as an ecologist would of carrying capacity, with a constant awareness of land as an actual or potential limiting factor in population growth."⁸ In order to preserve resources for future generations, while at the same time exploiting them for present use, according to Gray, it was important to understand the relationship between resource use and depletion, between renewable and nonrenewable resources. Geography was critical to the equation, because some resources, such as water, were abundant and renewable in some areas, but not in other areas. Gray argued that agricultural land was an exhaustible resource that could be renewed by using

⁷ Ibid., 497-499; Nash, *Wilderness and the American Mind*, 141-160. See also Linnie Marsh Wolfe, *Son of the Wilderness: The Life of John Muir* (New York: Alfred A. Knopf, 1945) and Stephen Fox, *The American Conservation Movement: John Muir and His Legacy* (Madison: University of Wisconsin Press, 1985).

⁸ Tim Lehman, *Public Values, Private Lands: Farmland Preservation Policy, 1933-1985* (Chapel Hill: University of North Carolina Press), 13.

scientific agricultural methods; however, there would have to be an economic or social demand to renew it. He pointed out that "on the frontier, low land values have rendered exploitation . . . very profitable," although the cost of extracting resources could be high. By 1913, then, Gray was already developing ideas that would be central to the Land Utilization movement.⁹

The conservation movement was quintessentially progressive, although the Land Utilization movement moved beyond it to include a concern for agricultural land and comprehensive land planning. For progressives, efficiency was the key to wise public policy in many areas, and no less so in land management. Progressive conservationists in general did not argue for the perpetual preservation of resources, but for their careful management and use. "Conservation, above all," according to historian Samuel Hays, "was a scientific movement. . . . Its essence was rational planning to promote efficient development and use of all natural resources." Gray reflected this attitude in his 1913 article, and, of course, scientific research and efficient use would be fundamental tenets of the Land Utilization movement. Since wasting natural resources

⁹ Gray, "Conservation," 497-499, quote on 503.

was imprudent but the efficient use of resources was desirable, Progressives typically believed it was up to experts to conduct the necessary scientific studies to permit the wise management of the nation's resources. As he would do for a couple of decades in dozens of articles, Gray called for a rational federal land policy.¹⁰ Land utilizationists did not foresee heated debates over what constituted "use" and operated under the bland assumption that reason would prevail.

By 1919, the post-war economic problems, coupled with drought in the West, forced a broader interest in land economics among agricultural scientists and would eventually compel the emerging Land Utilization movement to broaden from its academic base to federal and state governmental agencies. Cultivated acreage had expanded during the boom of the 1910s, particularly in the arid northern Great Plains. As many farmers in that area began failing financially during the dust bowl and depression years, agricultural scientists began questioning the suitability of cultivating arid land.

In the United States Department of Agriculture *Yearbook of Agriculture, 1919*, Secretary of Agriculture

¹⁰ Ibid., 497-519; Hays, *Conservation*, quote on 2.

Edwin Thomas Meredith recognized that American agriculture faced serious problems because of the post-war contraction in the agricultural economy and because of problems with drought, yet he suggested no direct action, only urging the prudent use of cultivated land. He did urge the federal government and agricultural colleges to work together to study land use and management. Toward that end, Meredith formed a committee to help establish an agricultural economics section under the Office of Farm Management. The committee included Henry C. Taylor, head of the department of agricultural economics at the University of Wisconsin, his colleague Richard T. Ely, who specialized in land economics, and Lewis Gray. Meredith further suggested that the United States Department of Agriculture (USDA) cooperate with agricultural colleges and experiment stations on a variety of projects, including land utilization projects. Meredith gave the economists a mandate to study "land resources, values, ownership and tenancy, settlement and colonization, and land policies."¹¹

¹¹ United States Department of Agriculture, *Yearbook of Agriculture, 1919* (Washington, D. C.: Government Printing Office, 1920), 32-38, quote on 37; Kirkendall, "L C. Gray," 206-208; Gladys L. Baker, Wayne D. Rasmussen, Vivian Wiser, and Jane M. Porter, *Century of*

In 1919, Taylor was named Chief of the Office of Farm Management, which three years later was changed to the Bureau of Agricultural Economics (BAE). He hired Gray to oversee the Division of Land Economics. Another former student of Taylor and Ely, Oliver E. Baker, went to work for Gray at the USDA. Baker wrote several articles on land utilization and, like Gray, emerged as a leader in the Land Utilization movement. It seemed for a time that the University of Wisconsin dominated agricultural economics at the United States Department of Agriculture. As a result, Ely and Taylor greatly influenced national agricultural economic policy for several decades.¹² Land utilization was not confined to government research agencies, however. In 1920, Richard Ely established the Institute for Research in Land Economics at the University of Wisconsin to further study land utilization.¹³

Service: The First 100 Years of the United States Department of Agriculture (Washington, D. C.: Government Printing Office, 1963), 112-113, 454, 457, hereafter cited as Baker et al., *Century of Service*.

¹² Ibid.

¹³ Two years later it became the Institute for Research in Land Economics and Public Utilities, which publishes the *Journal of Land and Public Utility Economics*. In 1925, Emil Oliver Jorgensen of the Manufacturers and Merchants Federal Tax League attacked Ely in his polemical *False Education in Our Colleges and*

Agricultural economists involved in land utilization research not only looked at the current economic problems and potential solutions, they went one step further, planning for the future. By the 1920s, it seemed unlikely that the United States would acquire any more territory. At the same time, however, the population continued to expand. It became clear, then, that the country faced continuing population growth on a finite amount of land; hence careful and efficient land use would be crucial to the long-term survival and prosperity of the country, even with the potential to import natural resources.

The post-war contraction in the agricultural markets led some Americans to question the merit of unlimited expansion of cultivated land. In 1921, Secretary of Agriculture Henry C. Wallace designated a Land Utilization committee to examine land-use practices in the U.S. and to make recommendations on how best to use America's land resources. The broad mandate allowed the committee comprehensive consideration of the nation's

Universities: An Expose of Prof. Richard T. Ely and His "Institute for Research in Land Economics and Public Utilities" (Chicago: Manufacturers and Merchants Federal Tax League, 1925). Taylor and Taylor, Story of Agricultural Economics, 848.

natural resources. Lewis Gray served as chairman of the committee and was largely responsible for the subsequent article published by the committee in the *Agriculture Yearbook 1923*, "The Utilization of Our Land for Crops, Pasture and Forests." O. E. Baker served as the committee secretary and second author on the article. The annual *Agriculture Yearbooks* circulated to universities, libraries, various agencies, and individuals, but more farmers probably read the short bulletins and circulars the USDA published. Consequently, much of the early information in the developing field of land utilization probably circulated primarily among agricultural economists and scientists, not among farmers.¹⁴

Gray defined the field of land utilization as "that branch of land economics which comprises the study of the

¹⁴ L.C. Gray, O.E. Baker, F.J. Marschner; B. O. Weitz; Chapline, W.R.; Shepard, Ward; and Raphael Zon, "Utilization of Our Lands for Crops, Pasture and Forests," in United States Department of Agriculture *Yearbook of Agriculture*, 1923 (Washington, D. C.: Government Printing Office, 1924) 415, hereafter cited as Gray et al., "Utilization of Our Lands"; Albert Z. Guttenberg, "The Land Utilization Movement of the 1920s," *Agricultural History* 50(1988):477, hereafter cited as Guttenberg, "Land Utilization Movement"; Baker et al., *Century of Service*, 112-113. See also Russell Lord, *The Wallaces of Iowa* (Boston: Houghton Mifflin Company, 1947), hereafter cited as Lord, *Wallaces of Iowa*.

land resources of a nation or other geographical unit from the standpoint of their economic significance with a view to determining for what and how they may be most effectively employed."¹⁵ While there may have been debate over what constituted "effectively employed," those in the field of land utilization argued for efficient long-term land use. Although land could be exploited efficiently for short term financial gains, Gray believed that the careful use of land resources over the long-term reduced the harmful effects of a boom and bust economic cycle and ultimately prevented human suffering. In addition, a farm unit should be large enough to support a family. An economist himself, Gray stressed the importance of the economist to land utilization study, although he believed that many other specialists had much to contribute to understanding sound land utilization. The general goal of the land utilization movement was to use the land as efficiently as possible — meaning at its highest economic potential

¹⁵ L. C. Gray, "The Field Of Land Utilization," *The Journal of Land and Public Utility Economics* 1(1925):152-153, hereafter cited as Gray, "Field of Land Utilization."

for the long term, taking into account land resources, human resources, capital, and any national objectives.¹⁶

Population estimates added to the complicated picture of land use. Initially, Gray, Baker, and others believed that the increasing population of the United States would require more and more natural and agricultural resources, that more farm land would be necessary, and that higher yields from farm land would be required, as well. They recommended, among other things, the careful matching of crops to appropriate soils, again stressing the importance of wise land use for the needed higher yields. Gray and Baker believed it was necessary to increase the future supply of agricultural products for an ever increasing population, arguing that a land use policy, dictated by agricultural science and economics, could achieve a rational balance between production and the demands of population growth. Toward that end, both suggested wise and efficient land use, increasing the intensity of agriculture, reducing waste, increasing imports and decreasing exports, as well as a changing of diets to include more grains and less meat. According to their 1923 estimate, the United States,

¹⁶ Ibid.

which had a population of about 105 million in 1920, ultimately could support a maximum population of 350 million.¹⁷

Because of the growing population, Gray worried about the potential scarcity of farm land as the per capita amount of farm land continued to decrease. He believed that the agricultural depression of the early 1920s was an aberration, as was the overproduction for world export during the Great War. The increased value of farm land in the 1920s, according to Gray and his colleagues, was not an aberration caused by higher wartime prices. In fact, they believed that the scarcity of farm land was driving land prices up, and that in the long-term it would continue to do so.¹⁸

According to Gray, land settlement patterns had to be altered, because no high quality virgin land remained in the public domain for settlers to homestead. He further castigated the boosters and land speculators who lured people to settle in areas unsuitable for cultivation and declared that "experience has shown that

¹⁷ Gray et al., "Utilization of Our Lands," 461-506; O. E. Baker, "Land Utilization in the United States: Geographical Aspects of the Problem," *Geographical Review* 13(1923):1-26, hereafter cited as Baker, "Land Utilization."

¹⁸ Ibid., 433-451.

with sufficiently strong selling methods it is possible to find buyers for land entirely unsuitable for farming." The problem was not just forcing unsuitable land use, it was timing as well: "Settlement activity is always most extensive at times when agriculture is 'booming,' " he wrote, when land, livestock, machinery, and reclamation costs are high. Settlers in large numbers borrow large amounts to develop farms, "only to be compelled shortly to enter a period of depression under a heavy load of indebtedness."¹⁹ In early articles, Gray blamed boosters and land speculators for enticing too many people to settle on submarginal land,²⁰ and by 1930 he warned: "By an adequate policy of supplying information to prospective settlers a large number would be directed to favorable rather than to hopeless situations, and land companies and private reclamation enterprises would find it advisable to cooperate with the Government in developing a sound program of reclamation and settlement."²¹

¹⁹ Ibid., 503.

²⁰ Gray did not like the use of the word "submarginal, because the problem was not with the land, it was with the land use. L. C. Gray, "Federal Purchase and Administration of Submarginal Land in the Great Plains," *Journal of Farm Economics* 21(February 1939):123.

²¹ L. C. Gray, "Classification of Public Lands," *Documentary Material on the Inter-American Conference on*

These settlement patterns and practices caused overexpansion of agriculture when little or no expansion was necessary, and ultimately caused lower farm prices. Gray and his colleagues in the USDA Bureau of Agricultural Economics asserted that with careful land planning, agricultural prices could remain stable and profitable – ostensibly benefiting the entire economy, but primarily helping those who were already established in agriculture.²² Because they had easier and cheaper access to transportation and had more consistent rainfall, Eastern and Midwestern farmers would benefit more from any restrictions in agricultural expansion.²³

Population estimates were just part of the land utilization assessment. Land had to be inventoried and classified according to its most viable use, that is, how it could be used economically for the long term. John Wesley Powell had urged a classification of the public domain, in part to control settlement, believing that only land that could viably support a family should be homesteaded, but he failed to gain Congressional support

Agriculture, Forestry and Animal Industry (Washington, D. C.: Government Printing Office, 1930), 80, hereafter cited as Gray, "Classification."

²² Gray et al., "Utilization of Our Lands," 503-506.

²³ Guttenberg, "Land Utilization Movement," 478.

for his proposal. Similar Progressive era efforts also failed.²⁴ Armed with various land studies, Gray continued to argue for a comprehensive federal land use policy as a way to stabilize the agricultural economy. In September 1930, at the Inter-American Conference on Agriculture, Forestry, and Animal Industry in Washington, D. C., he urged the classification, according to economic potential, of the 190 million acres of land still in the public domain in the 48 states. Gray maintained that, despite efforts of the United States Geological Survey, there had been no adequate system of land classification. Since much of what had once been the public domain had been transferred to private owners, he favored an economic classification of private land as well as of the remaining in the public domain. The federal government had no power to classify private land, but he hoped that some control could be exerted by developing a "policy of education and reacquisition." Gray especially sought the economic classification of submarginal lands, largely in the semiarid west, in order to find the most feasible use of that land. However, real assessment of the country's

²⁴ Powell, *Report*; John Opie, *The Law of the Land: Two Hundred Years of American Farmland Policy* (Lincoln:

natural resources did not take place until the desperate conditions of the 1930s forced change.²⁵

Gray broadly categorized the nation's 1.9 billion acres as either cropland, pasture land, or forest, but within those categories he considered the aridity or humidity of the region, an important factor in estimating productivity. In 1919, about 43 percent of the land area in the United States was pasture land, 25 percent was cultivated land, and about 25 percent was forest land. About 6 percent of the land was either urban, desert, marsh, or roads. Some categories were further divided. Farmland, for example, was classified as arid or humid because such land in humid areas could support more people and animals than an equal amount of land in the arid regions.²⁶

Gray and his colleagues assessed the current use of land, especially land used for or suitable for agriculture, but they made careful distinction between land suitable for agriculture, and land that *could* be suitable for agriculture with improvements such as clearing, drainage, or irrigation. Much of Montana, of

University of Nebraska Press, 1987), 146-152, hereafter cited as Opie, *Law of the Land*.

²⁵ Gray, "Classification," 80.

course, fell into the latter category. Gray and his colleagues estimated that in 1919 there were about 1.7 million acres of irrigated farm land in Montana, but that a total of 6 million acres was irrigable, although at a high cost. While more land could be irrigated if necessary, the cost involved would make new reclamation projects impractical unless crop prices rose above certain levels. Otherwise, according to Gray, reclamation was a waste of money and human resources.²⁷ The task of land-use planners, then, was to figure out what land could profitably produce certain crops with the least capital investment. Land unsuitable for cultivation should be put to a more appropriate use, such as grazing. On the other hand, they also had to anticipate that population growth and the inevitable increased demand for food that might require the cultivation of marginal land.²⁸

Although agricultural land was their principal subject, Gray and his colleagues were also concerned with

²⁶ Gray et al., "Utilization of Our Lands," 415-433.

²⁷ This view of reclamation has been discussed by scholars in various forums, but particularly notable is Marc Reisner's *Cadillac Desert: The American West and Its Disappearing Water* (New York: Viking, 1986).

²⁸ Ibid., 415-433.

other natural resources, such as timber and minerals, and included them in their broad land utilization assessment. It was just as important to assess the nation's other natural resource needs as it was to assess the demand for food. In every case, land was the principal component of production, and land planning and management was, therefore, the central goal.²⁹

Following World War I, foreclosures, bankruptcies, and tax sales forced many farmers into tenancy, often on the same land they had once owned. Land utilizationists believed there was a link between land use and tenancy, and consequently, many studied farm tenancy. Gray and his colleagues in the USDA Bureau of Agricultural Economics published an article, "Farm Ownership and Tenancy," in 1923 in which they argued that farm tenancy was an important as a step toward farm ownership (although they later backed away from that idea). Otherwise, tenancy hindered wise land use because the need to produce the most from the land quickly in a brief period forced tenants to consider only short-term management instead of long-term management of resources. To resolve some tenancy problems, land utilizationists

²⁹ Ibid., 461-506.

recommended fair leasing arrangements to encourage land ownership.³⁰

Lewis Gray and O. E. Baker often ended articles with a call for a national land utilization plan, especially for agriculture. In the 1920s there was no coordination among federal agencies on land use policy. The Bureau of Reclamation, for example, did not work with the United States Department of Agriculture in planning reclamation projects to increase agricultural land. Gray and Baker believed that this wasted resources and harmed agriculture in the long run. Any expansion of agricultural land should be done according to a plan, in relationship to the increasing population. Recognizing that the United States was part of a world market, Baker thought that agricultural land use should be planned with knowledge of the world agricultural situation, as well, not just with the domestic situation alone.³¹

Interest in the Land Utilization movement outside the Bureau of Agricultural Economics waxed and waned with

³⁰ L. C. Gray, Charles L. Stewart, Howard A. Turner, J. T. Sanders, and W. J. Spillman, "Farm Ownership and Tenancy," in United States Department of Agriculture *Yearbook of Agriculture*, 1923 (Washington, D. C.: Government Printing Office, 1924), 507-600.

³¹ Kirkendall, "L C. Gray," 207-210; Baker, "Land Utilization," 23-26; L. C. Gray et al., "Utilization of Our Lands," 497-506.

the price of wheat, even though Gray, Baker, and Ely continued their efforts. After devoting ninety-one pages to the topic in 1923, the *USDA Yearbook of Agriculture*, 1924 ignored it. That year, wheat prices were back up to \$1.24, up more than 35 percent from the previous year, but wheat prices began dropping again after 1925. As the agricultural economy worsened, interest in a land utilization plan increased. Another important factor in the sudden decline in interest in land utilization may have been the death of Secretary of Agriculture Henry C. Wallace in 1924. Wallace wielded political influence that his successor did not.³²

Gray argued that broad goals had to be defined commensurate with the political and economic objectives of the nation, but he castigated the national land policy (or the lack of one) that permitted speculators to exploit unsuspecting prospective farmers. He further criticized policies that did not take into account national natural resource needs for the long-term. Gray's concern, then was that the field of land

³² *Montana Agricultural Statistics*, 4-5; Paul K. Conkin, *Tomorrow a New World: The New Deal Community Program* (Ithaca, New York: Cornell University Press, 1959), 78, hereafter cited as Conkin, *New World*.

utilization provide information so that educated choices in national land use could be made.³³

Gray believed that if land use were left entirely up to individuals and the market, there would be a wholesale squandering of resources with no thought for the future. For example, he believed that the timber consumption of the United States was greater than could be supplied for the long-term. If enough land were devoted to timber needs, then Gray believed there would not be enough for grazing or cultivation. In other words, the finite amount of land in the United States required critical planning so that future needs of the country and its growing population could be met. The tendency of agriculture to over-expand was due to poorly thought out land policies such as the Homestead Act, as well as the greed of speculators, developers, and settlers. This overexpansion hurt the United States economically, threatened future economic security, and ignored the overall land needs of the country. Gray indirectly criticized the Bureau of Reclamation for poorly thought out reclamation plans. Elsewhere, he would continue to

³³ Gray, "Field Of Land Utilization," 152-155.

blast that organization for lack of attention to national agricultural planning.³⁴

The USDA's interest in the economic viability of land as a measure of its suitability for settlement led to clashes with the people who promoted settlement in the arid western U. S., including the Department of the Interior's Bureau of Reclamation. The Bureau of Agricultural Economics' idea of a national land policy based on economics, the environment, and common sense essentially ran counter to the Bureau of Reclamation idea of irrigating western lands for agriculture at virtually any price. Gray envisioned keeping agriculture where it was most efficient, in the East and Midwest, while the Bureau of Reclamation obviously favored its growth and expansion in the West. Gray had many supporters; the addition of more agricultural land would only decrease agricultural prices for established farmers as it increased the surplus of agricultural products. Western promoters, of course, supported the Bureau of Reclamation and its head, Elwood Mead. Although Gray and Baker had initially believed that the nation's population growth would require much more agricultural land, their later

³⁴ Ibid., 152-156.

estimates reflected a lower rate of growth. Their opposition, including John Haw of the Northern Pacific Railroad, rejected their revisions claiming that more agricultural land was necessary to feed the growing population. Mead also deplored the unplanned settlement of the West and its accompanying homestead failures and believed the nation needed land planning. But Mead wanted small irrigated farms out West, not more grazing land. Gray wanted to restrict the expansion of agriculture; Mead wanted to expand agriculture. The power struggle between USDA and the Bureau of Reclamation continued for years as bureaucrats debated over how to define efficient use and the needs of the country.³⁵

Over time, land utilizationists realized that economic studies should be integrated with studies of social problems, and they gradually shifted their concerns to include broader social issues as well as

³⁵ Opie, *Law of the Land*, 114-119, 140; Donald Worster, *Rivers of Empire: Water, Aridity, and Growth of the American West* (New York: Oxford University Press, 1985); Kirkendall, "L. C. Gray," 206-209; Conkin, *New World*, 78. See also James R. Kluger, *Turning on Water with a Shovel: The Career of Elwood Mead* (Albuquerque: University of New Mexico Press, 1992). Although Mead faced some contention in Washington, he was well respected across the West. After his death, the *Lewistown Democrat-News* published an editorial about him entitled "Friend of the West." *Lewistown Democrat-News* 26 January 1936.

economic and environmental interests.³⁶ They realized that unproductive land did not pay the taxes that supported local governments, but that those governments still had to run schools, build roads, and provide other services. The homestead boom had lured many settlers to the northern Great Plains, and services had to be provided for them. While the price of wheat was high, their taxes paid for the services, but as agricultural prices declined, and land values followed, tax income declined. Furthermore, as counties acquired tax delinquent land, their tax bases diminished. Land settlement policies had encouraged wide dispersal of the population, which in turn required a wider dispersal of governmental services, adding to the high cost of government, and ultimately causing higher taxes. For a land utilization program to work, societal concerns would have to be a part of that program. To save both money and continue services, county governments might have to consolidate, or schools might have to consolidate.³⁷

³⁶ Guttenberg, "Land Utilization Movement," 481.

³⁷ Roland R. Renne, *Montana Farm Taxes*, Montana Agricultural Experiment Station *Bulletin* no. 286 (Bozeman: Montana Agricultural Experiment Station, 1934); Roland R. Renne, *Montana County Organization, Services, and Costs*, Montana Agricultural Experiment Station *Bulletin* no. 298 (Bozeman: Montana Agricultural

Gray realized that the government needed to consider both the social and land use problems. He pointed out that the federal government lacked the power to directly control land use, but there was one way to accomplish the goal of wise land use. In order to correct social problems as well as land use problems, Gray and other land utilizationists suggested that the federal government purchase submarginal land, relocate families, and "readjust" the land use. If the government removed people from poor agricultural land and relocated them to areas with a greater population density, where the land and the economy could support a higher number of people, many expensive services would not be needed in the hinterland.³⁸

After studying and working together for years, the community of agricultural economists was a relatively close-knit group. In 1929, several traveled together on the ship *Leviathan* to attend an international conference on agricultural economics in England. They spent days on

Experiment Station, 1935); *Proceedings of the National Conference on Land Utilization* (Washington, D. C.: Government Printing Office, 1932), 58-67, hereafter cited as *Proceedings of the National Conference*.

³⁸ Gray, "Classification," 80; *Proceedings of the National Conference*, 58-67.

the ship playing deck sports, gathering for meals to discuss economics. Among those who traveled together were Henry Taylor and O. E. Baker, both proponents of land utilization, and Henry A. Wallace, the son of the late Secretary of Agriculture Henry C. Wallace, and himself a future Secretary of Agriculture. Taylor and Baker had an opportunity to influence someone who would be an important agricultural policy maker.³⁹

The economy continued to worsen during 1930 and 1931. In the latter year in Montana, only 47 percent of the wheat planted was harvested. The acreage that was harvested produced only an average of 6.6 bushels per acre, down dramatically from the 25.5 bushels per acre produced in 1915, and the wheat that was harvested brought only \$.50 per bushel. It could not get much worse for Great Plains farmers. In 1931, each acre of wheat planted in Montana earned only \$1.58. Fifteen years earlier, each acre planted had earned \$26.66.⁴⁰ By

³⁹ Lord, *Wallaces of Iowa*, 283-292; *Proceedings of the International Conference of Agricultural Economists* (Oxford: Agricultural Economics Institute for the International Association of Agricultural Economists, 1929).

⁴⁰ The statistics are for all wheat (spring and winter); 1916 was the first year to have statistics on the number of acres planted. *Montana Agricultural Statistics*, 4-5.

1931, agricultural economists, policy makers, and representatives of farm groups began to refer to the situation as an "emergency."⁴¹

Land utilization theory seemed to offer some solutions for agricultural problems, but it needed wider acceptance, more research, and some publicity, so Lewis Gray and Nils Olsen, the Chief of the Bureau of Agricultural Economics, convinced Secretary of Agriculture Arthur M. Hyde to sponsor a "National Conference on Land Utilization," in cooperation with the Association of Land Grant Colleges and Universities. In sponsoring this conference and using it as a means to generate ideas on how to address the problems facing agriculture, Hyde was also protecting his agency's interest in controlling agricultural policy at a time when it faced opposition from the Bureau of Reclamation and the Federal Farm Board.⁴²

More than 350 people attended the conference, held in November in Chicago. Forty-two papers were presented by academics, governmental scientists and bureaucrats, both state and federal, and representatives from farm

⁴¹ *Proceedings of the National Conference*, 249.

⁴² Kirkendall, "L. C. Gray," 210; *Proceedings of the National Conference*, iii.

organizations. Representatives from railroads, banking organizations, insurance companies, and chambers of commerce attended the conference as well. The Associated Press, the National Broadcasting Company, and other members of the press covered the conference.

Agricultural universities and colleges across the country sent delegates.⁴³

R. A. Pearson, President of the University of Maryland and Chairman of the Executive Committee for the Association of Land Grant Colleges and Universities, opened the conference with a jeremiad predicting dire consequences if the country did not work to conserve natural resources. He urged conference participants to work toward conservation of what he believed was the most valuable natural national resource: land.⁴⁴ An elderly Richard Ely was surrounded by former students at the conference. Believing that many of his economic land planning ideas, and those of his students, were nearing fruition, he addressed the conference. "For years, however, I was a voice crying in the wilderness

⁴³ *Proceedings of the National Conference*, iv, 240-251.

⁴⁴ *Ibid.*, 1-2.

Now, as I look at this program of this 3-day conference, I feel that I am in sight of the promised land."⁴⁵

L. C. Gray sketched out some solutions in his paper, "Some Ways of Dealing With the Problems of Submarginal Land." Although Gray was an important thinker in the broad Land Utilization movement, he was spending most of his time on the submarginal land problems. He recommended readjustments in taxes and an end to the sale of tax delinquent land. He wanted to relocate families and begin rural zoning for the evacuated areas, to consolidate land into economically viable units, to modify local infrastructure such as school district boundaries and road locations, and to consolidate local governments. Gray then urged the public acquisition of three kinds of submarginal land: 1) land that was tax delinquent and unsuitable for private use or otherwise advantageous for public acquisition, 2) land whose acquisition would increase the efficiency of (reduce the need for) public services such as roads and schools, and 3) land which, when acquired, would help fill out a previously acquired parcel so that it would become economically viable. In addition, Gray wanted to prevent

⁴⁵ Ibid., 126.

arable land from becoming submarginal, or submarginal land from being cultivated. He said the homestead system tempted people "to undertake to establish farms or grazing units on lands that will scarcely support a jack rabbit, that 14,532 original homestead entries were made in 1930, though it is doubtful if there is a section of unallotted or unreserved land in the public domain capable of supporting a family."⁴⁶ Gray thought the government should buy back submarginal land from its owners and should undertake research and education to prevent a recurrence of these problems.⁴⁷

The influence of Lewis Gray was obvious in the conference's conclusions and recommendations. The recommendations summarized the problems, pointing to the federal land policies that urged the conveyance of public domain land to individuals without concern for the economic viability of the land, and called for cooperation between federal, state, and local agencies in policy making to promote the wise use of all land, public and private, as well as the conservation of land resources for both the present and the future. The conference made eighteen specific recommendations. The

⁴⁶ Ibid. , 65.

⁴⁷ Ibid. , 58-67.

first was that the grazing lands that were part of the public domain be organized and administered by a federal agency. One urged the protection of watersheds. Another urged classifying and inventorying of land according to soil type and potential economic value. Homesteading on the public domain should be permitted only after land classification, and only then on lands which were economically viable as farmsteads, not on marginal or submarginal land. Land developers should be licensed and regulated to prevent unethical conduct and the unwise use of land.⁴⁸

The central concern of the conference was the development of a program to deal with marginal and submarginal land: land inappropriate for cultivation, cut-over forest land, and marginal grazing land. The recommendations pointed out, as Lewis Gray had, that the unproductive land should be converted to an appropriate use, so that it could contribute to the economy and the local tax base. If possible, land use should be changed without government acquisition, but that should be a done as a last resort. Historically, government acquisition of land had been approved for only a limited number of

⁴⁸ Ibid., 240-242, 246.

reasons, none of which included implementing a federal land use policy. A government buy-back program, if it came to that, could remove from private ownership land that should never have been cultivated in the first place, land that because of too sparse a population did not pay its own taxes for government services, forest land, or land subject to serious erosion if farmed any longer. Programs that already purchased land for watershed protection and for reforestation could be enhanced.⁴⁹ A program to buy back agricultural land and increase the public domain, then, was a radical change from earlier land purchase policies.

The conference sought to rein in the power of the Bureau of Reclamation by recommending that it finish only projects already underway, and that no new reclamation projects be started unless an increased need for agricultural products (because of an increasing population) justified bringing additional land under cultivation. Elwood Mead, the head of the Bureau of Reclamation, spoke in defense of reclamation at the conference, essentially saying that there would be no civilization or development in the West without

⁴⁹ Ibid., 243-245, Opie, *Law of the Land*, 140-150; Lord, *Wallaces of Iowa*, 308-312.

reclamation to provide water for irrigation, electric power, and other uses. According to Mead, reclamation brought development and people, who in turn purchased goods, adding to the nation's economy and helping the railroads. He predicted that Hoover Dam would help draw millions of people to the Southwest. Mead, like Gray, wanted to improve rural life. He had worked to develop planned rural communities in Australia and wanted to do the same in the United States. According to Mead, reclamation was the way to help rural Americans.⁵⁰

Delegates did not limit the recommendations to those directly dealing with land. They also proposed that states reduce expenditures (by consolidating county governments if necessary), and change their revenue sources from property taxes to income taxes. They further recommended the federal coordination of farm credit agencies, such as federal land banks and joint stock land banks, in an effort to bring about wiser land use.⁵¹

Finally, the conference participants recommended two avenues for furthering the cause of land utilization.

⁵⁰ Ibid., 243, 17-23; Conkin, *New World*, 43-45; Opie, *Law of the Land*, 114-119, 140; Worster, *Rivers of Empire*; Kirkendall, "L C. Gray," 206-209. See also Kluger, *Turning on Water with a Shovel*.

⁵¹ *Proceedings of the National Conference*, 242-243.

First, the United States Department of Agriculture should set up regional land utilization conferences, and secondly, two committees should be established to help formulate policy: a national land use planning committee and a national advisory and legislative committee on land use.⁵² The following year Rexford Tugwell, a member of presidential candidate Franklin Roosevelt's "Brain Trust," met with M. L. Wilson, a supporter of land utilization and an author of a pamphlet on the conference. Perhaps a new administration could help implement many of the ideas of the Land Utilization movement.⁵³

The rhetoric of the land utilization movement seemed radical at the time, with calls for a national land use policy, federal reacquisition of much of the arid plains, and the castigation of unrestrained private land development, and to some, Lewis Gray sounded like a revolutionary as he urged greater government control over the natural resources of the country. Yet Gray did recognize the property rights of individuals.

⁵² Ibid., 246-247.

⁵³ Lord, *Wallaces of Iowa*, 308-312. See also William D. Rowley, *M. L. Wilson and the Campaign for the Domestic Allotment* (Lincoln: University of Nebraska Press, 1970).

Land utilization emerged as an important field because of the economic and environmental problems of the 1920s and continued to grow in significance because of the increasing problems that agriculture faced during the 1930s. Gray and others furthered the cause of land utilization by publishing scholarly articles and by promoting it through his work in the United States Department of Agriculture. They urged the adoption of a national land-use policy, a comprehensive plan that would use knowledge of the environment, agricultural science, and economics to determine the most efficient use of the available land. Ultimately, it took the combination of economic and environmental problems of the 1930s to bring about any national land policy. Land utilization proponents had the opportunity to see some of their ideas come to fruition, when the movement became part of the New Deal under Franklin Roosevelt and the land utilization ideas were put into action. Once in practice in the United States, the land utilization movement would lead to the retirement from cultivation of hundreds of thousands of acres of submarginal land during the 1930s.

The Land Utilization movement ultimately led the transition toward land use planning in the United States. But even though the message of land utilization had

permeated the community of agricultural scientists, it took more time to trickle out to the hinterland. Several reporters attended the National Conference on Land Utilization, but there was no mention of the conference in the *Lewistown Democrat-News*. A couple of months after the conference, the message finally began reaching those it most affected: the farmers. At an annual farm program in Fergus County, Montana, in early 1932, Agricultural Extension Service officials discussed Land Utilization with local farmers.⁵⁴ And even though the ideas of land utilization began to seep through the entire agricultural community, from economists to policy makers to farmers, the transformation of those ideas into policy would take even more time.

⁵⁴ *Lewistown Democrat-News* 13 February 1932.

Chapter 6

The Homestead Movement in Reverse: The New Deal Land Utilization Program

The problems of American farmers were obvious, especially on the Great Plains, but the solutions to those problems were not so obvious. The National Conference on Land Utilization held in Chicago in November 1931 brought together a broad spectrum of participants to discuss solutions to those problems. Previous efforts in land utilization had been confined to studies and reports; however, because the conference included policy makers, there was some optimism for implementation. Despite the approval of recommendations for change by conference delegates, including an endorsement for the federal purchase of submarginal lands, it would take more time for the new policies to take effect. In early 1933, M. L. Wilson believed that "public opinion on land utilization [was] crystallizing."¹ The anticipated change came during Franklin D. Roosevelt's New Deal with the implementation of a land utilization program. Federal land utilization

¹ M. L. Wilson, "A Land Use Program for the Federal Government," *Journal of Farm Economics* 15(April 1933):217, hereafter cited as Wilson, "A Land Use Program."

essentially reversed the homestead movement as the government began buying back failed homesteads on submarginal land. Land utilization, then, represented a dramatic shift in federal land policy.

The economic problems of the 1920s persisted in the 1930s; farmers across the country continued to suffer from prolonged depression and drought. Although much of the country had been in depression only a few years, farmers had been having economic problems since the early 1920s. Even while land economists discussed land utilization in Chicago, the agricultural downturn continued. Farmers in Montana had no money to buy food and were going hungry. In one small farming community in Fergus County, the Red Cross distributed 4,000 pounds of beans during December, 1931.² During the summer following the National Conference, wheat farmers in Montana harvested about 85 percent of the acreage they had planted, up from the 47 percent harvested in 1931, and the average yield per acre more than doubled to 13.6 bushels per acre, but the average price of wheat bottomed

² *Lewistown Democrat-News* 6 December 1931.

out at \$.35 per bushel, the lowest annual average on record in Montana.³

As the crisis deepened, the comprehensive planning ideas of land utilization seemed a panacea for agriculture's problems and political support developed. Both the Republican and the Democratic party platforms in 1932 included land utilization planks.⁴ Specifically, Republicans supported national land use planning, as well as the federal purchase of land unsuitable for agriculture. Democratic candidate Franklin D. Roosevelt, as governor of New York, had started a land use planning program in the state and supported national land use classification and planning as a way to prevent the economic difficulties that farmers faced. He believed that a combination of industry and agricultural land use readjustment would restore rural economies.⁵ His inaugural address on 4 March 1933 reflected his

³ The statistics on wheat production begin in 1873, when 11 acres of wheat were harvested, producing 20 bushels per acre at a price of \$.98 per bushel. Montana Agricultural Statistics Service, *Montana Agricultural Statistics, State Series 1867-1991* (Helena: Montana Department of Agriculture, 1992), 4-6.

⁴ L. C. Gray, "The Social and Economic Implications of the National Land Program," *Journal of Farm Economics* 18(May 1936):258.

⁵ Wilson, "A Land Use Program," 218-219.

commitment to land planning, suggesting that Americans "endeavor to provide a better use of the land. . . ."⁶

Roosevelt offered the country a "New Deal," and as part of that New Deal he signed the Agricultural Adjustment Act on 12 May 1933, establishing the Agricultural Adjustment Administration (AAA) and implementing emergency relief measures in an effort to give farmers the purchasing power they had had during the years 1909-1914. Short-term relief, such as agricultural subsidies and reduction of acreage planted, was followed by long-term reform to prevent future agricultural disasters, economic and environmental.⁷

Government intervention in the agricultural economy through the AAA was not always popular with the electorate (or the courts), although it did help farm prices and farmers. By late 1933, even Secretary of Agriculture Henry A. Wallace said he was "disillusioned about the virtues of laissez faire," but he believed "that this is an age of unpleasant alternatives." One of

⁶ *Lewistown Democrat-News* 6 March 1933; Franklin D. Roosevelt, *Nothing to Fear: The Selected Addresses of Franklin D. Roosevelt, 1932-1945*, ed. by B. D. Zevin (Cambridge: Harvard University Press, 1946), 15.

⁷ Theodore Saloutos, "The New Deal in the Great Plains," *Agricultural History* 43(1969):346-347.

those unpleasant alternatives, according to Wallace, was the Agricultural Adjustment Act. Wallace hoped for "social discipline" among farmers (which he defined as "a willingness to modify individual behavior for the larger purposes of society"), but he believed that significant changes in agriculture could not be made "without the use of the centralizing power of the Federal Government."⁸ At the same time, Assistant Secretary of Agriculture Rexford G. Tugwell actively promoted the use of the federal government to rescue agriculture, believing that the federal government would exert control over public land and privately held land, in order to control productivity.⁹

Under President Roosevelt and the New Deal, national land planning began in earnest as the support for stronger government intervention grew. Following the recommendations of participants at the 1931 National Conference, the USDA had established two committees to formulate a national land policy, but they were short-

⁸ Henry A. Wallace, "The Farmer and Social Discipline" *Journal of Farm Economics* 16 (January 1934): quotes on 1, 2, 8.

⁹ Rexford G. Tugwell, "The Place of Government in a National Land Program," *Journal of Farm Economics* 16 (January 1934):55.

lived. Once in office, Roosevelt set up a National Planning Office under the Public Works Administration, but in June 1934, he replaced that office with the National Resources Board (NRB), which superseded the earlier committees on national land policy. The NRB coordinated and supervised natural resource inventorying and planning efforts within the federal government. Secretary of the Interior Harold Ickes chaired the board, which included Secretary of Agriculture Henry Wallace and other cabinet members, as well as Federal Emergency Relief Administrator Harry Hopkins. Lewis Gray worked on the staff of the National Resources Board as the Director of the Land Section, headed the AAA Land Policy Section, and served on the National Land Planning Committee. After years of leading the Land Utilization movement, Gray was finally in a position to implement some of its ideas.¹⁰

Hugh H. Bennett, the Chief of the Soil Erosion Service, and M. L. Wilson both served on the National

¹⁰ *Proceedings of the National Conference on Land Utilization* (Washington, D. C.: Government Printing Office, 1932), 246-247, hereafter cited as *Proceedings of the National Conference*; Paul K. Conkin, *Tomorrow a New World: The New Deal Community Program* (Ithaca, New York: Cornell University Press, 1959), 80, hereafter cited as Conkin, *Tomorrow a New World*.

Land Planning Committee as well.¹¹ Wilson would be best known for his New Deal domestic allotment program for farmers, but his ideas on land use mirrored those of Lewis Gray's. Both men believed that the federal government needed to study land use, inventory and classify land, encourage rural zoning, and purchase submarginal land.¹²

In late 1934, the National Resources Board submitted to the President *A Report on the National Planning and Public Works in Relation to Natural Resources and Including Land Use and Water Resources with Findings and Recommendations*. Subsequent to the initial Report, the National Resources Board issued eleven supplementary reports that provided more detail on various resource issues. The National Resources Board Report looked much like an expanded version of previous land utilization

¹¹ National Resources Board, *A Report on the National Planning and Public Works in Relation to Natural Resources and Including Land Use and Water Resources with Findings and Recommendations* (Washington, D. C.: Government Printing Office, 1934), iv, 8, hereafter cited as *National Resources Board, Report*.

¹² Merrill G. Burlingame and Edward J. Bell, Jr., *The Montana Cooperative Extension Service: A History 1893-1974* (Bozeman: Montana State University, 1984), 28-29, 65-92; William D. Rowley, *M. L. Wilson and the Campaign for the Domestic Allotment* (Lincoln: University of

papers, with assessments of natural resources, population growth, and future land use needs. The *Report* echoed the land utilization lament that some previous land use had been inefficient, causing loss of resources, manpower, and capital, while allowing a few people to profit from the misuse of the land.¹³ Just after its publication, M. L. Wilson reviewed the *Report* for the annual meeting of the American Farm Economic Association in Chicago in December 1934. Like many in his field, he hoped the document would be used to change land policy.¹⁴

In general, the National Resources Board report castigated the "laissez faire" attitude toward land use, citing both the destruction of the nation's resources and devastation of people's lives. In a bold step away from the American emphasis on individualism, the board suggested that "our national democracy is built upon the principle that the gains of our civilization are essentially mass gains and should be administered for the benefit of the many rather than the few; our priceless

Nebraska Press, 1970), 3; Wilson, "A Land Use Program," 217-235.

¹³ National Resources Board, *Report*, v-vi.

¹⁴ M. L. Wilson, "The Report on Land of the National Resources Board," *Journal of Farm Economics* 17 (February 1935):39-50, hereafter cited as Wilson, "Report."

resources of soil, water, minerals are for the service of the American people, for the promotion of the welfare and well-being of all citizens." More dramatically, the NRB threatened to challenge the American tradition of unrestrained private ownership of land when it suggested that,

It is obvious, since most of our better lands are in private ownership, that a program for adjustments in land use must affect and reckon with the prevailing system of private ownership. . . . But private property in land carries within itself certain characteristics which have jeopardized both the private and the public welfare. In order to survive, many private interests are compelled to take a short-time exploitive point of view. In an era of competitive logging and destructive fires, the lumberman who wishes to practice conservative forestry may find his markets lost to less scrupulous competitors who encounter lower costs. Likewise, the farmer who wishes to adopt a system of farm management designed to eliminate serious erosion may find himself caught in the network of competitive handicaps through increased costs or decreased immediate income. . . . Changing social conditions require a reconsideration and redefinition of the limits which the state must impose to protect not only the public interest, but also private interests as well.

Although it seemed like a call for collectivism, the Report suggested that strong measures were necessary to protect the individual.¹⁵ This represented an important change in the idea of individual rights than earlier

¹⁵ National Resources Board, *Report*, 8, quotes on v, 154-155.

federal policy. Instead of protecting the individual from interference, the federal government was advocating the protection of the public from the individual.

According to the National Resources Board, and many land utilizationists, the cultivation of submarginal land was the root problem that led to bankruptcy, foreclosure, farm abandonment, tax delinquency, and more problems. Although there had been much discussion about removing submarginal land from cultivation, the NRB report was the first to identify and map areas of submarginal agricultural land which should be retired from cultivation. The NRB realized that a large scale, long-term program had to be established. It classified 454,200 farms on 75,345,000 acres (117,727 square miles, or an area roughly four-fifths the size of the State of Montana) as submarginal in 1935 and began making plans for the federal repurchase of part of that land. The land purchase program, named the Land Utilization Program, was to add acreage to national and state forests, wildlife refuges, national and state parks, and Indian reservations, was to help states buy land in an area of tax delinquent land to "square out" (fill out) a block of tax delinquent land, and, most importantly, was to retire submarginal land from cultivation and convert

it to grazing or other more appropriate use. At a recommended rate of about 5 million acres annually, it would take about fifteen years to retire the whole 75 million acres. The NRB report recommended that the land purchases or any change in land use be voluntary, and that owners be compensated.¹⁶

While much of the submarginal land was in the Great Plains, there was submarginal land throughout the country. Southern crop land suffered from erosion and years of growing cotton or tobacco. Cut over land in the Great Lake states was not suited for cultivation, but many were trying to farm it. A little more than one-fourth of the submarginal land in the United States was cultivated, just under one-half was grazed, and the remainder was wooded or had farm buildings on it. The National Resources Board estimated the value of the submarginal land at \$682,090,000, or about \$9 per acre, but the allocated \$25 million dollars would buy only a fraction of the acreage proposed. The National Resources Board noted, however, that in purchasing the poorest

¹⁶ Ibid., 2-3; National Resources Board, *Maladjustments in Land Use in the United States, Supplementary Report, Part VI* (Washington, D. C.: Government Printing Office, 1935), 49, hereafter cited as National Resources Board, *Maladjustments*.

lands first, they would get more acreage per dollar in the early stages of the federal buy-back. The board suggested that the federal government retain title to lands acquired but leave the administration to the best suited state or federal agency.¹⁷

Agricultural economists believed that a submarginal land purchase program would bring long-term reform to the Great Plains. However, the federal laws that transferred the public domain into private hands had forced a checkerboard ownership on the Great Plains, which made it difficult to acquire large parcels of land. Railroads received every other section for several miles parallel to their tracks, causing a broad checkered corridor along routes. Federal and state land disbursements under the homestead laws, then, made it difficult for any one person to own many adjacent sections of land. This checkerboard land ownership pattern prevented ranchers from acquiring several contiguous parcels. Parts of the

¹⁷ National Resources Board, *Maladjustments*, 49; C. F. Clayton, "Program of the Federal Government for the Purchase and Use of Submarginal Land," *Journal of Farm Economics* 17 (February 1935):59, hereafter cited as Clayton, "Program of the Federal Government;" H. R. Tolley, "The Program Planning Division of the Agricultural Adjustment Administration," *Journal of Farm Economics* 16 (October 1934):582-508, hereafter cited as

northern Great Plains were more suited to grazing than to cultivation, but small farmers could not just switch to grazing because the homestead laws required claimants to cultivate the land in order to receive the patent for the land. Furthermore, the 160 acres (or after 1909, 320 acres) granted to homesteaders could support only a few head of cattle, not enough to generate adequate income to support a family. Some ranchers took advantage of abandoned homesteads, but that offered no permanence. Others tried to lease additional land, but the leases were short, so there was no way to plan for the future. And ranchers who had short leases had no interest in maintaining the range for the long-term, and so overgrazed their leaseholds.¹⁸

The National Resources Board realized that the problem required more than the retirement of submarginal farm land. Land policies had to be changed in such a way that settlers would not be encouraged to begin farming submarginal lands. Boosters, land promoters, and state and local governments had encouraged settlement without

Tolley, "Program Planning;" National Resources Board, Report, 183-184.

¹⁸ L. C. Gray, "Federal Purchase and Administration of Submarginal Land in the Great Plains," *Journal of Farm*

regard for the carrying capacity of the land, and by the 1920s, all of the public domain that reasonably could have been homesteaded and farmed had been taken up. Consequently, the NRB planners suggested withdrawing remaining federal lands from homestead entry. They argued that settling people on poor land inevitably would lead to more people on relief and a host of other problems, even if it was simply delayed by a few good years. Between 40 and 60 percent of the homesteads taken up after 1909 had been relinquished or canceled, and even many of those that made it to full entry were later abandoned. Nevertheless, people continued to homestead. In the year ending 30 June 1934, the federal government recorded nearly eight thousand original entries. The NRB also suggested that settlement on submarginal state land should be discouraged by using a variety of instruments, such as tax incentives or federal assistance, to influence rural settlement and development.¹⁹

One decisive step toward national comprehensive land and natural resource planning was the proposal to have one board coordinate land use and natural resource

Economics 21 (February 1939):123-131, quote on 123, hereafter cited as Gray, "Federal Purchase."

¹⁹ National Resources Board, *Report*, 184-189.

planning among all federal agencies. Instead of having every agency advancing a separate land use plan, one coordinated effort could be made. As for the legal basis for national land planning, the report pointed out that the United States had absolute control of all land (through eminent domain), and it did not back away from the possibility of using that control. Ironically, at the same time the New Deal was adding many new agencies, which made it more difficult to coordinate planning.²⁰

Gray, as Director of the Agricultural Adjustment Administration Land Planning Section, heavily influenced national land planning. The National Resources Board helped him by recommending that his section be made permanent so that one agency could guide all aspects of federal land acquisition, management, research, and use, in order to avoid duplication.²¹

The National Resources Board made detailed recommendations in the areas of land, water resource, mineral resource, and public works planning, not unlike those that land utilizationists had been promoting for more than a decade. With the publication of the report,

²⁰ Ibid., v-vi; Tim Lehman, *Public Values, Private Lands: Farmland Preservation Policy, 1933-1985* (Chapel Hill: University of North Carolina Press).

²¹ Ibid., 2-3.

Lewis Gray's land utilization ideas secured a broader audience and finally shaped national policy, if only because the serious economic and environmental problems of the 1930s required bold efforts. The board optimistically believed that once the recommendations were in place, many land use problems would be corrected. The NRB recognized that maladjustments in land use caused "human destitution, losses in capital and dissipation of the land resource."²² With research, coordination, and planning, the board believed, flooding and erosion, for example, could be reduced while land and water resources were developed. Long-range planning for natural resources would allow for conservation and development. In addition, the board believed that the United States could "eliminate the use of land incapable of affording a minimum standard of living, develop agricultural production on the most suitable soils only, and aid in raising the standards of living in many agricultural regions."²³

The National Resources Board divided the country into regions in order to focus on major land-use problems. Every state had submarginal land, but most of

²² National Resources Board, *Maladjustments*, quote on 1.

²³ National Resources Board, *Report*, 2.

the land under consideration for federal purchase was located in the arid West, especially on the Great Plains. The Western Great Plains region included the western two-thirds of North Dakota and South Dakota, the panhandle of Nebraska, southwestern Kansas, and most of Montana, Wyoming, Colorado, and New Mexico east of the Continental Divide. Essentially, the region stretched from near the 97th meridian west to the Rocky Mountains.²⁴

The NRB identified several factors that had led to problems in the western Great Plains. Farmers either had not adjusted their farming practices to the arid climate, or they had used faulty dry farming methods. Homestead units were too small to support a family. Rainfall fluctuated widely, which occasionally meant bumper crops, but often meant crop failure. The reduction of vegetative cover from overgrazing and cultivation led to serious erosion problems. Additional environmental problems, such as hail and insects, reduced the profitability of farming on the western Great Plains. To better adjust to the environment, the board suggested switching from farming to ranching in the more arid part of the region, and increasing the size of the farm units

²⁴ Ibid., 6-10, 31-32, quote on 31.

to allow a mixed use with more land devoted to ranching than farming.²⁵

The degradation of the plains was obvious. One participant at the annual meeting of the American Farm Economic Association in 1934 stated that "the Government's program to acquire poor land and to convert that land to uses for which it is better adapted is a recognition of the fact that the physical resources available for the creation of a new public domain are sadly deteriorated from the condition which characterized the original public domain."²⁶ This represented a critical change in federal land policy. Instead of trusting the individual landowners and the market to properly maintain land, the federal government was taking responsibility to reacquire, rehabilitate, and maintain land.

Once the land was purchased, the National Resources Board would seek to convert the submarginal land to grazing, forest, or recreational use. In the past, local governments and individuals converted some abandoned farms to other uses, but the board planned to do it more systematically and on a much larger scale. In addition

²⁵ Ibid., 6-10, 32, quote on 6-7.

to rehabilitating the new federal domain, however, the board suggested that the federal government should restore state-owned submarginal land as well.

Part of the problem was the definition of submarginal land. Lewis Gray did not like the word "submarginal" because most land had some economic potential; it was only a matter of using land appropriately. Gray pointed out that the intent of the federal submarginal land purchase program was to change the use to which land was put, not to remove it from use entirely. Broadly, land was to be defined by soil fertility, though other factors influenced the "submarginal" designation, including rainfall, erosion, distance from markets, and population density.²⁷ Arthur Hyde, Secretary of Agriculture under President Hoover, discussed the definition of "submarginal" land in his talk at the 1931 Conference on Land Utilization. "The economic definition of submarginal land is a slippery, elusive thing. The definition from a social point of view is simple enough. It is land on which no farmer, however skillful, can support a decent standard of

²⁶ Clayton, "Program of the Federal Government," quote on 57-58.

²⁷ National Resources Board, *Maladjustments*, 13.

living. It is the old, old, tragic story of someone trying to get bread out of a stone."²⁸

Clearly, federal responsibilities would not end with the purchase and rehabilitation of old homesteads. They would extend to the resettlement of families as well. The National Resources Board recommended that the land buy-back proceed at a pace that would allow for the orderly resettlement of displaced families by "local quasi-public corporations." Families would be resettled as close as possible to their communities, and not across state lines.²⁹

Because the areas with submarginal land usually had little employment to offer, resettlement was a problem. And in these same areas, foreclosures, bankruptcies, and farm abandonment had reduced population densities and reduced the tax base. Local governments already had difficulties providing services to such areas. In one Montana project area, 40 percent of the elementary schools had fewer than 10 pupils per school. Agricultural economists projected an annual savings for

²⁸ Arthur M. Hyde, "Developing a National Policy of Land Utilization," in *Proceedings of the National Conference*, 31.

²⁹ National Resources Board, *Report*, 183-184, quote on 183.

local government of \$60,000 if 1000 families could be relocated.³⁰ The NRB sought, then, to relocate people, to "effect a balance between the population and the land." Other problems stemmed from the extreme poverty of many farm families who worked submarginal land, and had problems feeding, clothing, and housing their families. They often lived in shacks with too few rooms, no running water, no telephones, and no electricity.³¹

The Great Depression caused demographic changes in the United States as rural and urban workers sought work or subsistence. Some New Deal policy-makers believed that the unemployed urban workers could become self-sufficient if they had subsistence homesteads; others believed that for farmers and farm laborers, industry provided the answer. The National Resources Board recommended that there not be any major efforts at moving the urban unemployed into commercial agriculture, although there were New Deal efforts at settling people

³⁰ John H. Haggerty, *Public Finance Aspects of the Milk River Land Acquisition Project (LA-MT-2)*, Phillips County, Montana, Land Use Planning Publication No. 18-a (Washington, D. C.: United States Department of Agriculture Resettlement Administration, 1937).

³¹ National Resources Board, *Maladjustments*, 16, 17, quote on 13.

on subsistence plots and establishing rural industrial centers.³²

In the recommendations of the National Resources Board, Lewis Gray won, in part, the battle with Elwood Mead in the Bureau of Reclamation. The board recommended that old reclamation projects be completed before any new reclamation projects were developed, and that any new reclamation projects first be approved by the Departments of Agriculture and Interior. The emphasis, according to the board, should be on small irrigation projects.³³

The federal government then, was restricting the expansion of agricultural land. This represented a major change in federal policy. The country's founding fathers had envisioned a democratic republic of small independent farmers, an image that lingered long after the development of corporate farming. And for decades the federal government had encouraged the settlement and cultivation of the public domain, through land sales and homestead acts, to encourage that republican ideal. The curtailment of agricultural expansion countered that entrenched ideal.

³² National Resources Board, *Report*, 2-3; See Conkin, *Tomorrow a New World*.

³³ National Resources Board, *Report*, 3-4.

Lewis Gray believed that the inventory of national resources by the National Resources Board was an important national land use plan because several local organizations as well as state and federal agencies managed to cooperate with each other to complete work on it. But in order for federal land planning to work, interagency communication and cooperation had to occur. Federal agencies did not necessarily work well together. The Department of the Interior and the Department of Agriculture had a long history of disagreements. The latter believed that it should house the Bureau of Reclamation because reclamation involved agriculture, while the former believed that it should house the Forest Service. During the New Deal, Secretary of Agriculture Henry A. Wallace and Secretary of the Interior Harold Ickes each fought to maintain his agency's power. The Department of the Interior, however, dominated federal policies in the West.³⁴

³⁴ James R. Kluger, *Turning on Water with a Shovel: The Career of Elwood Mead* (Albuquerque: University of New Mexico Press, 1992), hereafter cited as Kluger, *Elwood Mead* ; Richard Lowitt, *The New Deal and the West* (Bloomington: Indiana University Press, 1984), hereafter cited as Lowitt, *New Deal* ; Lewis C. Gray, *Land Planning, Public Policy Pamphlet No. 19* (Chicago: University of Chicago Press, 1936), 12, hereafter cited as Gray, *Land Planning*.

Under Roosevelt, efforts to implement land utilization projects and start a submarginal land purchase program began even before the creation of the National Resources Board. In 1933, the Special Board of Public Works recommended establishing such a program, and the federal government began setting up a submarginal land purchase program, funded with \$25 million from the Federal Emergency Relief Administration (FERA). The acquired land was to be used to expand Indian lands, create recreation areas or wildlife refuges, or to be converted to grazing lands or national forests. Work Relief funds would pay for the appropriate development of the purchased lands. The new Land Utilization Program proposed to purchase ten million acres of submarginal farm land in forty-five states, mostly in the Great Plains, where the acquired land was to be converted from wheat farming to grazing.³⁵

³⁵ Phil Hooker, "Chronology of the Land Utilization Program," Unpublished Manuscript, United States Department of the Interior Bureau of Land Management, Montana State Office, Billings, Montana, 1941, 3-4, hereafter cited as Hooker, "Chronology;" H. H. Wooten, *The Land Utilization Program, 1934 to 1964*, Agricultural Economic Report No. 85 (Washington, D. C.: USDA Economic Research Service, 1965), 5-6, hereafter cited as Wooten, *Land Utilization Program*; Clayton, "Program of the Federal Government," 58-59.

In early 1934, the AAA underwent a reorganization as the agency looked toward long-range agricultural reform, not just relief. As part of the changes, the Program Planning Division was established. Under that division, the Land Policy Section was established. Although the section had a variety of functions, it generally worked to determine the most appropriate use for land and find ways to encourage adjustments to land use.³⁶

The Land Policy Section of the Agricultural Adjustment Administration, under the direction of Lewis Gray, started the trial program to acquire and rehabilitate land for agricultural purposes, but other federal agencies (the National Park Service and the Bureau of Indian Affairs in the Department of Interior, and the Biological Survey in the Department of Agriculture) were responsible for other lands appropriate for development under those agencies. With the help of state and local agencies, the federal planners defined the boundaries of individual projects. The program was to include resettlement of the farm families affected by the land purchases, so that they would have some means of support. State Rural Rehabilitation Corporations were

³⁶ Tolley, "Program Planning," 582-508.

responsible for resettlement of displaced farm families.³⁷

Lewis Gray, describing the initial program, explained that field offices worked with regional directors to set up the procedure for the assessing and the optioning of property, but that the final plans had to be sent to Washington for approval from the FERA administrator before funds were allocated. Gray noted that there were problems because of the "loose form of organization," especially because resettlement was under yet another agency, the Division of Rural Rehabilitation of the FERA, and that there was no central control. In order for the program to work, the Regional directors of the land program and state emergency relief administrators had to work together closely. Later critics of the program noted the same problems.³⁸

In July 1934, FERA Director Harry L. Hopkins placed J. S. Lansill in charge of both land acquisition and resettlement, through the Rural Rehabilitation Division.

³⁷ Gray, *Land Planning*, 31-32; Hooker, "Chronology," 3-8; Wooten, *Land Utilization Program*, 5-8, 82; Clayton, "Program of the Federal Government," 60.

³⁸ Gray, *Land Planning*, 32; Lawrence Westbrook, "The Program of Rural Rehabilitation of the FERA," *Journal of Farm Economics* 17 (February 1935):89-100, hereafter cited as Westbrook, "Program of Rural Rehabilitation."

Under that agency, the Land Utilization Program proposed 250 projects and received approval for 206, with negotiations in progress to acquire nine million acres. Despite the plans to rescue farmers on submarginal land, the FERA withdrew part of the funds allocated for land purchase so that they could be used for direct relief. Because of problems with the authority to purchase land, the Land Utilization Program failed to get underway for several months.³⁹

By the end of 1934, there were 64 agricultural demonstration projects totaling nearly 6 million acres under consideration by the Land Policy Section. The average option price per acre was \$5.42, less than the prices being offered for recreational and waterfowl projects, but more than the estimated \$3.60 price being offered for lands for Indian projects. The government had to have an FERA-approved option on the land before the end of the fiscal year (June 30, 1935), in order to commit the funds, so federal employees had to work quickly.⁴⁰

³⁹ Hooker, "Chronology," 8; Wooten, *Land Utilization Program*, 9-10, 82.

⁴⁰ Clayton, "Program of the Federal Government," 60-62.

On 30 April 1935, Roosevelt issued Executive Order 7027, creating the Resettlement Administration, and appointed Rexford G. Tugwell head of the new agency. The Resettlement Administration reported to Secretary of Agriculture Henry A. Wallace but maintained some independence within the department. The President then issued Executive Order 7028 which transferred the Land Utilization Program and personnel to that new agency. Lewis Gray left the Land Policy Section of the Agricultural Adjustment Administration to become Director of the Land Utilization Division in the Resettlement Administration. The transferred division was given \$48 million for land purchase and another \$18 million for development, and made plans to purchase more than 20 million acres for \$105 million. At the time of the transfer, the federal government had purchased 178,755 acres at an average cost of \$7.75 per acre, but one year later, the government had purchased 1,744,342 acres at an average cost per acre of \$4.47.⁴¹

⁴¹ Hooker, "Chronology," 3-8; Wooten, *Land Utilization Program*, 5-8, 15-27, 10-12, 83; Dan Fulton, *Failure on the Plains: A Rancher's View of the Public Lands Problem* (Bozeman: Big Sky Books, 1982), 109; Gray, *Land Planning*, iii, 33; L. C. Gray, "Land Utilization," *Resettlement Administration First Annual Report* (Washington, D. C.: Government Printing Office,

The resettlement of poor farmers raised many concerns, and the transfer of the Land Utilization Program reflected the interest of the government in addressing those concerns. Once their land had been sold, many families had nowhere to go and little money to finance their efforts at relocation because they received little for their land because it was submarginal. These farm families required extra assistance for resettlement, so that they would not be left homeless or relocate to other submarginal land.⁴² The Land Utilization Program had tried to relocate families in the vicinity of or at least in the same state as their home, but that was not always possible.⁴³

The federal government offered resettlement assistance. By early 1939, the federal government bought land from 10,000 families. About 7,700 families resettled without government help, the remainder with government assistance. Some had difficulty resettling successfully because of advanced age, poor health, or lack of knowledge and experience. The Land Utilization Program did give many older farmers the opportunity to

1936), 21.

⁴² Hooker, "Chronology," 15-27; Wooten, *Land Utilization Program*, 10-12, 83.

⁴³ Westbrook, "Program of Rural Rehabilitation," 99.

leave farming; on the purchased lands, forty percent of the male heads of households were over fifty years old.⁴⁴ Many of those who accepted federal help had to do so for a long period. Often, they had to be retrained. (Irrigation, for example, required knowledge as well as constant upkeep.) Some abandoned farming altogether and found other employment.⁴⁵

Gray argued that over the long term it would be cheaper to buy land outright from farmers than to subsidize their family farms. The federal purchase of submarginal land should lead to the "gradual permanent retirement of the lean acres" which should achieve "the elimination of rural slums, . . . conservation of soil resources, and a better grouping of rural population in the interest of more efficient and economical local government."⁴⁶

The federal land purchases and relocation programs depended on the close cooperation of several federal

⁴⁴ Wendell Lund, "Bought Out by the Government," in *Land Policy Review* 2 (May-June 1939):22-30.

⁴⁵ Paul H. Landis, "Probable Social Effects of Purchasing Submarginal Land in the Great Plains," *Journal of Farm Economics* 17 (August 1935):513-521.

⁴⁶ L. C. Gray, "Research Relating to Policies for Submarginal Areas," *Journal of Farm Economics* 16 (April 1934):298-303, quote on 301.

agencies. For example, some public domain was managed by the Land Utilization Program, forcing the Department of the Interior and the Department of Agriculture to work together. Coordination was hampered by constant change as the Land Utilization Program shifted from agency to agency in the New Deal. In part because of this, the land purchase program was floundering by 1936. Roosevelt ordered the reorganization of the submarginal land purchase program four times in two years, which made the consistent application of a single strategy all but impossible.⁴⁷ Furthermore, while the New Deal was trying to move people off marginal farms, more than half a million new farms were started in the US from 1931 to 1936, most of them on submarginal land. As economist Noble Clark critically noted, "It is a grim joke that for every family the federal government has laboriously moved off submarginal land at least five new families have moved onto poor lands." Without land use planning and control, and local residents' support of that control, the submarginal land purchase program could not achieve much.⁴⁸

⁴⁷ Hooker, "Chronology," 3-8; Wooten, *Land Utilization Program*, 5-8.

⁴⁸ Clark, "Discussion," 274-280, quote on 277.

Still, the early program did succeed in getting many people off of poor farm land, despite the unchecked movement to the contrary. Between 1934 and mid-1937, the Land Utilization Program ran 98 agricultural adjustment projects, 30 Indian land projects, 32 wildlife refuge projects, and 46 recreation projects, totaling 9,149,000 acres. About two-thirds of that acreage was for agricultural adjustment projects.⁴⁹

In the late spring and summer of 1937, dust clouds from the Great Plains settled on Washington, D. C., convincing lawmakers of the seriousness of the drought out West. In July of 1937, the Land Utilization Program achieved some stability and funding when the United States Congress passed the Bankhead-Jones Farm Tenant Act and President Roosevelt signed it into law. The act was "To create the Farmers' Home Corporation, to promote more secure occupancy of farms and farm homes, to correct the economic instability resulting from some present forms of farm tenancy, and for other purposes." Toward that end, the act provided for loans to tenants, sharecroppers, and other farm laborers for the purchase of farms and items

⁴⁹ Wooten, *Land Utilization Program*, 11; W. M. Russell, "Development of Land Use Adjustment Project," United States Department of Agriculture Bureau of Agricultural

related to the business of farming. Land Utilization was one of the "other purposes" of the act, addressed in Title III.⁵⁰

Under Title III, the Secretary of Agriculture was authorized and directed to develop a program of land conservation and land utilization, including the retirement of lands which are submarginal or not primarily suitable for cultivation, in order thereby to correct maladjustments in land use, and thus assist in controlling soil erosion, reforestation, preserving natural resources, mitigating floods, preventing impairment of dams and reservoirs, conserving surface and subsurface moisture, protecting the watersheds of navigable streams, and protecting the public lands, health, safety, and welfare.⁵¹

Under all incarnations of the Land Utilization Program the federal government hired local workers, many through the WPA, as laborers to rehabilitate the repurchased land. Some were hired to do the work on land they had sold to the government. Development aided the displaced farmers and contributed to the local economy.⁵²

The federal government was to buy or to accept the transfer of "submarginal land and land not primarily suited for cultivation" from individuals or local

Economics *Land Policy Circular* June 1937:10 -14, hereafter cited as Russell, "Development."

⁵⁰ Bankhead-Jones Farm Tenant Act, 50 Stat. 522 (1950), 522, hereafter cited as Bankhead-Jones.

⁵¹ Ibid., 525

⁵² Wooten, *Land Utilization Program*, 18.

governments. Once acquired, the Department of Agriculture was to figure out what the land could most efficiently be used for, and then develop it according to its potential. Development included small flood control projects, such as building terraces and ditches to control runoff or building stock water ponds. In addition, the program reforested cut-over land and re-seeded grazing land. The idea was to make the submarginal land economically productive in the future, generating revenue from the sale of timber, logging permits, turpentine leases, grazing fees, hunting and fishing leases, and other recreational uses. Once developed, the federal government would pay the counties one-fourth of the net revenues to make up for some of the taxes lost when private land converted to federal land.⁵³

Even though the Title III of the Bankhead-Jones Farm Tenant Act had broad support, its backers cut short the funding. Congress appropriated \$10 million for the fiscal year ending 30 June 1938 to pay for Title III land purchases, but the act stipulated that not more than \$20 million would be appropriated for each of the next two fiscal years. Apparently a cap on funding was not

⁵³ Bankhead-Jones, 526; Russell, "Development," 10 -14.

necessary. Congress actually appropriated only \$5 million in each of these years, far below the maximum amount.⁵⁴ By the end of June 1938, nearly 2.5 million more acres had been purchased, bringing the Land Utilization Program total to just under 8 million acres. Plans were underway to acquire another 2 million acres, much of it on the Great Plains.⁵⁵

Submarginal land purchases prior to the passage of the Bankhead-Jones Farm Tenant Act had been started and funded by executive order, and the Secretary of Agriculture continued those land utilization projects already underway. But the old program had acquired submarginal land for forests, wildlife refuges, or for recreation areas, as well as for agricultural development. Under Title III, submarginal land acquisition was to be purchased solely for the development of agricultural land. Furthermore, the Bankhead-Jones Farm Tenant Act ordered the development of land conservation and utilization projects on a continuing basis. The program, after several years,

⁵⁴ Bankhead-Jones, 526; Wooten, *Land Utilization Program*, 12.

⁵⁵ Wooten, *Land Utilization Program*, 13.

seemed to have achieved a measure of permanence.⁵⁶ Under the pre-Bankhead-Jones land use adjustment projects, the federal government purchased 3,656,000 acres in the Great Plains, not counting land that was used for wildlife refuges, Indian uses, and recreation. Under the new program, in 1938, the Secretary of Agriculture authorized 41 new projects or extensions of old projects, totaling another 2,321,000.⁵⁷

In September 1937, because the activities of the Resettlement Administration had broadened over the years, Secretary of Agriculture Wallace ordered the name changed to the Farm Security Administration. In addition to resettlement, Wallace charged the Farm Security Administration with administering Titles I, II, and parts of IV, of the Bankhead-Jones Farm Tenant Act. At the same time, he transferred the Land Utilization Program, governed by Title III and parts of Title IV to the Bureau of Agricultural Economics. Resettlement Administration Assistant Administrator Lewis Gray again followed the Land Utilization Program to a new agency and became the Assistant Chief in charge of Land Utilization. After

⁵⁶ Bankhead-Jones, 530; Hooker, "Chronology," 33; Wooten, *Land Utilization Program*, 83-84.

⁵⁷ Gray, "Federal Purchase," 126-127.

being shuffled around New Deal agencies, Lewis Gray's program had returned to its birthplace.⁵⁸ The program's transience reflected continual fine-tuning as problems surfaced, but the maintenance of Gray and a core group of employees reflected Roosevelt's commitment to the ideas of land utilization. Nevertheless, budget restraints prevented full implementation and suggested that, although New Dealers saw land utilization as the answer to many agricultural problems, it was not their top priority. The shifting of the Land Utilization Program from one agency to another did hamper efforts, although there was consistency in personnel. Despite the bureaucratic problems, the ideas of land utilization persisted.

By late 1937, work had begun on new land use projects in the Great Plains, authorized by the Bankhead-Jones Farm Tenant Act. The United States Department of Agriculture *Land Policy Circular* noted that "emphasis in the land use program will be placed upon the Great Plains region where droughts and dust storms have made land depletion and human poverty particularly serious."

⁵⁸ United States Department of Agriculture, Farm Security Administration, Division of Land Utilization, *Land Policy Circular* September 1937:7.

Several areas were under consideration, but the initiation of a project depended upon the willingness of landowners to sell their land at the appraised value. A. G. Black, Chief of the Bureau of Agricultural Economics, stressed the importance of local cooperation, because the federal buy back alone could not fix all of the problems on the Great Plains. While the preference was for project development where there was strong local approval, it was important that local farmers and ranchers show an interest in a variety of measures, including cooperative grazing, the development of soil conservation districts, rural zoning, and tax changes.⁵⁹

There were several projects approved in the northern Great Plains, including the Milk River, Musselshell, and Lower Yellowstone projects by early 1938. The Milk River Project in northeastern Montana was one example of rehabilitation and development of submarginal land purchased under the Land Utilization Program. The federal government purchased almost a million acres in Blaine, Phillips, and Valley Counties (the former two border Fergus County on the northeast), converting it to

⁵⁹ United States Department of Agriculture, Bureau of Agricultural Economics, "Work on Land Use Program Starts in the Great Plains," *Land Policy Circular*, December 1937:1-2, quote on 1.

grazing use. Buildings and fences that could not be used were torn down and the land converted to grazing. Agricultural economists expected that grazing leases would bring in \$40,000 per year, one-fourth of which would go to local governments.⁶⁰

Although the Land Utilization Program had achieved some permanence with the passage of the Bankhead-Jones Act, and it seemed that the Bureau of Agricultural Economics was a logical home for the program, the Secretary of Agriculture moved it, and the accompanying personnel, again in late 1938, to the Soil Conservation Service, where it remained until it was dismantled in the early 1950s, just as the next severe drought cycle affected the Great Plains.⁶¹ World War II interrupted the Land Utilization Program, and by 1943, land purchases had been halted, except for a few pieces of land to fill in gaps in existing federal land ownership.⁶²

Although not covered by the submarginal land purchase programs, cooperative grazing was an important part of readjusting land use in the northern Great

⁶⁰ Russell, "Development," 12.

⁶¹ Hooker, "Chronology," 38-41; Wooten, *Land Utilization Program*, 83-84.

⁶² Wooten, *Land Utilization Program*, 14.

Plains. Unlike the submarginal land purchase program, cooperative grazing started at the lowest level — with a group of individual ranchers — but the idea spread among land utilization proponents as a way to make those former homesteads available to ranchers. As planned, private individuals and cooperative grazing associations leased lands purchased under the Land Utilization Program, but the federal government controlled land use by placing restrictions on the lease to prevent overgrazing.

Federally purchased submarginal land in the western Great Plains was interspersed with state owned land, railroad, and other private land, making it difficult for individuals to lease any sizable acreage. Cooperative grazing associations were able to lease much of the checkerboard land, including the federally purchased submarginal land, creating larger grazing units and stabilizing land prices and use.⁶³

Cooperative grazing efforts began in Montana during the 1920s, in response to the problems ranchers had buying and leasing enough contiguous land for enough years to earn a living. The Montana Legislature incorporated the first, the Pumpkin Creek-Mitzpah Grazing

⁶³ Gray, "Federal Purchase," 127-129.

District, in 1927. The organization, like subsequent cooperative grazing districts, was a nonprofit business that leased and bought land. Members of the grazing districts received grazing permits but had to follow rules based on the carrying capacity of the range. By 1931, the *Lewistown Democrat-News* reported that the Pumpkin Creek-Mizpah Grazing District was profitable, allowing ranchers to lease better pasture at a lower price. Ranchers, through the organization, worked together to improve the range and its water resources. The Pumpkin Creek-Mitzpah Grazing District proved to be successful, so the 1933 Montana Legislature established rules for incorporating cooperative grazing associations. In 1935, the legislature also established a State Grazing Commission and gave it authority over grazing districts.⁶⁴

The United States Congress recognized the importance of the cooperative grazing districts and passed legislation addressing many of the issues concerning

⁶⁴ M. H. Saunderson and N. W. Monte, *Grazing Districts in Montana: Their Purpose and Organization Procedure*, Montana Agricultural Experiment Station Bulletin no. 326 (Bozeman: Montana Agricultural Experiment Station, 1936), 3-5, hereafter cited as Saunderson and Monte, *Grazing Districts*; *Lewistown Democrat-News* 24 February 1931.

ranchers on the plains. Grazing districts were seen as the democratic way to return land to grazing while consolidating land holdings. The Taylor Grazing Act, sponsored by Colorado Congressman Edward T. Taylor, passed in June 1934, a few months before the National Resources Board report was published.⁶⁵

The Taylor Grazing Act ended one era and began another. It marked the end of the homestead era, as it closed the public domain to homesteading.⁶⁶ But it reopened a rehabilitated public domain (new and old) for leasing to ranchers, usually at below market prices. Ranchers benefited from the government regulation that improved the range and regulated its use. With carefully planned land-use, the grazing economy could be stabilized. The legislation was not without problems, however, because it lacked measures to ensure enforcement.⁶⁷

⁶⁵ Ibid., 6-8. The Taylor Grazing Act actually severely curtailed homesteading.

⁶⁶ The federal government allowed some very restricted homesteading for a few years, and continued to allow homesteading in Alaska.

⁶⁷ Lowitt, *New Deal*, 64-80. See also E. Louise Pepper, *The Closing of the Public Domain: Disposal and Reservation Policies, 1900-50* (Stanford, California: Stanford University Press, 1951), hereafter cited as Pepper, *The Closing of the Public Domain*.

The passage of the Taylor Grazing Act in 1934 implied that the good farm land had already been taken up, as land utilizationists had suggested for many years, and that further homesteading would not do any good. Land not suitable for homesteading would be organized into grazing districts, presumably with controls to prevent overgrazing. The Taylor Grazing Act was significant because "it reversed the previous land policy of providing open use to all comers to one of restricted use and management."⁶⁸ With the act, and subsequent supporting measures, the federal government ended its long policy of encouraging settlement of the public domain. Furthermore, the Taylor Act marked an important shift in the perceived best use of land. After decades of encouraging the expansion of land under cultivation federal policy changed, recognizing that in much of the arid West, grazing was a more appropriate use of land resources.

The New Deal Land Utilization Program represented a major shift in public policy. After decades of policies that converted much of the public domain to private ownership, the federal government began buying back that

⁶⁸ Gray, *Land Planning*, 11; Lowitt, *New Deal*, 64-66, quote on 65.

land and converting into a new public domain. The submarginal land purchase program had several goals, including readjusting land use, erosion control and prevention, improvement of rural living conditions, reduction of local government costs, and encouragement of rural land use planning.

The program was not without problems. It was moved and restructured several times to correct a variety of problems, but the shifting of personnel had to have affected the program's overall success even while correcting specific problems. Lewis Gray, director of the program, provided some measure of stability. From 1933 to 1946, the Land Utilization Program purchased over 37,000 parcels, about 11.3 million acres, an average of just over 300 acres per parcel. The average per acre price was about \$4.40. The \$47.5 million spend on land purchased made up only part of the Land Utilization Program expenditures. Between 1933 and 1954, the federal government spent another \$102.5 million for appraising, title clearance, and development. In the entire program, 75 percent of the families residing on land that was sold to the federal government relocated themselves, without

government assistance. The total cost of the program, then, was about \$150 million, or about \$13.50 per acre.⁶⁹

The federal government acquired more land in the northern Great Plains than in any other region, nearly one-half of the acreage purchased (more than 5.6 million acres), but only about 15 percent of the original goal of more than 75 million acres.⁷⁰ In an article assessing New Deal expenditures in each of several regions, Leonard Arrington noted that the mountain states, including Montana, averaged the highest amount spent per capita, \$716.30, including loans, relief programs, and reform programs such as the Land Utilization Program.⁷¹

Under Franklin Roosevelt, many of the ideas of the Land Utilization movement came to fruition. Unfettered settlement of the public domain ended with the passage of the Taylor Grazing Act. But more significantly, the implementation of the Land Utilization Program reversed the homestead movement by purchasing those failed homesteads and creating a new public domain, representing a bold move away from nineteenth-century land policies.

⁶⁹ Wooten, *Land Utilization Program*, 17-18.

⁷⁰ *Ibid.*

⁷¹ Leonard Arrington, "The Sagebrush Resurrection: New Deal Expenditures in the Western States, 1933-1939," *Pacific Historical Review*, 52:1-16.

Instead of encouraging settlement of the public domain, the federal government worked to remove families from land that by the 1930s was considered "submarginal."⁷²

The new policies signified a deeper shift in the role of government as the government relinquished its trust of individual landowners to protect and maintain the country's land resources. The federal government had begun to see the land resources as important to the collective well-being of the country which had to be protected from exploitation by the individual.

⁷² While E. Louise Peffer discussed the end of the homestead movement and the acquisition of federal land during the 1930s as well as the politics and issues concerning use of the public domain, she does not discuss the Land Utilization Program in *The Closing of the Public Domain*. John Opie discusses only briefly the federal purchase of land during the 1930s in *The Law of the Land: Two Hundred Years of American Farmland Policy* (Lincoln: University of Nebraska Press, 1987). In *The Public Lands: Studies in the History of the Public Domain*, edited by Vernon Carstensen (Madison: University of Wisconsin Press, 1962) does not mention the federal purchase of land during the 1930s.

Chapter 7

The Land Utilization Program Implemented

While policy makers in Washington debated the future of agriculture, the sources of problems with agriculture had become obvious to many on the northern Great Plains. By the mid-1930s, most Montanans realized that the prosperity of the 1910s would not return, and that there had been fundamental flaws with the homestead boom. In an editorial in 1935, the *Lewistown Democrat-News* noted, "It was cultivating land that never should have been put under the plow and close grazing of range lands paved the way for excessive soil erosion and severe dust storms when lack of moisture made huge tracts of ground dry and powdery."¹ A later editorial outlined the predicament of farmers, stating that during the last fifteen years, "the situations of a great majority of our farmers have grown progressively more critical. Tens of thousands of them have lost their places and hundreds of thousands have been plunged into a morass of debt. . . ."² Montana farmers, in a desperate situation, welcomed federal

¹ *Lewistown Democrat-News* 14 January 1935.

² *Ibid.*, 4 June 1935.

reform as implementation of a land utilization program began.

The intent of a land utilization program was to rescue farmers from hopeless situations on submarginal land and to change the land use to maximize its productivity over the long term. During the first few years, the land purchase program was essentially experimental. Agricultural economists and scientists worked to correct decades of land misuse, while rural sociologists proposed remedies for some of the social problems farm families faced. Lewis Gray and other Land Utilization Program officials worked with state scientists and planners to delineate the submarginal land purchases and plan for the resettlement of displaced farmers. In Montana, federal officials worked with the Montana Agricultural Experiment Station at Montana State College in Bozeman. Although the planning seemed relatively removed from those who were most affected, residents of some submarginal areas did petition for inclusion in the program.³

³ Brian Q. Cannon noted the use of petitions in *Remaking the Agrarian Dream: New Deal Rural Resettlement in the Mountain West* (Albuquerque: University of New Mexico Press, 1996), 11.

Land planners designed land utilization projects in central and eastern Montana. A project near the Milk River proposed to buy land in Phillips, Blaine, and Valley counties, north and east of Fergus County, while a project along the Yellowstone River planned to purchase land in Yellowstone County. Another project was planned for Custer, Prairie, Dawson, Fallon, and McCone counties. (Fergus County Agent W. H. Jones resigned in 1935 to take a job as the district manager for that project.) Yet another project was planned for Musselshell, Petroleum, Golden Valley, and Wheatland counties. The Central Montana Land Use Adjustment Project was entirely in Fergus County.⁴

By 1934, the federal government had hired William B. Johnson to run the Land Utilization Program office in Lewistown, which was located above the Judith Theater downtown. Even though a submarginal land purchase program had not been started in Fergus County, Johnson had plenty of work to do, helping ranchers set up grazing districts which could lease the federal land once

⁴ After all of the rhetoric about retiring submarginal land on the Great Plains, the first New Deal land purchases in Fergus County were actually along the Missouri River, when the federal government began buying land for the Charles M. Russell National Wildlife Refuge

purchases had been completed and improvements made. In the fall of 1934, the Fergus County Grazing Association No. 1 filed incorporation papers in Helena, the first of several cooperative grazing associations.⁵

Cooperative grazing associations bought, leased, and exchanged lands in order to consolidate enough holdings to support large-scale cattle ranching. Once organized, cooperative grazing associations consolidated holdings and leased land for long periods to offer stability for ranchers. Eventually, Fergus County had several cooperative grazing districts organized by the state grazing commission, including the Fergus # 1 Association, Indian Butte, Crooked Creek Association, Petroleum Fergus (in both Petroleum and Fergus Counties), Three Buttes, and Flatwillow Association.⁶

Once the Land Utilization Program identified and received approval for a project, it sent federal employees to the area to begin setting up a local office

in June 1935. *Lewistown Democrat-News* 30 September 1934, 11 January 1935, 25 March 1935, 22 July 1935.

⁵ Ibid., 26 October 1934.

⁶ M. H. Saunderson, R. B. Haight, E. M. Peterson, and Rex E. Willard, *An Approach to Area Land Use Planning*, United States Department of Agriculture, Resettlement Administration Land Use Planning Publication No. 16, March 1937 [Washington, D. C.], 44-45, hereafter cited as Saunderson et al., *Land Use Planning*.

and informing land owners about the program. Options had to be signed, land had to be assessed, and titles had to be cleared before the actual transfer of land to the government. Once a purchase area had been identified, the location was supposed to be kept secret until the options had been signed, in order to avoid land speculation. At least initially, officials tried to sign up 90 percent of the landowners in the project area before the purchases were made.⁷

Nothing prevented a land owner from selling several parcels of non-contiguous land – they just had to be sold as separate tracts. The records indicate that the Central Montana Land Use Adjustment Project purchased 230 tracts of land in Fergus County (more than 700 parcels had been submitted for consideration) from 163 applicants. Parcels averaged about 335 acres apiece in size. Although most landowners sold only one parcel, some sold several. Union Central Life Insurance Company sold seven parcels to the federal government, more than any other institution or individual, but the Board of County Commissioners of Fergus County was close behind, having sold six parcels. Two individuals, Herbert Beck

⁷ *Lewistown Democrat-News* 22 October 1934.

and Steve Ghezso, each sold five parcels to the submarginal land project in Fergus County.⁸

A wide variety of individuals and institutions sold their land to the federal government through the Land Utilization Program. Among the institutions were banks, Federal land banks, real estate companies, insurance companies, and county governments. The type of individual varied greatly as well, in part because the land had been in flux since the 1920s. As a result, not all of the land was owned by the prototypical homesteader, eking a living from the land, although some of the landowners fell into that category.

Herbert Beck sold five parcels totaling 800 acres to the federal government, more than half of which he had managed to acquire since 1928. While Beck may have been a shrewd rancher/businessman, he did not always act within the law. In 1934, Beck was found guilty of "running" John McVey's cattle off their range and "mutilating" them, but his fine was only \$25. The charge did not affect Beck's standing in the community, because

⁸ The average size was based on a 10 percent sample of the files for Fergus County, Montana. Land Use Case Files, 1934-1953, Records of the Bureau of Land Management, Montana, Record Group 49, National Archives, Rocky Mountain Region, Denver, Colorado, hereafter cited as Land Use Case Files.

a year later he was named a Director of the Indian Butte Grazing District.⁹ Merle Groene, an attorney and a state representative, was listed as one of the landowners who sold land to the federal government, but he may have acted only as an intermediary. He and his wife were not poor farmers, but instead had sufficient income to own a summer home on Spring Creek.¹⁰ Michael A. Hickey served as president of the Fergus County Grazing Association No. 1 before he sold his parcel to the Land Utilization Program. Hickey also served on the Taylor grazing district board, along with Ralph Jenson, who sold more than 2600 acres to the government.¹¹

Several estates sold land to the federal government, relieving widows and children of unprofitable real estate. Carl Noble homesteaded in Fergus County in 1910, leaving only to serve in the army in World War I. He died in 1934, leaving his wife and two small children to

⁹ Land Use Case Files, Box 25, LUMT 38-22-476A; Box 26, LUMT 38-22-476B, LUMT 38-22-476C, LUMT 38-22-478; Box 27, LUMT 38-22-485; Fergus County Clerk of Court, Deed Records 129:39, 127:476, 497, 131:141, 134:171; *Lewistown Democrat-News* 3 October 1934, 17 October 1934, 13 September 1935.

¹⁰ Land Use Case Files; *Lewistown Democrat-News* 9 June 1935, 4 November 1934.

¹¹ *Lewistown Democrat-News* 26 October 1934, 28 August 1935.

try to make a living from the land, but the submarginal land purchase program allowed them to sell out to the government. Mildred Munroe, newly remarried, sold her submarginal land to the Land Utilization Program and in doing so, shed the property that was the site of the murder (in self-defense) of her horse thief ex-husband by her hired man.¹²

Much of the agricultural land in Montana that the federal government bought back during the 1930s and early 1940s had been homesteaded or purchased during the 1910s. About 30 percent of the sellers were in fact the original landowners or their spouses. Another 6 to 10 percent were related to the original landowner. But 60 percent of the original owners or their kin had sold out or were forced out earlier.¹³

The submarginal land purchase program had two main goals. The primary goal was to readjust land use, while the secondary goal was to help beleaguered farmers or their widows, or others who found themselves trapped on their land. That the first goal took precedence is clear

¹² Land Use Case Files, Box 7, LUMT 38-22-95; *Lewistown Democrat-News* 5 January 1934, 23 August 1935, 27 August 1935; Fergus County Clerk of Court, Deed Records 135:294.

¹³ These numbers are derived from a 10 percent sample of the Land Utilization records for Montana. The federal

because many businesses such as banks and insurance companies - as well as individuals - who were not in dire financial straits, took part in the program.

The federal government paid for the expenses involved in the land purchases, including fees for abstracts, surveys, certificates of title, and conveyances. If there were unpaid taxes or other liens on the property, the U.S. government paid the liens and deducted them from the purchase price. The federal government granted Gottfrid Johanson a patent on a homestead in Fergus County in 1915. He and his wife, Anna Johanson, eventually acquired 520 acres. They worked to improve the land, drilling wells, digging reservoirs, building a nice four-room house with a concrete foundation and linoleum floors, a barn, and various other structures on the property. They paid off all the debts acquired but had trouble paying their taxes. Consequently, the federal government paid them only \$2372.10 of the \$2800 purchase price for the property; the remainder went to Fergus County to pay back taxes.¹⁴

land utilization program in Montana purchased 487 parcels between 1934 and 1953. Land Use Case Files.

¹⁴ Ibid., Box 1, LUMT 38-22-4.

Once landowners signed an option with the federal government, the land title had to be cleared before the government could complete the purchase. Abstract companies charged between \$75 to \$150 for one abstract and profited from the government work. Sometimes the abstract cost more than the parcel was worth. When the federal government purchased one of Ralph Tait's parcels, it paid \$150 for the abstract, but only \$90 for the land.¹⁵

In the case of a title that was not clear, the property could be acquired by condemnation, but participation in the Land Utilization Program was completely voluntary. According to Lewis Gray, "It is not intended that persons shall be forced to sell their farms under duress of eminent domain proceedings; rather it is expected that the offer of fair value for the farm, plus the necessary assistance in resettlement, will induce the farmer to sell through the prospect of greater economic opportunities."¹⁶ Often a quitclaim, a legal renunciation of any claim of land ownership, took care of title problems, but occasionally condemnation was necessary. A tract owned by Mary Angela Peterson had

¹⁵ Ibid., Box 12, LUMT 38-22-224.

such title difficulties and had to go through condemnation. Consequently, her purchase was not finalized until late 1944, years after others sales to the Land Utilization Program had been completed.¹⁷

Although banks profited from high interest loans to homesteaders during the land boom on the northern Great Plains, the subsequent bust caused many banks to fail completely, including Fergus County banks in Lewistown, Roy, Grass Range, Moore, and Winnett.¹⁸ Even the banks that survived struggled. When farmers failed to pay their mortgages, banks foreclosed and acquired land that was frequently not worth the money they had lent on it. Sometimes banks could find tenants to farm the land, but it was difficult to recoup their losses. Many believed the Land Utilization Program would help the banks recover the principal on their loans gone bad, but the price the federal government paid for the land made that, in most cases, unlikely.

John Sears, accompanied by his wife Jean Sears, had homesteaded in northern Fergus County during the boom.

¹⁶ Lewis C. Gray, *Land Planning*, Public Policy Pamphlet No. 19 (Chicago: University of Chicago Press, 1936), 27.

¹⁷ Land Use Case Files, Box 16, LUMT 38-22-284.

¹⁸ *Lewistown Democrat-News* 10 January 1925, 8 January 1930, 21 January 1930, 22 January 1930, 24 January 1930, 5 February 1930, 8 July 1930, 16 January 1931.

In 1918, they mortgaged their 350 acres to the Federal Land Bank of Spokane for a \$2100 bank loan, which had a low annual interest rate of 5 ½ percent and was amortized over more than thirty years. In 1919, the Sears deeded the property to Abraham and Dora Row for the assumption of the mortgage. Later that year, the Rows borrowed an additional \$1043.65 at 10% interest from the partnership of T. W. Reeves and L. W. Day and another \$345 at 10% interest from the First National Bank of Winifred. Like many other farmers in the late 1910s and early 1920s, the Rows gradually sank deeper and deeper into debt. The Rows paid the latter loan but failed to pay the other two loans, and the land eventually ended up in the possession of the Federal Land Bank of Spokane. The bank held onto the land for more than a decade but sold it in December 1939 to Harry and Pearl McDonald for much less than it had invested in the property. The McDonalds, in turn, sold the property to the federal government in July 1940, for \$565, about \$1.60 per acre, much less than the more than \$8 per acre the bank had invested in the property.¹⁹ Although the Land Utilization Program may have helped the banks by purchasing unprofitable land, the banks suffered great losses from their bad loans.

¹⁹ Land Use Case Files, Box 17, LUMT 38-31-536.

A few managed to profit from the buy-back program by purchasing land at a low price and reselling it to the federal government. Mary Angela Peterson had purchased her property (which was originally homesteaded by Charles A. Peterson, who probably was a member of her family) for \$108 in 1937. She sold it to the government a few years later for \$680. In 1935, Dale and Angela Miller bought a 320 acre tract from Fergus County for \$160. Five years later, the Millers sold the property to the federal government for \$450.²⁰ Most landowners did not make any kind of a profit from selling their land to the Land Utilization Program, however, Peterson and the Millers were unusual cases.

The purchase price offered by the federal government for buy-back lands was not negotiable. The landowners had to accept the assessment of the value of the land, improvements, and any timber or minerals on it. Appraisers compiled detailed information and included in the appraisal a map of the tract and its various classes of land, as well as the location of buildings, fences, wells, and reservoirs.

²⁰ Ibid., Box 16, LUMT 38-22-284; Box 30, LUMT 38-22-522B.

Federal appraisers used soil types to classify land according to its economic potential.²¹ Crop land had four grades, while grazing land had five grades. Because the program sought to rehabilitate submarginal land, it generally purchased poorer grades of land. The next to lowest grade of grazing land (G-4) accounted for almost half of the land purchased in Fergus County. Some parcels had portions that were judged suitable for cultivation, but most of the land was suited only for grazing. The average purchase price for G-4 grazing land in Fergus County was about \$1.17 per acre, while the best crop land (C-2) cost nearly \$5 per acre. It accounted for only about 5 percent of the land purchased.²²

According to Resettlement Administration land use planners, 640 acres of first grade dry farm land could

²¹ Although it was not the classification system used by the Land Utilization Program, the National Resources Board established a classification system that categorized farm land into five classes, according to its physical productivity. Montana had no first or second grade farm land, and only about 7.3 million acres that were classified as "fair." More than 85 million acres of Montana land were classified as being poor or unfit for cultivation. National Resources Board, *A Report on the National Planning and Public Works in Relation to Natural Resources and Including Land Use and Water Resources with Findings and Recommendations* (Washington, D. C.: Government Printing Office, 1934), 127.

²² These statistics were based on a 10 percent sample of the files. Land Use Case Files.

support a family, 960 acres of second grade dry farm land could sustain a family, while 1280 acres of third grade dry farm land could sustain a family under certain conditions. Fourth grade farm land could not support cash grain crops. First and second grade grazing land could support a family on grazing, but third and fourth grade grazing land would require communal use so that fence and water costs could be kept low. Fifth grade grazing land was not to be converted to private use.²³ By those land classification standards, none of the farms purchased in Montana by the Land Utilization Program could be considered economically viable for a family.

The assessed removable improvements included houses, barns, granaries, chicken coops, sheds, and fences. Assessors assigned these two values, on-site and salvage, but the federal government always paid the higher value, despite plans to remove buildings and fences. The appraisals listed condition, age, and size of buildings, and anything else that might increase a property's value. Many of the buildings were listed as "old" and in "fair" or "poor" condition, and added little value to the parcel. An old three-room log house added \$35 to one

²³ Saunderson et al., *Land Use Planning*, 28-30.

parcel's assessed value, but the salvage value was only \$15. An old barn was worth \$20, but if moved or torn down it was worth half as much. One and one-half mile of fence in poor condition was valued at \$40, but as salvage was worth \$30. The Gottfrid and Anna Johanson house, though 17 years old, was nicer than most houses purchased by the Land Utilization Program. It had a concrete foundation, lap siding, four rooms, papered walls, and linoleum floors, but no indoor plumbing, and was valued at \$516 *in situ*, but only \$172 if salvaged.²⁴

Like the Johnson homestead, the Brady parcel was another seemingly prosperous homestead purchased by the Land Utilization Program. The Land Utilization Program appraised the Anna Stofer Brady parcel in 1938. About 180 acres of the parcel had potential for cultivation and was estimated to be worth from \$2 to \$4 per acre. The remaining 140 acres were only suited for grazing, but were valued at \$2 per acre. The parcel included several nonremovable improvements, including two wells and three reservoirs, although by the late 1930s none were in good condition. Like the Johanson homestead, the Brady farm had a four-room house but it was in poor condition. It

²⁴ Land Use Case Files, Box 16, LUMT 38-22-284; Box 4, LUMT 38-22-71; Box 8, LUMT 38-22-155; Box 30, LUMT 38-22-

had once been a comfortable frame home, with a shingle roof, drop siding, plaster walls, wood floors, and a stone foundation. The Bradys also had a granary, a lean-to garage, a chicken coop, a barn with a lean-to, and a root cellar and several miles of fence. The value of the Anna Stofer Brady parcel in northeastern Fergus County decreased dramatically from the 1920s to 1939, when the federal government bought her 320 acres. She originally homesteaded the land with first husband Martin Stofer, who died in 1923. Probate records revealed that the land and its improvements were valued at \$8,000 in 1923. By 1937, the land was appraised at \$1,535, while the improvements were appraised at \$500, for a total of \$2,035. A year later, the Division of Land Acquisition appraised the property at \$910.50 and its improvements at \$298.80, for a total value of \$1209.30, a drop of just over \$825 (41 percent) from the previous year, and nearly \$6,800 (a loss of 85 percent) from the mid-1920s.²⁵ While the price the federal government paid for the Brady parcel may have been a fairly assessed price, it represented a loss to Anna Stofer Brady.

522B, Box 1, LUMT 38-22-71.

²⁵ Ibid., Box 18, LUMT 38-22-322.

Some homesteaders complained that the appraisals were unfair. The federal government granted a homestead patent on 320 acres in Fergus County to Charles A. Peterson of Roy, Montana, in 1917. Peterson and his wife sold the farm five years later. After a succession of owners, a foreclosure, and a tax sale, Mary Angela Peterson acquired the homestead, returning it to the family of the original homesteaders. She and her husband Frank Peterson signed options for the federal government to purchase three parcels of land, but they were apparently unhappy over the price they were offered. Frank Peterson complained to United States Senator Burton K. Wheeler in 1938 about "unfair" land assessments. He believed that after homesteaders and farmers had worked to improve their land for more than two decades they should receive a higher price that reflected their labor. The labor homesteaders had put into the land, however, had been in exchange for receiving virtually free land from the federal government, so further compensation would have meant paying the homesteaders twice for their labor. Peterson considered it " a deep and cruel plot to get these lands," because owners of submarginal land had no real choice but to sell their land to the federal

government or lose it to the county government for back taxes.²⁶

Many of the properties purchased by the Land Utilization Program in the late 1930s were appraised a year or two before the federal appraisal and purchase, presumably by their respective county appraisers. Nearly all of these local appraisals were for significantly more money than were the Land Utilization Program appraisals that followed a year or so later. While it appears that property values continued to drop through the late 1930s, as did the price of wheat, it is not clear that property values dropped so dramatically in one year. Frank Peterson's concerns may have been justified. A comparison of the Fergus County (for 1937) and the federal (most were in 1938) land assessments shows that the latter was less than half the dollar amount than the former. But the USDA believed that the land it was acquiring was submarginal - essentially land that should not be cultivated - so the land was worth less to the USDA (as grazing land) than to those who believed that it could be cultivated (even though cultivation had failed).²⁷

²⁶ Land Use Case Files, Box 16, LUMT 38-22-284.

²⁷ Land Use Case Files.

There were undoubtedly other factors involved in the discrepancies between the 1937 and 1938 appraisals. In the 1910s, during the agricultural boom, higher property values reflected the increased demand for agricultural products and the period of higher rainfall on the northern Great Plains. After prices peaked and began falling, it took time before property values reflected the changes, in part because people expected the rain (and the prosperity) to return. Furthermore, the discrepancy in property values reflected the intrinsic purposes of the appraisals. Each county appraised land in order to assess taxes – the higher the land value, the higher the taxes and the more income for the county. The federal government assessed the value of the land so it could make a purchase offer to the owner, and the lower the land appraisal value, the lower the offer. On the other hand, the federal government did, however, estimate the salvage value of movable improvements on the land as well as the *in situ* value of those improvements, offering the higher *in situ* price to landowners when it made an offer.

Many Montana farmers had been unable to improve their living conditions. Years after acquiring the land

they were not living like Anna Stofer Brady or Gottfrid and Anna Johanson, but were living in shacks. About 60 percent of the parcels purchased by the Land Utilization Program had houses, but they tended to be small, poorly constructed buildings, many with tarpaper siding and no foundation. Fewer than one-fifth of the houses had cellars. Only about 40 percent had any foundation, but over half of those with foundations had stone or rock foundations; many had wooden or log foundations. Seven percent of the dwellings had dirt or sod on their roof. The original sod roofs may have been replaced over the years or new houses may have been built by the time the government acquired the land. Most of the houses had lap siding, although 14 percent were built of logs, like the Weygant cabins. About 29 percent of the dwellings had no interior finish on the walls, but the remainder had composition board, paper, plaster, wall board, boards, or wainscoting. All of the houses had some kind of wood floor such as pine or fir. None of the dwellings had any "fixtures," which evidently meant plumbing. The houses averaged about 392 square feet, a little less than 20 by 20 feet. Most (about 43 percent) had two rooms. About one-third had from three to five rooms, but one-quarter had only one room. There was no relationship between the

status of the farmer (owner-operator or tenant) and the size or number of rooms. The housing descriptions indicate that most of these farmers lived in very modest, often old housing, many in the same housing built by the original homesteader to satisfy the residency requirement.²⁸

A 1934 survey of Montana farm homes reflected the same austerity. During the first few decades of the twentieth century, most Montana farmers lived frugally, carefully guarding their earnings and denying themselves some of the amenities many others enjoyed. Less than 20 percent of the homes had cold running water, about 11 percent had hot and cold running water. That water did not necessarily have a place to go. About 10 percent had lavatories; only 13 percent had bath tubs. Less than 4 percent had septic tanks. About 17 percent of the homes were connected to electric lines, while another 7 percent had either gas lighting or their own electric power system. Most had only a coal or wood stove for heat and cooking. Only 27 percent had any refrigeration, principally ice boxes. This survey found that houses

²⁸ These numbers are derived from a 10 percent sample of the Land Utilization records for Fergus County, Montana. The federal land utilization program in Montana purchased 487 parcels between 1934 and 1953. Land Use Case Files.

averaged about nearly five rooms in size, while the Montana farm homes purchased by the Land Utilization Program averaged about two rooms. The houses on land purchased by the federal government were clearly more Spartan than other Montana farm homes, reflecting the inability of the land to support a family.²⁹

Some of the houses described by the federal assessors had been empty for several years. Late in 1931 the editors of the *Lewistown Democrat-News* described the abandoned homestead buildings dotting the Montana landscape, writing, "We have observed hundreds of wind-blown buildings which, in their tenantless condition, present pictures of indescribable desolation. . . . During those booming years from 1905-1915, thousands of these homes, now unoccupied, were built in this state. In all parts of this country are people who . . . had dreamed of a home . . . , only to be compelled to confess failure in the face of impossible obstacles."³⁰

By the time the Land Utilization Program purchased the land, most owners had already resettled themselves elsewhere without the help of the federal government.

²⁹ *Lewistown Democrat-News* 9 March 1935; Land Use Case Files.

³⁰ *Lewistown Democrat-News* 30 November 1931.

Among the land owners were banks and institutions from out of state that owned land (8 percent) and obviously did not reside on it, but there were only about 8 percent of the parcels owned by individuals who lived out of state. For example, Thomas Shanklin homesteaded on 632 acres in Fergus county during the mid-1910s, and the federal government granted him a patent in 1920. He lived frugally, building only a two-room shack, a shed, and a barn. In 1924 he had to borrow \$600 money to continue farming but was unable to repay the loan until the federal government purchased his homestead. By the time federal appraisers assessed his property in 1938, Shanklin had moved to Marshalltown, Iowa, without federal assistance. Another 8 percent of the landowners lived in Montana, but outside of Fergus County. Morris Rasmussen was living on his homestead near Roy, Montana when his property was assessed by federal appraisers in 1938, but by the time the sale was completed he had moved to Shonkin, just west of Fergus County. The remaining 75 percent remained in Fergus County at least until sales were completed.³¹

³¹ These numbers are derived from a 10 percent sample of the Land Utilization records for Montana. Land Use Case Files, Box 33, LUMT 38-22-546.

After acquisition, the federal government allowed the previous owner or tenant to remain on the property for a few months under a Temporary Use Agreement. This gave people a chance to harvest any remaining crops or to graze cattle; it often let people stay through the winter. More than one-third of the parcels purchased for the Central Montana Land Use Adjustment Project in Fergus County granted Temporary Use Agreements, but they did not necessarily have someone living on the land. Only about 15 percent of the parcels had someone living on the property. Very few were families with children. Carl Noble's brother and sister-in-law, Purdy and Mary Noble, and their four children remained on their 785 acres of land for a few additional months to harvest crops already planted. The Gooch family also received permission to remain on land they had lived on for two decades. In 1919, Walter Gooch borrowed money from the Montana Joint Stock Land Bank (which became the Denver Joint Stock Land Bank), but were unable to repay the loan and in 1936 the bank became his landlord. In August 1939, the federal government bought the land and gave William Gooch

(presumably Walter Gooch's son) a Temporary Use Agreement, which allowed him to stay.³²

There seemed to be widespread support for the Land Utilization Program. One economist wrote that the program had "almost universal public approval." Americans thought it was a "means of relieving human distress" and "an opportunity to save the public treasury from pouring millions of dollars annually into the support of farming where farming ought not to be practiced."³³ Fergus County citizens who attended a planning committee meeting sponsored by the Fergus County Extension Office endorsed the federal land purchase program.³⁴ The Montana Farmers Union also supported the submarginal land purchases and adopted a resolution to that effect at their meeting in Lewistown in October 1935.³⁵ Many ranchers supported the program because it would mean more available land for grazing leases. For example, the Flatwillow Cooperative Grazing Association, located in southern Fergus County, unanimously supported

³² Ibid., Box 6, LUMT 38-22-94; Box 8, LUMT 38-22-155.

³³ Noble Clark, "Discussion." *Journal of Farm Economics* 18 (May 1936):274, hereafter cited as Clark, Discussion."

³⁴ "Report Agricultural Planning Fergus County Sept. 1, 1938," Montana State University Agricultural Extension Office for Fergus County, Lewistown, Montana.

³⁵ Lewistown Democrat-News 20 October 1935.

the submarginal land purchase program and wrote to government officials urging them to include their district in the program.³⁶ As the program geared up in Montana in 1934, federal officials reported that there was "less difficulty in persuading people to move from submarginal land" than they had expected. But a few months later, local and state officials expressed "dissatisfaction with the progress" of the submarginal land purchase program, as they failed to comprehend the bureaucratic paperwork required to complete the land sales.³⁷

Even large land owners, such as Ralph Jenson, supported the submarginal land purchase program and sold land to the federal government. Jenson was not interested in divesting himself of more than four sections of land so that he could retire; rather, it was the most financially expedient means by which he could continue ranching. After he sold his acreage to the federal government, the grazing association could then lease the land, and Jenson could graze his cattle on it, but avoid tax payments. Jenson argued that grazing

³⁶ Ibid., 10 August 1935.

³⁷ Ibid., 22 October 1934, 27 March 1935.

districts would also better control overgrazing, which would eventually increase profits.³⁸

In mid-1935, progress on the submarginal land purchase program stalled, but supporters immediately rallied to the program. Montana Representative Roy Ayers and several western Congressmen called on Rexford Tugwell, urging him to authorize the submarginal land purchases, most of which would be in the West. Ayers hoped that the purchases would enable farmers to relocate while helping increase available grazing land, aiding ranchers. Montana Senator Burton Wheeler also supported the program and worked with Ayers on legislation.³⁹

The enthusiasm for the resettlement aspect of submarginal land purchases overwhelmed some federal officials in Montana. In response to some misunderstanding, the Montana state director of the Resettlement Administration stated that, "Rural Resettlement, as herein referred to, means that at some time in the future, farmers living on unproductive dry land may be given financial assistance by the federal government, together with an opportunity to relocate on

³⁸ Ibid., 15 September 1935; Land Use Case Files, Box 40, LUMT 38-22-662; Fergus County Clerk of Court, Deed Records 129:37, 129:43, 131:369, 134:101.

³⁹ *Lewistown Democrat-News* 13 July 1935, 23 July 1935.

more productive soils" He urged restraint saying, "There is no need of becoming over enthusiastic concerning the resettlement phase of this program" because assistance was limited to those who had sold their submarginal land to the government and had to move. He gave little hope to Montana farmers, saying that "It is absolutely a waste of time for you to write your congressman in Washington, or anyone else, asking that they assist you in being relocated."⁴⁰

Not everyone in Montana was happy about the federal land purchases and subsequent federal management of the land. Frank Peterson had complaints about the program, although apparently he cashed his checks. Dan Fulton, a rancher in eastern Montana and a severe critic of federal land policy, published a book in 1982 detailing his complaints over a half-century. Fulton, from Ismay (now called Joe), in Custer County, criticized all federal employees and programs, including land utilization supporter M. L. Wilson.⁴¹ Wilson had outstanding credentials, having farmed, homesteaded in Montana,

⁴⁰ Ibid., 10 February 1936.

⁴¹ Custer County just touches the edge of Garfield County, the location of the Freeman and Justus Township. Although many Montanans welcomed the federal aid during and since the 1930s, Fulton reflected the same anti-government attitude as the Freeman.

earned several degrees, and worked as a county agricultural agent, before becoming Assistant Secretary of Agriculture. Despite Wilson's qualifications, Fulton sarcastically referred to him as an "agricultural expert" and blamed him for both a jack rabbit infestation and an increase in the coyote population, since "the rabbits ate the cornfields and the coyotes killed the lambs."⁴²

Fulton had further complaints to make. Although the land buy-back program helped ranchers, rancher Dan Fulton believed the New Deal programs were inept and biased against livestock raisers. Fulton owned 18,800 acres of land (nearly 30 sections), and although he had problems during the 1930s, he was able to acquire more land, while others were going under. He resented being turned down for a Federal Land Bank loan because the land was in a submarginal land purchase area.⁴³ According to Fulton, "the planners had already decided that the ranch my father came to in 1890, . . . and on which for forty

⁴² Dan Fulton, *Failure on the Plains: A Rancher's View of the Public Lands Problem* (Bozeman: Big Sky Books, 1982), 55-56, hereafter cited as Fulton, *Failure*.

⁴³ Ibid., 101-102.

years he had more than paid his way, . . . was 'sub-marginal,' and not eligible for a loan."⁴⁴

Dan Fulton disliked the New Deal, Franklin Roosevelt, and the Land Utilization Program. He resented government efforts to regulate land use, but did not appear to reject any of financial assistance. He later wrote about his encounter with personnel who dealt with the submarginal land purchase:

. . . The man from the Miles City land buying office came and told me all our land had been appraised. We had not been contacted before by them, had made no request for appraisal, and didn't even know an appraisal had been made, although we had heard rumors of bureaucratic activity, and those autos with white license plates were everywhere in those years.

Tell us what land you want to sell so we can prepare the options,' he said. I asked about the basis for the appraisals, and was reassured that the appraisals were 'correct' because they had been done by 'experts.' He told me, 'All we want to know is what land do you want to sell.'

Then I asked him about the appraisal of a couple of specific tracts of land. From his list he verbally gave me the appraisal price. I didn't want to sell out and leave the country, but there might have been some disconnected outer-margin tracts I would have sold, or if the price was high enough I might have considered selling the whole works.

Fulton thought the price "ridiculous" and refused to sell, believing that the program did not favor ranchers.

⁴⁴ Ibid., 106.

Although the purpose of the Land Utilization Program was not to favor ranchers or farmers, ranchers did reap the benefits of increased availability of *improved* grazing land.⁴⁵

Sherman Johnson worked for the Land Utilization Program in the Great Plains, but left government service during the late 1930s. He argued that the Land Utilization Program in Montana was not without problems. In the 1937 article, "Land Readjustments in the Great Plains," Sherman Johnson noted that in an area once largely in private ownership but now changed largely to public domain, any remaining private owners in the area would be likely to profit from close proximity to the grazing lands that become public domain.⁴⁶ So it would be ranchers, like Dan Fulton, who would benefit from the purchase and rehabilitation of the land.

Years after land utilizationists first proposed the retirement from agriculture of submarginal land, the program was put in place in central Montana. The idea had seemed simple enough, but the implementation was quite complex. Reams of paperwork had to be completed

⁴⁵ Ibid., quotes on 108-109.

before land could be purchased, and it took thousands of dollars in wages and expenses to purchase thousands of dollars worth of land. Despite the paperwork involved, Montanans were generally receptive to the government-led reform. There were a few detractors, but the flow of federal money into Montana was generally welcomed.

⁴⁶ Sherman E. Johnson, "Land Use Readjustment in the Northern Great Plains" *The Journal of Land and Public Utility Economics* 13(1937):153-162, quote on 159.

Chapter 8

The Results

In 1937, FDR submitted to Congress the report, *The Future of the Great Plains*, which made recommendations for land use readjustment in that region. As Roosevelt pointed out, "The problem is one of arresting the decline of an agricultural economy not adapted to the climatic conditions because of lack of information and understanding at the time of settlement and of readjusting that economy in light of later experience and of scientific information now available."¹ The Land Utilization Program, through the purchase of submarginal agricultural land and the conversion of that land to grazing, contributed to the stabilization of the agricultural economy in Fergus County. Although land utilizationists sought widespread land planning, stabilization of the agricultural economy was an important product of better land planning and appropriate land use. Land utilization efforts meant to correct the severe economic and environmental problems that American

¹Great Plains Committee, *The Future of the Great Plains* (House Executive Document No. 144, 75th Cong., 1st sess., serial 10117, 1937), iii.

farmers faced during the 1920s and 1930s. Those problems began to abate during the early 1940s as Montana wheat prices and yield began increasing. Increasingly, domestic concerns gave way to concerns about world war. Land acquisition under the Land Utilization Program slowed during World War II and stopped by 1946, after the Program had purchased 11.3 million acres of submarginal land – far short of the 75 million acres proposed for purchase.

In Fergus County, during the late 1930s and early 1940s, the Land Utilization Program (under the authority of the Bankhead-Jones Farm Tenant Act) purchased nearly 80,000 acres of submarginal agricultural land, about 3 percent of the total land in the county, and more than 12 percent of the crop land in Fergus County.² The Central Montana Land Use Adjustment Project, as it was called, was in the second largest submarginal land purchase area in the nation, second only to the Milk River Project in

² This is an estimate based on a 10 percent sample of the files for Fergus County, Montana. Land Use Case Files, 1934-1953, Records of the Bureau of Land Management, Montana, Record Group 49, National Archives, Rocky Mountain Region, Denver, Colorado, hereafter cited as Land Use Case Files. In 1996, the Bureau of Land Management reported that it owned 96,309.35 acres of Land Use (Land Utilization) land in Fergus County. The additional land was acquired after 1945.

nearby Blaine, Phillips, and Valley Counties.³ Under the various federal agencies, the Land Utilization Program acquired over two million acres of land in Montana, more than in any other state and nearly 20 percent of the total land acquired across the entire nation.⁴

Many historians agree that World War II helped ease the country out of the Great Depression but there is disagreement on the contribution of New Deal programs toward that goal. The Land Utilization Program implemented during the New Deal sought to correct problems in agriculture with land planning and land use readjustment. A careful examination of several economic factors in Fergus County, then, may serve as a fair measure of the success of the Land Utilization Program. If the program was successful, even on a small scale, Fergus County should have seen improvement in many areas.

One of the principal concerns of the Land Utilization movement was land use planning, and as

³ Mary W. M. Hargreaves, *Dry Farming in the Northern Great Plains: Years of Readjustment, 1925-1990* (Lawrence: University Press of Kansas, 1992), 116.

⁴ H. H. Wooten, *The Land Utilization Program, 1934 to 1964*, Agricultural Economic Report No. 85. (Washington, D. C.: USDA Economic Research Service, 1965), 74-75.

President, Franklin Roosevelt supported planning efforts. Like most other counties across the nation, Fergus County established an agricultural planning board in 1935 to voluntarily coordinate various aspects of agriculture with numerous agencies, such as the Soil Conservation Service, the Farm Security Administration, the Forest Service, the Bureau of Agricultural Economics, the Rural Electrification Administration, and the Agricultural Adjustment Administration, and it also involved dozens of local citizens on numerous committees. Lewis Gray had envisioned such a program and promoted such planning efforts. The organization remained active for several years and enjoyed brief success. Thirty different (very small) communities had representatives on the board. The planning board was instrumental in preparing recommended land use maps, and in initiating soil surveys. It promoted rural electrification, worked with the Civilian Conservation Corps on soil conservation projects, organized grazing districts, and started various other agricultural projects. Although the idea of a county land planning organization involving many people at the grassroots seemed to be a land use planner's dream, the additional bureaucracy that it created may have impeded improvement. For example, in 1939 alone the board and

committees had 54 meetings. Of the many committee members listed in the 1941 report, only one person, Michael A. Hickey, had sold land to the federal government under the Land Utilization Program, perhaps an indication that many of those who sold out left the county or left agriculture.⁵

The Fergus County Agricultural Planning Board recognized the county's land use problems and stated, "Grazing gave way to crop farming on most of the level land as the homesteaders moved in but recently the trend has been to revert to grass much of the land which was plowed." An early county agent had drafted a very generalized county soils map in 1914 showing that much of the county was more suited to grazing. The planning board used the same map in 1941 to show "the inability of some land to support cash grain farming."⁶ The board realized the problems inherent with the cultivation of arid land and supported the submarginal land purchase program to readjust land use. The report stated that "The Land Purchase program has helped many farm families

⁵ Fergus County Agricultural Planning Board, *Preliminary Land Use Report: Fergus County, Montana* (Lewistown: Fergus County Agricultural Planning Board, 1941), 12, hereafter cited as Planning Board, *Land Use Report*.

⁶ Ibid., quotes on 17.

recover some of their resources from submarginal land, thus permitting them to use this money to re-establish themselves in a better location."⁷

The establishment of local land planning committees was an important part of Lewis Gray's land utilization efforts, and in 1935, 47 of Montana's 56 counties had planning committees, including Fergus County. By 1940, two-thirds of the nation's counties had such committees. Although this part of the land utilization effort was more pervasive than others, many of the committees disappeared after major proponents Lewis Gray and Henry A. Wallace left the United States Department of Agriculture in 1941. The committees' decline may be attributed to the departure of Gray and Wallace, but also to the American entrance into World War II.⁸

In 1976, Mary W. M. Hargreaves evaluated the land use planning efforts of the 1930s and found some disagreement and dissatisfaction among those involved. In Montana for example, as planners discussed the

⁷ Ibid., quote on 3.

⁸ Donald Worster, *Dust Bowl: The Southern Plains in the 1930s* (New York: Oxford University Press, 1979), 192; Mary W. M. Hargreaves, "Land-Use Planning in Response to Drought: The Experience of the Thirties," *Agricultural History* 50(1976):561-582, hereafter cited as Hargreaves, "Land-Use Planning."

purchase of submarginal land for land use readjustment, citizens in Fallon, Flathead, and Valley Counties worried about the loss of tax base, despite economic studies that showed the counties' portion of grazing fees would easily make up any lost revenue. Reclamation projects and land use readjustment projects, which respectively increased and decreased land under cultivation, caused additional conflicts. When planners recommended increasing the minimal farm size, they drew complaints that this would favor larger commercial farms over small family farms. Small farmers, relocated in Flathead County, Montana, had difficulty securing Agricultural Adjustment Administration allotments. Hargreaves on the other hand, did note some planning successes, for example, in the cooperation between the Association of Land Grant Colleges and the United States Department of Agriculture. Ultimately, American entrance into World War II changed planning priorities, and in 1942, Congress failed to continue funding for some of the agricultural planning efforts.⁹

Although the agricultural land planning efforts were generally well-received in the Great Plains, perhaps

⁹ Hargreaves, "Land-Use Planning," 561-582.

because of the involvement of citizens and local agencies, there were those who disliked federal involvement. In her study of Kansas farmers during the Great Depression, Pamela Riney-Kehrberg suggested that the government reports often blamed the farmer for the agricultural problems in the 1930s and thus engendered opposition. On the contrary, land utilizationists tended to blame federal policy and boosters for the agricultural problems on the northern Great Plains. According to land utilizationists, farmers had been lured to homestead on submarginal land — land that by definition should not have been farmed. Many factors that determined the economic success of a farm were out of the hands of farmers, such as rainfall and unrealistic tax assessments. And it was precisely because farmers had little influence over some factors that land utilizationists sought comprehensive land planning efforts, not because the government believed the farmers were unfit as Riney-Kehrberg has suggested. The cooperative nature of the land planning won over many farmers.¹⁰

¹⁰ Pamela Riney-Kehrberg, *Rooted in Dust: Surviving Drought and Depression in Southwestern Kansas* (Lawrence: University of Kansas Press, 1994), 130-131.

Land utilizationists, concerned about the increasing rate of farm tenancy, had looked for ways to increase farm ownership. They believed that landowners had more of an interest in long-term land use and would be less likely to exploit resources for the short-term.¹¹ During the 1920s, land utilization supporters Henry C. Taylor, Richard Ely, and M. L. Wilson had established the Fairway Farms project in Montana to show how farmers could manage to purchase their own farm (under ideal conditions), but the early experimental effort failed and farm tenancy rates continued to increase. Land utilizationists realized that fundamental changes had to be made to remedy the growing problem. The Fergus County Agricultural Planning Board, in noting the rise of farm tenancy, found it due to "homesteading too small units; homesteading land for wheat production which should never have been plowed; over valuation of land during the settlement period; decrease in yields due to drought, insects, loss of soil, and the natural decrease in yields from virgin soil production; and economic trends in the value of agricultural products during the years since

¹¹ In his book, *The Suitcase Farming Frontier: A Study in the Historical Geography of the Central Great Plains* (Lincoln: University of Nebraska Press, 1973), Leslie

homestead days."¹² If those were the problems causing high rates of farm tenancy, then the purchase of land that should never have been plowed by the Land Utilization Program should have helped correct part of the problem.

Farm tenancy rates went up during the 1920s and continued to rise during the 1930s (see Figure 14). In 1920, the farm tenancy rate in Fergus County was 13.4

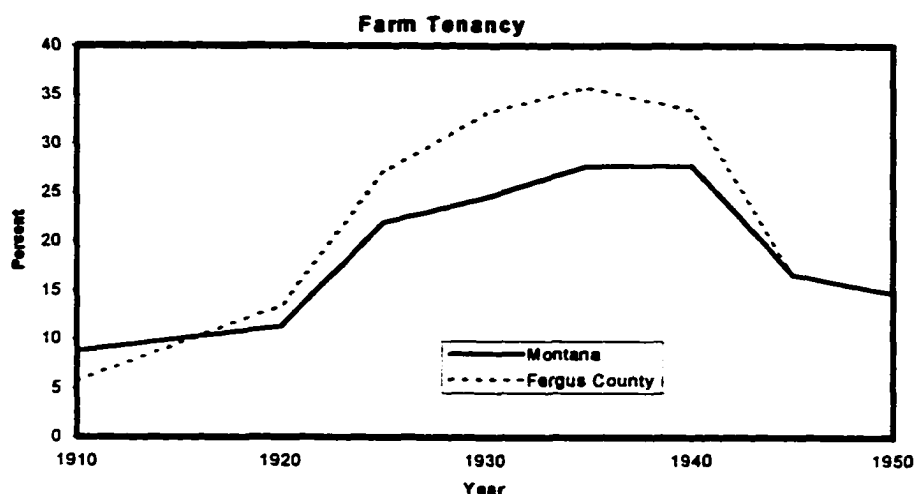


Figure 14. Farm Tenancy in Fergus County and Montana.¹³

Hewes found that resident farmers were less likely to exploit resources for the short-term.

¹² Planning Board, *Land Use Report*, quote on 20.

¹³ United States Department of Commerce, Bureau of the Census, *United States Census of Agriculture, 1925* (Washington, D. C.: Government Printing Office, 1927), 3:30-47, 81-129, hereafter cited as *Census of Agriculture, 1925*; United States Department of Commerce, Bureau of the Census, *Fifteenth Census of the United States, 1930: Agriculture* (Washington, D. C.:

percent, but that number more than doubled to 27.1 percent five years later, and peaked in 1935 at 35.8 percent. The Fergus County rates followed the same general trend state-wide trend in Montana, although the latter peaked eight percentage points below, indicating the seriousness of the problem in Fergus County during the 1920s and 1930s. Fergus County's tenancy rates declined slightly by 1940, and by 1945 reached 16.5 percent. Farm tenancy is no longer seen as the problem it was during the 1920s and 1930s—many farmers lease land to increase their landholdings, but the tenancy rate has leveled off. In 1987 Montana had a farm tenancy rate of

Government Printing Office, 1932), 2(3):115-169, hereafter cited as *Census, 1930*; United States Department of Commerce, Bureau of the Census, *United States Census of Agriculture, 1935*, Second Series, (Washington, D. C.: Government Printing Office, 1936), 2(3):796-812, hereafter cited as *Census of Agriculture, 1935*; United States Department of Commerce, Bureau of the Census, *United States Census of Agriculture, 1945* (Washington, D. C.: Government Printing Office, 1946), 1(27):1-120, hereafter cited as *Census of Agriculture, 1945*; United States Department of Commerce, Bureau of the Census, *United States Census of Agriculture, 1954* (Washington, D. C.: Government Printing Office, 1956), 1(27):1-11, 42-93, hereafter cited as *Census of Agriculture, 1954*; United States Department of Commerce, Bureau of the Census, *United States Census of Agriculture, 1987* (Washington, D. C.: Government Printing Office, 1989), 1(26):1-15, 142, 18, 190, 226, hereafter cited as *Census of Agriculture, 1987*.

12.9 percent, not far from Fergus County's rate of 14.6 percent.¹⁴

Using farm tenancy as an indicator of the short-term success of either the Land Utilization movement or the Land Utilization Program, then there was a measure of success. The submarginal land purchase program contributed to the decline in the farm tenancy rate by purchasing land from some landlords, such as banks, insurance companies, investors, and county governments, although it eventually leased that land on a long-term basis to grazing associations. The federal government readjusted the land use of the parcels in Fergus County and much of the Great Plains to grazing, so land was removed from cultivation. The federal government leased most of the newly acquired land on the Great Plains to grazing districts. But ranchers developed grazing districts (Montana's grazing districts served as models for the rest of the country), not land utilizationists. Ironically, even though the Land Utilization Program reduced the amount of leased cultivated land, the federal government became a grazing landlord. The United States Department of Agriculture Soil Conservation Service

¹⁴ Ibid.

managed to acquire land for several years, but turned it over to the Bureau of Land Management under the Department of the Interior in the mid 1950s.

By 1941, Fergus County had seven cooperative grazing districts utilizing the public domain, the new public domain, state and county land, and private land to provide long-term leases to area ranchers.¹⁵ The Land Utilization Program removed unneeded buildings and fences, reseeded much of the grazing land to crested wheatgrass, built stock tanks and reservoirs, and worked to control erosion before turning the land over to grazing districts. While the land utilizationists did not engineer grazing districts, they supported their use and believed that the districts would ensure proper land use (grazing) and prevent the land from being cultivated during the next wheat boom. All of the land acquired by the Land Utilization Program in Fergus County remains grazing land, under the management of the Bureau of Land Management.

A graph of the amount of pasture land in Fergus County illustrates how grazing acreage increased during the 1920s, 1930s, and 1940s, but has leveled off and

¹⁵ Planning Board, *Land Use Report*, 12.

remained relatively stable since then (see Figure 15). The increase during the 1920s and 1930s probably resulted from farmers abandoning the cultivation of land in favor of grazing because of drought. The federal purchase of submarginal land and its conversion to grazing land during the very late 1930s and early 1940s can be seen as well. The Land Utilization Program had a direct effect on this increase.¹⁶

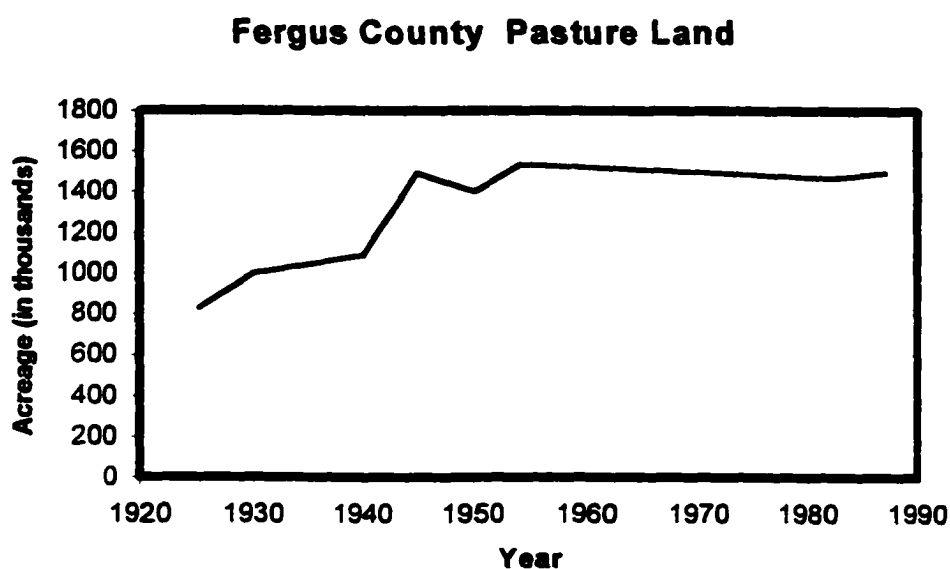


Figure 15. Fergus County Pasture Land.¹⁷

¹⁶ Census of Agriculture, 1925, 3:30-47, 81-129; Census, 1930, 2(3):115-169; Census of Agriculture, 1935, 2(3):796-812; Census of Agriculture, 1945, 1(27):1-120; Census of Agriculture, 1954, 1(27):1-11, 42-93; Census of Agriculture, 1987, 1(26):1-15, 142, 18, 190, 226.

¹⁷ Ibid.

There were other problems that land utilizationists wanted to correct as well. In order to increase the economic viability of farms, they sought to increase farm size. In order to adequately support a family, farm/ranch units in the arid West needed to be larger than the homestead laws had allowed. One way to increase the average farm size would be to consolidate landholdings. While the submarginal land purchase program did not consolidate individual private landholdings, it did purchase land (and sometimes trade for land) in a designated area to create a large federal landholding that could be leased for the long-term to area grazing associations. However, by buying up nonviable farms, the federal Land Utilization Program reduced the number of small farms and did (statistically) increase the size of farms and ranches. In 1930, the number of farms in Fergus County peaked at 2,073, dropping to 1,999 five years later. The number continued to decline, dropping to 1,486 in 1945. As the number of farms in Fergus County decreased, the average farm size increased. In 1925, the average farm size was about 610 acres, but it increased about by 200 acres during the next five years. In 1940, the average farm size reached

1,165 and continued to climb (see Figure 16).¹⁸ Changes in farm size, then, moved in the direction proposed and promoted by land utilizationists.

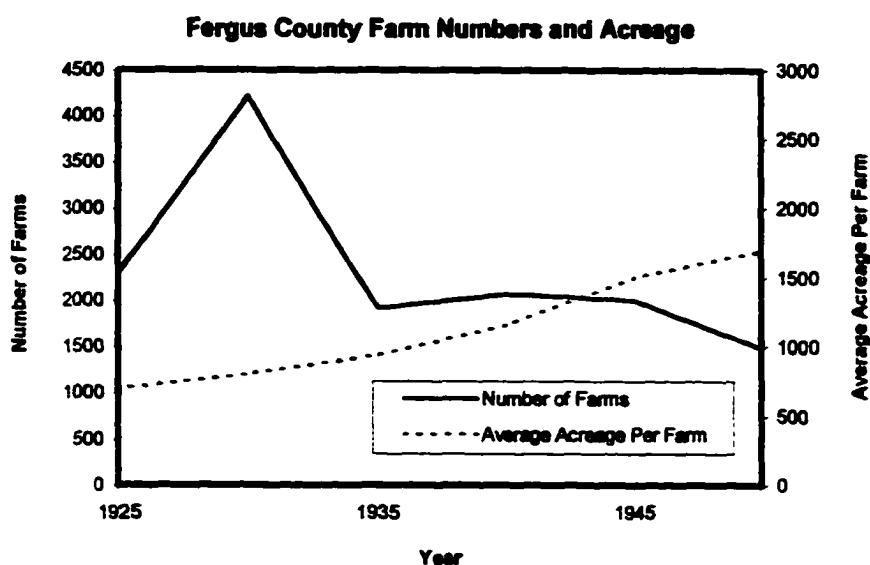


Figure 16. Number of Farms and Average Farm Size in Fergus County, 1925-1950.¹⁹

Farm size continued to increase while the number of farms increased. By 1987, the average farm size in

¹⁸ The current Fergus County boundaries were set in 1924, so some statistical comparisons over time, such as number of farms, would not be valid using data before 1924. The federal census considers farms, ranches, and combinations of the two as "farms" unless otherwise stated. *Census of Agriculture, 1925*, 3:30-47, 81-129; *Census, 1930*, 2(3):115-169; *Census of Agriculture, 1935*, 2(3):796-812; *Census of Agriculture, 1945*, 1(27):1-120; *Census of Agriculture, 1954*, 1(27):1-11, 42-93; *Census of Agriculture, 1987*, 1(26):1-15, 142, 18, 190, 226.

¹⁹ Ibid.

Fergus County reached 2,558, just two acres short of what John Wesley Powell had recommended more than a century before in his famous report to Congress. The number of farms in Fergus County dropped to 838 by 1987, about one-fifth of its high in 1920 (see Figure 17).²⁰ This also

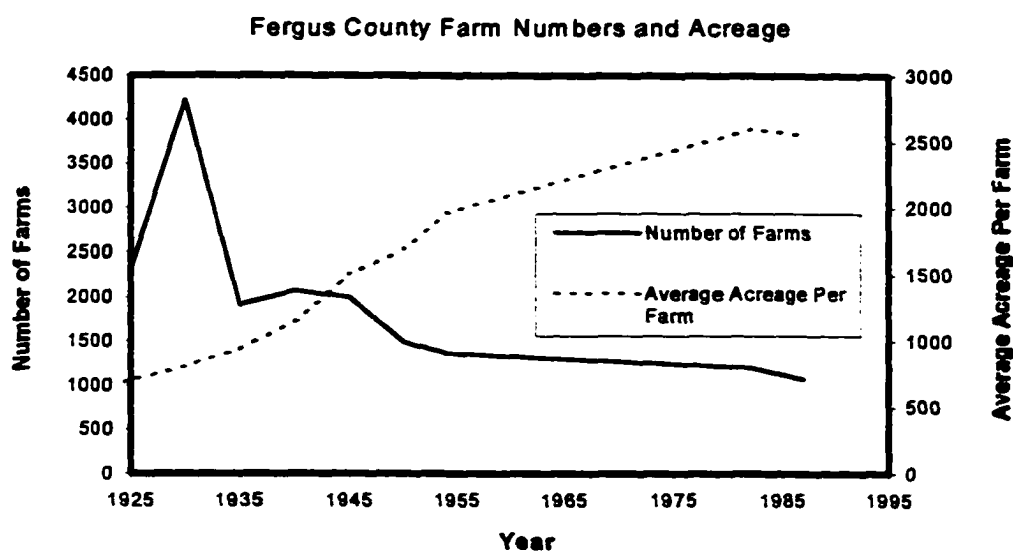


Figure 17. Number of Farms and Average Farm Size in Fergus County.²¹

may signal the increase in corporate farms and a reduction in family farms, resulting in something the

²⁰ Ibid.; John Wesley Powell, *Report on the Lands of the Arid Region of the United States With a More Detailed Account of the Lands of Utah* (Washington: Government Printing Office, 1878) 18-24.

²¹ *Census of Agriculture, 1925*, 3:30-47, 81-129; *Census, 1930*, 2(3):115-169; *Census of Agriculture, 1935*, 2(3):796-812; *Census of Agriculture, 1945*, 1(27):1-120; *Census of Agriculture, 1954*, 1(27):1-11, 42-93; *Census of Agriculture, 1987*, 1(26):1-15, 142, 18, 190, 226.

land utilizationists had not contemplated. In urging the increase in farm size, many small farmers were pushed out of business. Yet it was the family farm that the land utilizationists sought to improve.

Land utilizationists sought an increase in the average farm size, but they hoped that any increase in farm size on the arid Great Plains would be accompanied by mixed use or an increase in the amount of grazing land. Since the submarginal land by definition was unsuitable for cultivation, land utilizationists believed that livestock grazing, in combination with the cultivation of some crops, would provide the best income over the long term. In 1925, Fergus County had about 446,000 acres of crop land. That number fluctuated in the 1930s, and by 1945 there were nearly 530,000 acres of crop land in the county (see Figure 18). The trend, however gradual, was upward. Between 1945 and 1987, the acreage of crop land in Fergus County had climbed to more than 650,000.²² Land utilization efforts, then, including the purchase of submarginal land, failed to decrease the amount of land under cultivation in Fergus County.

²² Ibid.

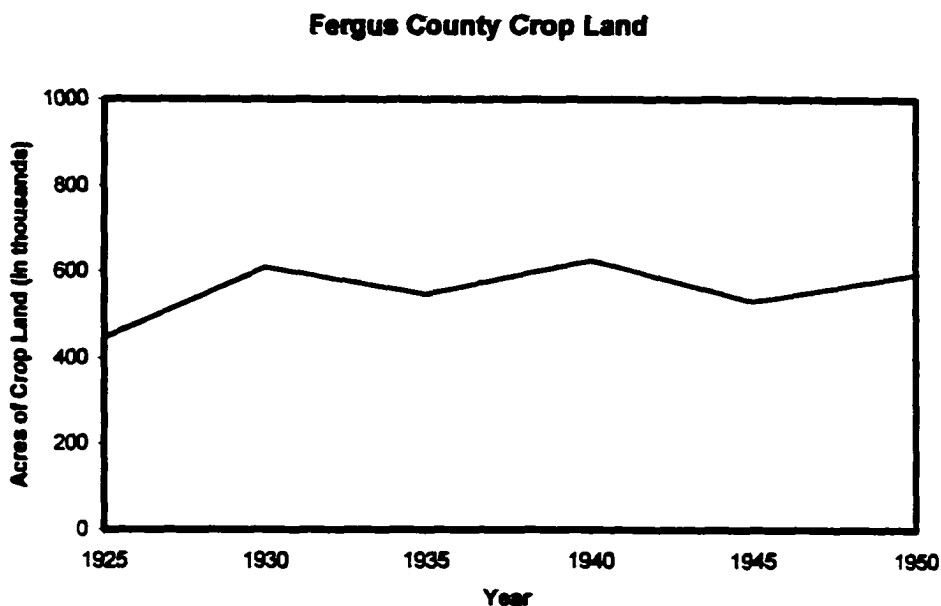


Figure 18. The Amount of Crop Land in Fergus County.²³

There has, however, been some crop diversification in Fergus County. Although the amount of land under cultivation increased, the amount of acreage devoted to wheat decreased. In 1920, farmers planted more than 344,000 acres of wheat in Fergus County. In 1937 there were 326,000 acres of wheat in the county. By 1945, that number had dropped to about 214,000 acres. This drop may reflect federal land use readjustment through the purchase of some submarginal parcels in Fergus County. But the decline in the acreage of wheat planted may be

²³ Ibid.

explained by an increase in the practice of setting aside acreage for summer fallow, which allows a parcel of land to "rest" for a year between crops. Nevertheless, there was a trend away from wheat, which had been the most lucrative grain crop, toward other crops. The trend away from wheat and toward diversification continued. By 1991, there were only 153,000 acres devoted to wheat in Fergus County (see Figure 19).²⁴

Fergus County Wheat Acreage

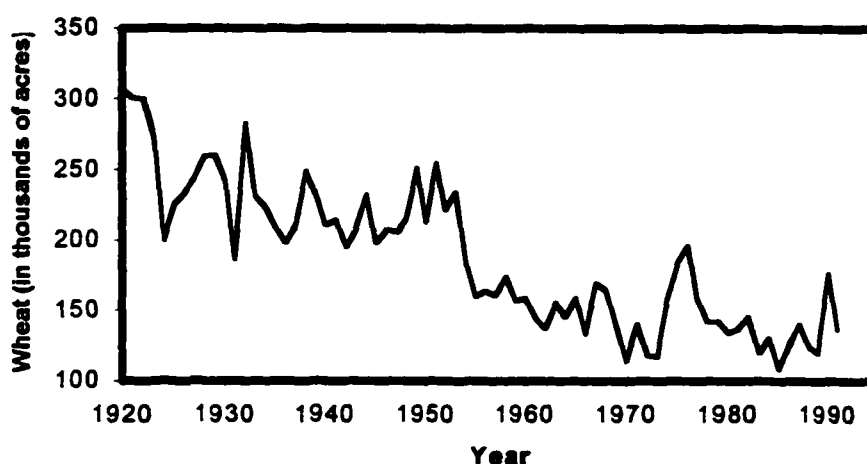


Figure 19. Wheat Acreage in Fergus County.²⁵

²⁴ Unpublished agricultural records for Fergus County, from the Montana Agricultural Statistics Service, Helena, Montana, hereafter cited as Montana Agricultural Statistics Service records.

²⁵ Ibid. During the New Deal, the federal government gave American farmers wheat allotments in exchange for subsidies, so the decline in wheat acreage during those years reflects that federal involvement.

The reduction of wheat acreage away from a single cash crop toward diversification allowed for better long-term management of land resources. The increased use of summer fallow reflected a greater acceptance of scientific farming practices but also allowed for better resource management. By not using the same land year after year for wheat production and by placing land in summer fallow, Fergus County wheat farmers improved their production. Furthermore, wheat production per acre gradually increased as the difference between the acreage of wheat planted and the acreage of wheat harvested diminished. Fergus County wheat production averaged about 16 bushels per acre during the 1920s, 11 bushels per acre during the 1930s, but nearly 21 bushels per acre between 1940 and 1945. Improved machinery and wheat strains contributed to production improvements as well. Land utilizationists had sought efficiency in production by adjusting land use according to the environment. They believed that by matching crops to soils, yields could be increased, although few would have predicted the increase in Fergus County wheat yield. By the 1980s, average yield in Fergus County had climbed to nearly 29 bushels of wheat per acre (see Figure 20).²⁶ The trends toward

²⁶ Ibid.

diversification away from wheat, increased use of summer fallow, and increased production may reflect the influence of land utilizationists, but only indirectly can be related to the removal of submarginal land from cultivation.

Fergus County Wheat Yield Per Acre

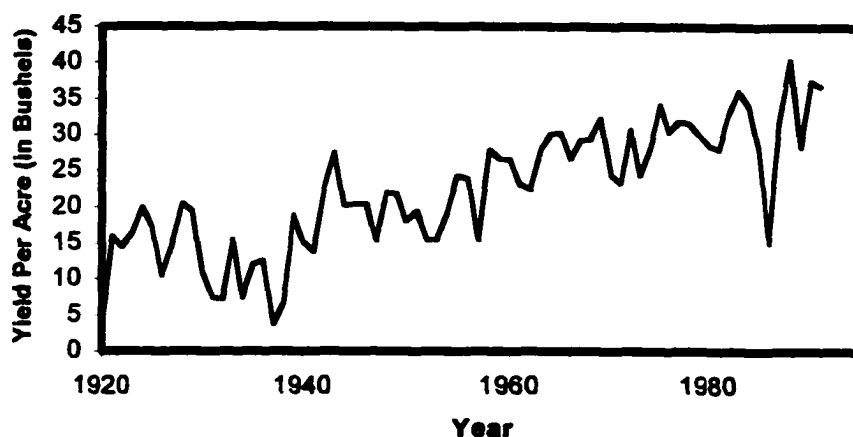


Figure 20. Fergus County Wheat Yield Per Acre.²⁷

During the drought and depression of the 1930s, the federal government worked to limit agricultural production, but during the 1940s, the government called for an increase in agricultural production, concerned about wartime needs. The return to full production in the 1940s seemed counter to the land utilization efforts of the 1930s, but land utilizationists believed that land

²⁷ Ibid.

was an important resource that should be used in a manner beneficial to the nation – and during World War II, as earlier during World War I, full production was presumably beneficial to the nation.

Land utilization proponents wanted to counter the boom and bust cycles in agriculture. Rain, increased yield, and reduced acreage in wheat helped wheat production and prices recover. The return of war, World War II, also helped wheat markets and the dollar value per acre of wheat increased during the early 1940s. The price of wheat remained fairly stable until the early 1970s, when it began fluctuating widely (see Figure 21). Although some of the improvements can be attributed to the efforts of the Land Utilization Program, the war obviously positively influenced the agricultural recovery.

There were other factors that concerned land utilizationists. They realized that land assessments for taxes needed to be adjusted to reflect the long-term production capability of the land, rather than the value of the land in one particular year. Assessments of land value made during years of higher than average rainfall were unrealistic during years of lower than average

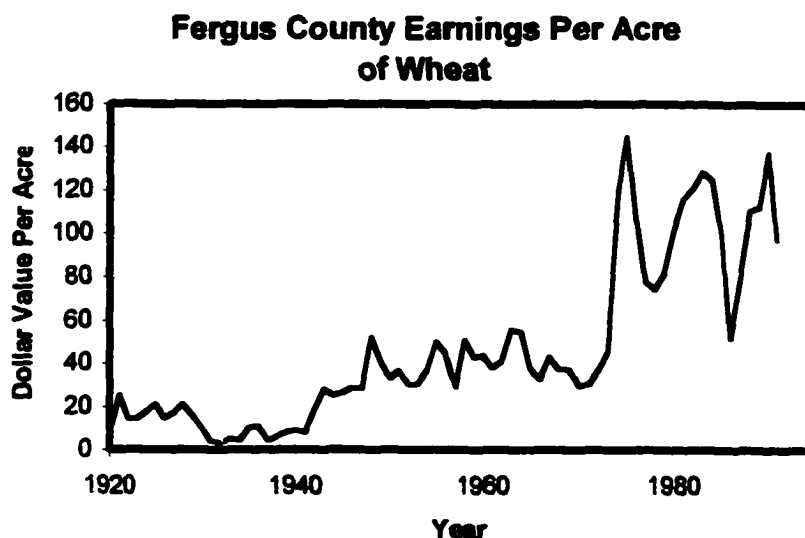


Figure 21. Fergus County Earnings Per Acre of Wheat.²⁸

rainfall. Consequently, land assessments for tax purposes proved to be a significant problem for farmers in the 1920s and 1930s, as land values declined and reassessments lagged. Inability to pay taxes (and other bills) forced many farmers to abandon their land to the county. Between 1928 and the mid-1940s, Fergus County acquired 1,587 parcels of land totaling 362,527 acres, about 13 percent of all of the land in the county. In mid-1940, the county still owned 1,316 of those parcels, a total of 289,303 acres. The Land Utilization Program

²⁸ Ibid.

reduced those numbers by a small amount when it purchased six parcels of submarginal land from Fergus County. It would take greater efforts to improve the county government's land problems.²⁹ By the mid-1940s, tax reform was underway, changing the way land was classified, assessed, and taxed. The Fergus County Agricultural Planning Board, itself a product of land utilization efforts, made the recommendations for the tax changes. By the 1960s, assessments of land for tax purposed were based on a twenty-year history of the productivity of a particular parcel, not unlike what the land utilizationists had proposed.³⁰

Land utilizationists realized that the population would have to shift as cultivated land was converted to grazing land, either by homesteader abandonment or by the federal purchase. Depopulation of the Great Plains was an important result of the economic difficulties during the 1930s, but it was not necessarily a result of the Land Utilization Program. Montana led the trend of rural depopulation, being the only Great Plains state to lose rural population during the 1920s. Between 1920 and

²⁹ Planning Board, *Land Use Report*, 45-49.

³⁰ Interview with Jim Ridgeway, Fergus County Tax Assessor's Office, Lewistown, Montana, 8 April 1997.

1940, Montana lost about 15 percent of its rural population (see Figure 22).³¹ Fergus County suffered

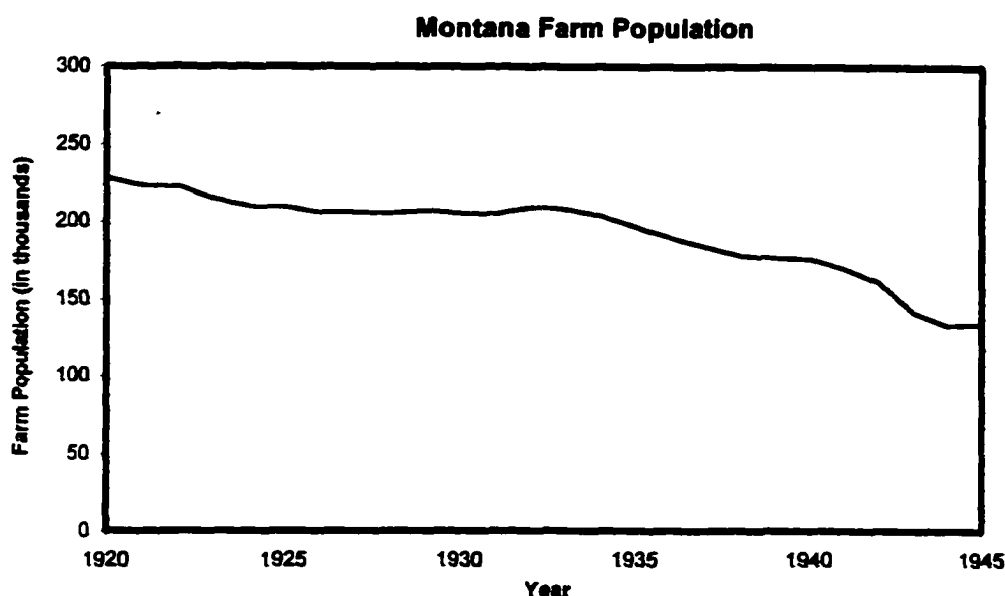


Figure 22. Montana Farm Population, 1920-1945.³²

even more dramatic losses, losing nearly 40 percent of its farm population between 1925 and 1945.³³ By 1970, the Montana farm population had dropped to 90,000, down from 228,000 in 1920.³⁴ As mechanization improves, fewer farm workers are needed to maintain farms, even though the amount of acreage under cultivation has increased.

³¹ Carl Frederick Kraenzel, *The Great Plains in Transition* (Norman: University of Oklahoma Press, 1955), 161, hereafter cited as Kraenzel, *Great Plains*.

³² Ibid.

³³ *Census of Agriculture, 1925*, 3:30-47, 81-129; *Census of Agriculture, 1945*, 1(27):1-120.

³⁴ Montana Agricultural Statistics Service, *Montana Agricultural Statistics, State Series 1867-1991* (Helena: Montana Department of Agriculture, 1992), 3.

Consequently, the rural depopulation of Montana continues.

Lewis Gray and other land utilizationists realized that land use affected society as well as the economy. For example, rural depopulation caused a decline in the number of students in rural schools. In 1935, Fergus County had twenty-four schools with five or fewer students, but four years later that number had climbed to thirty-eight. The enrollment in rural Fergus County schools during that same period declined by about 42 percent. Consequently, Fergus County closed 23 percent of its rural schools.³⁵ Land utilizationists recognized that rural depopulation would require a consolidation of governmental services. In turn, the reduced cost of services would be reflected in a lower tax rate, again helping farmers. School consolidation and closure, then, was a natural consequence of land use readjustment. (The reverse was true during the homestead boom.) School consolidation, then, was a necessary result of the rural depopulation recommended by land utilizationists.

While land utilizationists wanted the federal government to acquire and readjust land use on 75 million

³⁵ Planning Board, *Land Use Report*, 50-53.

acres of land, they put little thought into the resettlement of the people involved. The federal Land Utilization Program was vaguely connected to federal resettlement efforts; most people who sold their submarginal land to the federal government chose to resettle themselves. None of the participants in the Central Montana Land Use Project accepted federal resettlement help because none was offered; most resettled themselves in the area.³⁶ The resettlement efforts across the country did not enjoy much success. In a recent history of New Deal resettlement in the mountain states, Brian Q. Cannon showed that the federal government had a difficult time placing settlers on productive land and, consequently, the efforts were not self-supporting and suffered significant financial losses.³⁷

Land utilization efforts, especially the purchase of submarginal land, helped change agriculture in Fergus County, Montana. Land planning efforts, if short-lived,

³⁶ Land Use Case Files, 1934-1953, Records of the Bureau of Land Management, Montana, Record Group 49, National Archives, Rocky Mountain Region, Denver, Colorado, hereafter cited as Land Use Case Files.

³⁷ Brian Q. Cannon, *Remaking the Agrarian Dream: New Deal Rural Resettlement in the Mountain West* (Albuquerque: University of New Mexico Press, 1996).

helped farmers deal with the wide variety of problems they faced during the Great Depression. As recommended by land utilizationists, some cultivated land was converted to grazing land, wheat acreage diminished, and farms got bigger and more diversified. But as the Land Utilization Program geared up in Fergus County during the late 1930s and early 1940s, the drought ended and World War II began — both influencing the agricultural economy. Consequently, it becomes more difficult to ascertain the influence of the program, although certainly the ideas of the land utilizationists had taken hold in the agricultural community.

Chapter 9

Conclusion

The New Deal dramatically changed federal land policy in an effort to correct the problems inherent in earlier policies. The Great Depression forced the change, as erosion ruined farmland and as farms collapsed into financial ruin. Although federal land policy affected the entire country, the Great Plains was of great concern to policy makers because of the drought, but also because of other problems caused by plowing up submarginal land – land that could not consistently raise crops. Historically, land use practices on the northern Great Plains were not suited to the arid environment. Federal land laws, such as the Homestead Act which required cultivation of the land, all but guaranteed that land on the plains would *not* be put to its best use. Under the New Deal, the federal government made dramatic changes to land policy in an effort to make Great Plains agriculture (grazing and cultivated) more sustainable.

Few historians have written about the federal Land Utilization Program. Donald Worster criticized the program as a failure because it did not achieve the broad goals of the Land Utilization movement. Yet the program

was significant to the development of federal land policy because it reversed decades of policy that worked to alienate the public domain, not reacquire it.¹

Although the federal government fell far short of purchasing the proposed 75 million acres of land, it did purchase more than 11 million acres; most of that acreage was on the Great Plains. The Central Montana Land Use Project purchased less than 100,000 acres in Fergus County, Montana, only about 3 percent of the county's area. In much of the Great Plains, most of the reacquired acreage was rehabilitated and converted to grazing land, which the Department of the Interior Bureau of Land Management now leases to various ranchers. In Fergus County all of the land was converted to grazing land. After being managed by the United States Department of Agriculture Soil Conservation Service for several years, it was turned over to the Bureau of Land Management, which still manages the land.

¹ See Donald Worster's *Dust Bowl: The Southern Plains in the 1930s* (New York: Oxford University Press, 1979); Paul W. Gates, *History of Public Land Law Development* (Washington, D. C.: Government Printing Office, 1968); E. Louise Peffer, *The Closing of the Public Domain: Disposal and Reservation Policies, 1900-50* (Stanford, California: Stanford University Press, 1951); and John Opie, *The Law of the Land: Two Hundred Years of American Farmland Policy* (Lincoln: University of Nebraska Press, 1987).

Although the area purchased was small, the federal program targeted areas in that county that had significant land use problems and did influence land use over the long-term, although the results are not clear cut. World War II boosted the agricultural economy soon after the conclusion of many of the land purchases, blurring the factors involved.

Land utilizationists believed that part of the answer would be larger farms (so that a farm/ranch could support a family), and the farms gradually have, in fact, grown larger and larger, but as farms got larger, the actual number of farms decreased. The number of farms in Fergus County dropped by more than four-fifths between 1920 and 1987. Accompanying the increase in farm size is the loss of the family farm, which the land utilizationists had hoped to help. Despite efforts to reduce the amount of tilled land, actual acreage under cultivation has increased, although the land defined as cultivated may not be planted every year and may remain fallow.

Frederick Jackson Turner wrote about the significance of the closing of the frontier in his 1893 essay, "The Significance of the Frontier in American History," but the frontier did not actually close until

the New Deal changed land policy in the 1930s.² Turner was correct in the importance of the individual on the frontier, but with the closing of the frontier, the community became more important. Consequently, the federal government began looking at the land, not the individual farmer. Although the purchase of submarginal land and readjusting its land use was not the only example of the government taking the land into account (for example, the Soil Conservation Service mapped land and implemented conservation projects), it proved to be more significant in its scope. Essentially, the reacquisition of public domain had become necessary to protect the greater good of the community from the abuses of individual citizens. So instead of the individual citizen being responsible for any land abuse, the federal government made itself responsible for reparation.

This deeper issue involves the struggle between those who support the rights of the individual and those who support the rights of the larger community. After the land had been rehabilitated and had become economically viable again (as grazing lands), many

² Frederick Jackson Turner, "The Significance of the Frontier in American History," in *The Frontier in American History* (New York: Henry Holt and Company, 1920).

Westerners wanted the land to be removed from federal control and sold to individuals, believing that individuals can better oversee the care of the land.

The land utilizationists of the 1920s and 1930s conducted studies, analyzed statistics, and applied the best science of the day to the problems facing agriculture. But many of their key recommendations had been made a half-century earlier by a government scientist who recognized the fundamental essence of the West - its aridity - and realized that adaptation was necessary: John Wesley Powell. Although Powell's prescience has long been discussed by historians, it is important to note that the Land Utilization movement was necessary because Congress ignored Powell's recommendations. Because Powell failed to influence federal land policy, the problems inherent in that policy eventually surfaced and required drastic federal action.

Powell understood something that most of his nineteenth centuries contemporaries did not, that the lack of water characterized and defined most of the West, and that its inhabitants' culture, institutions, agriculture, and industry would have to adapt to that aridity. His 1878 *Report on the Lands of the Arid Region*

of the United States With a More Detailed Account of the Lands of Utah made recommendations to Congress for changes in federal land policy. Perhaps had Congress followed Powell's suggestions, the environmental and economic problems the West suffered through in the 1920s and 1930s might have been avoided. Fifty years after Powell published his report, and after much study by land utilizationists, the federal government began to implement some of his ideas.³

In his *Report of 1878*, Powell assessed in general terms the economic potential of the West, a region he defined as the American territory lying west of the hundredth meridian, where rainfall dropped to below an annual average of twenty inches. (Powell believed that the twenty-inch isohyet was the limit of successful agriculture without irrigation.) That region, according to Powell, made up nearly half of the continental United States.⁴

³ For a brief summary and assessment of Powell's legacy, see Thadis W. Box, *The Arid Lands Revisited - One Hundred Years Since John Wesley Powell* (Logan: Utah State University, 1978).

⁴ John Wesley Powell, *Report on the Lands of the Arid Region of the United States With a More Detailed Account of the Lands of Utah*, House Executive Document No. 73, 45th Cong., 2d sess., serial 1805 (Washington: Government Printing Office, 1878), 1-4, 46-56, hereafter

Powell brought to bear a fresh and unconventional perspective on the Western environment and its potential for settlement. His *Report* called for drastic changes in settlement and agricultural practices that had been successful in the more humid eastern regions of the country. Powell's *Report* was a jeremiad, a warning to Congress of dire consequences if humid land-use practices were imposed on the arid west beyond the hundredth meridian.⁵

Nearly fifty years before land utilizationists insisted on the detailed classification of land in terms of its economic potential in the United States, Powell broadly classified the arid western lands as either suitable for growing timber, for grazing, or for cultivation of crops, with or without irrigation. Powell believed that most of the public domain in the West would be appropriate for grazing, with smaller amounts in the other two categories, but he recognized that mineral and coal lands should also be so classified. Land classification, he insisted, had to be followed by

cited as Powell, *Report*. The best book on Powell is Wallace Stegner's *Beyond the Hundredth Meridian: John Wesley Powell and the Second Opening of the West* (Boston: Houghton Mifflin, 1953), hereafter cited as Stegner, *Beyond the Hundredth Meridian*.

federal regulation in order to reduce land fraud and misuse.⁶

Powell also realized that rainfall tended to be erratic in the West. "Many droughts will occur; many seasons in a long series will be fruitless; and it may be doubted whether, on the whole, agriculture will prove remunerative."⁷ The timing of rainfall was critical as well. Rain during the growing season was more important to successful agriculture than rain during the winter. Powell understood that west of the hundredth meridian agriculture was not impossible without irrigation, but could not be consistently profitable without it.⁸

Powell realized that rainfall was not the only way to get water to crops. Irrigation in areas with access to mountain streams and rivers could provide farmers with a dependable source of water, but irrigation had serious potential in only a small part of the arid West.⁹ In general, irrigation required either massive capital or

⁵ Powell, Report, 1-5.

⁶ Ibid., 43-46.

⁷ Ibid., 3.

⁸ Ibid., 1-5.

⁹ Powell's assumptions about irrigation predated the massive exploitation of fossil water. For a study of the development of pump irrigation, see Donald E. Green's *Land of the Underground Rain: Irrigation on the Texas*

cooperative labor or both. Settlers without the capital could not afford to irrigate the arid land. Mormons in Utah, however, successfully implemented irrigation projects because they worked together – they were a ready-made community willing to work for common purposes. Powell thought that most of the arid West should be settled in a similar way, with cooperative use of range land and democratic controls to aid distribution to what water there was.¹⁰

Powell knew that most of the West was suited more to grazing than to farming. But even ranches needed some irrigable land for general subsistence and winter feed. It took several acres of western grasses to support a cow and calf through the year. Recognizing that, Powell recommended that the size of homesteads be increased and that the federal government create, in effect, "grazing homesteads" instead of farming ones. But even on holdings large enough to support enough of a herd to support a family of settlers, it took water to raise extra feed or to raise cattle. Unfortunately, the rectangular survey system did not allow the most equitable access to water, because land divisions, Powell

High Plains, 1910-1970 (Austin: University of Texas Press, 1973).

believed, did not conform to the landscape and failed to take into account the location of surface water.¹¹

Powell discussed only the Utah Territory in detail in his *Report*, but after its publication, he called on the Montana Territory's constitutional convention in Helena to change governmental policy and land use in that future state. According to Stegner, Powell "urged the Montana delegates to organize their state not according to arbitrary county lines, but by drainage divides" so that watersheds, benchlands, and bottomlands could be cooperatively managed to make the maximum use of the available water "for the common good."¹² By the 1880, only a small part of western Montana Territory had been surveyed by the General Land Office, so Montana potentially could have been surveyed by a method more sensitive to the location of surface water. Despite Powell's warnings, the Surveyor General's Office divided Montana using the rectangular grid system, and the

¹⁰ Powell, *Report*, 6-14.

¹¹ *Ibid.*, 18-24.

¹² Wallace Stegner, *Introduction to Report on the Lands of the Arid Region of the United States*, by John Wesley Powell (Cambridge: Belknap Press of Harvard University Press, 1962), xxii, hereafter cited as Stegner, *Introduction to Report*.

Montana legislature largely ignored the landscape and watershed considerations when it established counties.

Powell also believed that it took more than 160 acres of land for a farm or ranch to be economically viable. The original Homestead Act's allotment of 160 acres was not enough to consistently support anyone in the arid West. A farm's viability depended either upon irrigation or larger land allotments. But since irrigation required a considerable capital outlay, Powell proposed that the homestead allotment be altered to sixteen times its original size, from a quarter section (160 acres) to four sections (2560 acres).¹³ Congress increased the homestead allotment to 320 acres in 1909, but that was still not nearly enough.¹⁴ Decades later land utilizationists also recognized that it took more land in the arid West to support a family.

Powell believed that one equitable way to provide pasturage for settlers would be to organize grazing districts on large tracts of land.¹⁵ During the 1920s in Montana, ranchers did just that, in order to provide for

¹³ Powell, *Report*, 25-37.

¹⁴ United States Department of the Interior Bureau of Land Management, *Historical Highlights of Public Land Management* (Washington, D. C.: Government Printing Office, 1962), 44.

the long-term lease of land in a cooperative manner. And a half century after Powell had made his recommendations, the federal government, as part of the Land Utilization Program in the New Deal, bought back failed homesteads and promoted the organization of grazing districts on public land.

Powell also realized that the meager population supported by the arid West would be widely scattered, unless some effort was made to group settlers so that housing, schools, churches, roads, and other social benefits could be efficiently managed. According to Powell, this would be accomplished "by making the pasturage farms conform to topographic features in such manner as to give the greatest possible number of water fronts."¹⁶ A half century later, Land Utilization proponents such as Lewis Gray argued that the rural population needed to be more concentrated, particularly for economic efficiency, because the cost of maintaining roads and schools for such a dispersed population drained county coffers and raised taxes.¹⁷

¹⁵ Powell, *Report*, 24-26.

¹⁶ *Ibid.*, 23.

¹⁷ Albert Z. Guttenberg, "The Land Utilization Movement of the 1920s," *Agricultural History* 50 (1988):481; *Proceedings of the National Conference on Land*

Powell's vision of a cooperatively-settled arid West was not without precedent. In Utah, settlers worked cooperatively to irrigate lands, and apparently a few Mormon communities in Utah showed some sensitivity to the landscape and organized by watershed. Settlers lived on lots in town but worked in fields outside of towns, allowing the efficient clustering of services and social amenities. Water was owned and controlled by the community, so that use of and access to the water was more democratically maintained, at least among the early Mormon settlers. There were some obvious lessons to be learned from the Mormon experience. Although the Mormons worked cooperatively as a matter of principle, Utah's aridity reinforced their collectivist practices.¹⁸

Utilization (Washington, D. C.: Government Printing Office, 1932), 58-67.

¹⁸ Stegner, *Beyond the Hundredth Meridian*, 226-228; Leonard J. Arrington, *Great Basin Kingdom: An Economic History of the Latter-day Saints, 1830-1900* (Cambridge: Harvard University Press, 1958), 39-65. See also Donald Worster, "The Kingdom, the Power, and the Water," in *Great Basin Kingdom Revisited: Contemporary Perspectives*, 21-38; and Donald W. Meinig, "The Mormon Culture Region: Strategies and Patterns in the Geography of the American West, 1847-1964," *Association of American Geographers Annals* 55 (June 1965):191-220.

The consequences of Powell's failed efforts are well known among historians of the American West.¹⁹ According to historian Donald Worster, the multifaceted Powell promoted "a strategy of ecological adaptation" that seemed practical and democratic, a plan for a "technological democracy."²⁰ But Worster criticized Powell for assuming that decentralization and self-determination meant democracy. Democratic or not, Powell's ideas were far-sighted. The failure to follow Powell's blueprint meant that adjustments would occur only after economic and environmental problems brought disaster to the inhabitants of the Great Plains.

Powell's attempts, and even the land utilizationists' efforts, to shape land use on the Great Plains would not be the last — the struggle continues. In 1987, planners Deborah Popper and Frank Popper proposed that the Great Plains be returned to the buffalo, creating a "Buffalo Commons." Despite the prosperity that returned during World War II, the Poppers

¹⁹ Montana historian Joseph Kinsey Howard recognized that the need for a federal Land Utilization Program resulted from the failure to implement Powell's ideas. See *Montana: High, Wide, and Handsome* (New Haven: Yale University Press, 1943; reprint ed., 1959), 30-37.

argued that the Great Plains "remained a poor region, falling further behind most of the rest of the country economically and continuing to suffer dépopulation." The loss of population could only continue, argued the Poppers, because of problems inherent with farming and living on the arid plains. Lack of rainfall, and accompanying dust storms and erosion, continue to cause problems, and fossil water (for much of the Great Plains, the Ogallala Aquifer) is a limited resource. "The brute fact is that most Plains land is simply not competitive with land elsewhere." While the Land Utilization Program returned parts of the Great Plains to ranchers (through the lease of public grazing lands), the Poppers suggested looking even further back in time, to when the land was a commons. The federal government could buy back the land, resettle land owners, tear down buildings and fences, not unlike efforts during the 1930s, but instead of putting cattle on the land, the Popper's proposed to turn the Great Plains into a large park and allow the buffalo to

²⁰ Donald Worster, *Rivers of Empire: Water, Aridity, and the Growth of the American West* (New York: Oxford University Press, 1985), 138,135.

repopulate the grasslands.²¹ The Poppers were angrily denounced by plains residents as "a pair of wacko professors from New Jersey." The criticism came from all quarters. Kansas Senator Bob Dole's press secretary suggested that the Poppers be put "in front of a buffalo stampede." In 1990, the Poppers traveled the plains meeting with residents in forums. Montanans, like other plains residents, resented the interlopers and their ideas.²² In a paper aptly titled "After the Dust Bowl: 'How Many Times Do We Have to Buy Back the Great Plains?'" one historian offered support for the Popper proposal, listing the various federal programs that have either subsidized agriculture on the Great Plains or have removed Great Plains land from cultivation (such as the Land Utilization Program or the Conservation Reserve Program, a more recent program which pays farmers not to cultivate the land).²³

²¹ Deborah Epstein Popper and Frank J. Popper, "The Great Plains: From Dust to Dust," *Planning* 53 (December 1987):12-18, quotes on 14, 16.

²² Anne Matthews, *Where the Buffalo Roam* (New York: Grove Weidenfeld, 1992), quote on 8, 18,

²³ Timothy Lehman, "After the Dust Bowl: 'How Many Times Do We Have to Buy Back the Great Plains?,'" paper presented at the 8th Biennial Conference of the American Society for Environmental History, Las Vegas, Nevada, 10 March 1995.

The Popper proposal has not received much recent press coverage, but any federal intervention remains controversial to those living on the Great Plains. Contemporary writer Jonathan Raban, curious about homesteaders and their failures, traveled to eastern Montana to research his recent book, *Bad Land: An American Romance*. After reading the reminiscences of homesteaders and interviewing their children, Raban chronicled the emotional stories of hope, failure, and perseverance. Those who managed to stay during the very lean years clung to the land in part because they had nowhere to go but also because they had a romance with the land. Despite the volume of aid that has been necessary to keep people on the land in the arid West, many ranchers and farmers that remained have a suspicion that borders on hatred for the federal government. Raban wrote:

Ranchers and farmers, with their wheat subsidies and grazing rights, had more tax-dollars in their pockets than any other single group of Americans, not excluding, say, single teenage mothers on welfare; but if they were grateful for this public largesse, they kept their feelings well concealed. The agencies – the BLM, the EPA, OSHA, the Forest Service, and the rest – were hated as nests of big-city liberal types with college degrees and no understanding of the land.

A hatred of the federal government was not reflected in articles and editorials in the *Lewistown Democrat-News* during the 1930s, but it is possible that the increased presence of the federal government (due to the purchase and management of additional public domain) helped engender this sentiment. During the 1930s, most people apparently welcomed the federal intervention and accepted allotment checks, submarginal land purchase checks, relief checks, and federal paychecks. Raban suggests a different theory: that the root cause of the dislike of the federal government is directly linked to its encouragement of settlement on land inherently unsuited for cultivation.²⁴

Many of the ideas of the Land Utilization movement came to fruition during the New Deal. Federal land policy underwent significant change as the homestead movement ended and the federal government began to repurchase failed homesteads to create a new public domain. Instead of encouraging settlement of the public domain, the federal government worked to remove families from land that by the 1930s was considered "submarginal."

²⁴ Jonathan Raban, *Bad Land: An American Romance* (New York: Pantheon Books, 1996), quote on 252.

The Land Utilization Program, then, reversed the homestead movement, a bold change from the land policies of the nineteenth-century land policies that sought to alienate as much land as possible. The history of the Land Utilization Program, then, is the history of a dramatic shift in federal land policy. The new policies signified a deeper shift in the role of government as the government relinquished its trust of individual landowners to protect and maintain the country's land resources. The federal government had begun to see the land resources as important to the collective well-being of the country which had to be protected from exploitation by the individual.

The Land Utilization Program, through the purchase of submarginal agricultural land and the conversion of that land to grazing, contributed to the stabilization of the agricultural economy in Fergus County. Over the years many ideas that had been promoted by land utilizationists were implemented in various ways. Grazing increased, wheat farming decreased, farms got larger and more diversified, but the amount of land under cultivation in Fergus County, for example, increased.

Although the Land Utilization Program was short-lived, many of the ideas of the land utilization movement, such as land classification and planning, continue to influence agricultural policy.

Bibliography

Primary Sources

Unpublished Materials

Bureau of Land Management, Montana Land Use Case Files, 1934-1953, Record Group 49, National Archives, Rocky Mountain Region Denver, Colorado.

Fergus County Clerk of Court. Deed Records. Located in the Fergus County Courthouse, Lewistown, Montana.

Hooker, Phil. "Chronology of the Land Utilization Program." Unpublished Manuscript, United States Department of the Interior Bureau of Land Management, Montana State Office, Billings, Montana, 1941.

Montana State University Agricultural Extension. Records of the Fergus County, Montana Agricultural Extension Office.

Oliver, A. Russell. "Land Utilization in Judith Basin, Montana." Unpublished draft of Ph.D. diss., Clark University, 1937. Clifton Boyd Worthen Papers, Box 1 Folder 10, Montana Historical Society, Helena, Montana.

Federal Government Documents

Bercaw, Louise O. and Hannay, Annie M. *Bibliography on Land Utilization, 1918-36*. United States Department of Agriculture Miscellaneous Publication No. 284. Washington, D. C.: Government Printing Office, January 1938.

Baker, O. E. *Regional changes of Farm Animal Production in Relation to Land Utilization*. United States Department of Agriculture Bureau of Agricultural Economics Preliminary Report. Washington, D. C., 1929.

Clark, Claire O. *Soil Survey of Fergus County, Montana*. United States Department of Agriculture Soil Conservation Service. Washington, D. C.: Government Printing Office, 1988.

Farm Credit Administration. *Appraising Farms for Mortgage Loans*. Circular 13. Washington, D. C.: U.S. Government Printing Office, 1935.

_____. *The Federal Land Band System: How it Operates*. Washington, D. C.: U.S. Government Printing Office, 1955.

Gray, L. C. "Classification of Public Lands," in *Documentary Material on the Inter-American Conference on Agriculture, Forestry and Animal Industry*. Washington, D. C.: Government Printing Office, 1930.

_____. "Land Utilization." *Resettlement Administration First Annual Report*. Washington, D. C.: Government Printing Office, 1936.

_____. "Land-Utilization Problem, Intensified by Depression," in *United States Department of Agriculture Yearbook of Agriculture, 1932*. Washington, D. C.: Government Printing Office, 1932.

_____. "Our Major Land Use Problems and Suggested Lines of Action," in *United States Department of Agriculture Yearbook of Agriculture, 1940*. Washington, D. C.: Government Printing Office, 1940.

Gray, L. C. and Baker, O. E. *Land Utilization and the Farm Problem*. United States Department of Agriculture Miscellaneous Publication No. 97. Washington, D. C.: Government Printing Office, 1930.

Gray, L. C.; Baker, O. E.; Marschner, F. J.; Weitz, B. O.; Chapline, W. R.; Shepard, Ward; and Zon, Raphael. "The Utilization of Our Lands For Crops, Pasture and Forests," in *United States Department of Agriculture Yearbook of Agriculture, 1923*. Washington, D. C.: Government Printing Office, 1924.

Gray, L. C.; Stewart, Charles L.; Turner, Howard A.; Sanders, J. T.; and Spillman, W. J. "Farm

Ownership and Tenancy," in United States Department of Agriculture Yearbook of Agriculture, 1923. Washington, D. C.: Government Printing Office, 1924.

Great Plains Committee. *The Future of the Great Plains*. House Executive Document No. 144, 75th Cong., 1st sess., serial 10117, 1937.

Haggerty, John H. *Public Finance Aspects of the Milk River Land Acquisition Project (Louisiana-MT-2), Phillips County, Montana*. Land Use Planning Publication No. 18-a. Washington, D. C.: United States Department of Agriculture Resettlement Administration, 1937.

Johnson, Neil W. *Farm Adjustments in Montana*. Washington, D. C.: United States Department of Agriculture Bureau of Agricultural Economics, 1940.

Land Policy Circular

Lund, Wendell. "Bought Out by the Government" in *Land Policy Review* 2 (May-June 1939):22-30.

Marshall, James H. and Voelker, Stanley W. *Land-Use Adjustment in the Buffalo Creek Grazing District, Yellowstone County, Montana*. Washington, D. C.: United States Department of Agriculture Bureau of Agricultural Economics, 1940.

National Resources Board. *Agricultural Land Requirements and Resources*. Supplementary Report, Part III. Washington, D. C.: Government Printing Office, 1936.

_____. *A Report on the National Planning and Public Works in Relation to Natural Resources and Including Land Use and Water Resources with Findings and Recommendations*. Washington, D. C.: Government Printing Office, 1934.

_____. *Maladjustments in Land Use in the United States*, Supplementary Report, Part VI. Washington, D. C.: Government Printing Office, 1935.

Olsen, Nils A.; Brannen, C. O.; Cadisch, G. F.; and Newton, R. W. "Farm Credit, Farm Insurance, and Farm Taxation" in *United States Department of Agriculture Yearbook of Agriculture, 1924*. Washington, D. C.: Government Printing Office, 1925.

Powell, John Wesley. *Report on the Lands of the Arid Region of the United States, With a More Detailed Account of the Lands of Utah*. Edited by Wallace Stegner. Cambridge: Harvard University Press, 1962.

Proceedings of the National Conference on Land Utilization, Chicago, 1931. Washington, D. C.: Government Printing Office, 1932.

Saunderson, M. H.; Haight, R. B.; Peterson, E. M.; and Willard, Rex E. *An Approach to Area Land Use Planning*. United States Department of Agriculture, Resettlement Administration Land Use Planning Publication No. 16. March 1937. [Washington, D. C.]

Thornthwaite, C. Warren. "Climate and Settlement in the Great Plains," in *Climate and Man*, United States Department of Agriculture *Yearbook of Agriculture, 1941*. Washington, D. C.: Government Printing Office, 1941.

United States Department of Agriculture. *Proceedings of the National Conference on Land Utilization*, Chicago, Illinois 19-21 November 1931. Washington, D. C.: Government Printing Office, 1932.

United States Department of Agriculture. *Yearbook of Agriculture, 1917*. Washington, D. C.: Government Printing Office, 1918.

_____. *Yearbook of Agriculture, 1919*. Washington, D. C.: Government Printing Office, 1920.

_____. *Yearbook of Agriculture, 1923*. Washington, D. C.: Government Printing Office, 1924.

_____. *Yearbook of Agriculture, 1941*. Washington, D. C.: Government Printing Office, 1941.

United States Department of Agriculture Weather Bureau.
Climatic Summary of the United States.
 Washington, D. C.: Government Printing Office,
 1937.

U.S. Department of Commerce Bureau of the Census.
Historical Statistics of the United States,
Colonial Times to 1970. Washington, D. C.:
 Government Printing Office, 1975.

_____. *Fifteenth Census of the United States, 1930:*
Agriculture (Washington, D. C.: Government
 Printing Office, 1932).

_____. *United States Census of Agriculture, 1925*
 (Washington, D. C.: Government Printing
 Office, 1927).

_____. *United States Census of Agriculture, 1935*
 (Washington, D. C.: Government Printing
 Office, 1936).

_____. *United States Census of Agriculture, 1945*
 (Washington, D. C.: Government Printing
 Office, 1946).

_____. *United States Census of Agriculture, 1954*
 (Washington, D. C.: Government Printing
 Office, 1956).

_____. *United States Census of Agriculture, 1987*
 (Washington, D. C.: Government Printing
 Office, 1989).

United States Congress. *Official Congressional*
Directory, 75th Congress, 1st Session, Second
Edition. Washington, D. C.: Government
 Printing Office, 1937.

United States Department of the Interior Bureau of Land
 Management. *Historical Highlights of Public*
Land Management. Washington, D. C.:
 Government Printing Office, 1962.

United States President. Executive Order 10787. *Federal*
Register 23, no. 220, 8 November 1958, 8717.

Wallace, Henry A. "The Farmer and Social Discipline"
Journal of Farm Economics 16 (January 1934):1-12.

Wooten, H. H. *The Land Utilization Program, 1934 to 1964*. Agricultural Economic Report No. 85. Washington, D. C.: United States Department of Agriculture Economic Research Service, 1965.

Montana Government Documents

Bolster, H. G. *Planning an Agricultural Program for Fergus County*. Bozeman: Montana Extension Service, 1936.

Eckert, Phil S. and Maughan, Orlo H. *Farm Mortgage Loan Experience in Central Montana*. Montana Agricultural Experiment Station *Bulletin* no. 372. Bozeman: Montana Agricultural Experiment Station, 1939.

Fergus County Agricultural Economic Conference. *A Program for the Development of Agriculture in Fergus County, Montana, 1927*. Lewistown, Montana: Montana State College Extension Service, 1927.

Fergus County Agricultural Planning Board. *Preliminary Land Use Report: Fergus County, Montana*. Lewistown: Fergus County Agricultural Planning Board, 1941.

Johnson, Neil W. and Saunderson, M. H. *Types of Farming in Montana, Part I*. Montana Agricultural Experiment Station *Bulletin* no. 328. Bozeman: Montana Agricultural Experiment Station, 1936.

Montana Agricultural Experiment Station. *Twenty-Eighth Annual Report*. Bozeman: University of Montana Agricultural Experiment Station, 1922.

_____. *Twenty-Sixth Annual Report*. Bozeman: University of Montana Agricultural Experiment Station, 1920.

Montana Agricultural Statistics Service. *Montana Agricultural Statistics, State Series 1867-1991*. Helena: Montana Department of Agriculture, 1992.

Renne, Roland R. *Montana Farm Bankruptcies*. Montana Agricultural Experiment Station Bulletin no. 360. Bozeman: Montana Agricultural Experiment Station, 1938.

_____. *Montana Farm Foreclosures*. Montana Agricultural Experiment Station Bulletin no. 368. Bozeman: Montana Agricultural Experiment Station, 1939.

_____. *Montana County Organization, Services, and Costs*. Montana Agricultural Experiment Station Bulletin no. 298. Bozeman: Montana Agricultural Experiment Station, 1935.

_____. *Montana Farm Taxes*. Montana Agricultural Experiment Station Bulletin no. 286. Bozeman: Montana Agricultural Experiment Station, 1934.

_____. *Montana Land Ownership: An Analysis of the Ownership Pattern and Its Significance in land Use Planning*. Montana Agricultural Experiment Station Bulletin no. 322. Bozeman: Montana Agricultural Experiment Station, 1936.

_____. *Readjusting Montana's Agriculture, VIII. Tax Delinquency and Mortgage Foreclosures*. Montana Agricultural Experiment Station Bulletin no. 319. Bozeman: Montana Agricultural Experiment Station, 1936.

Saunderson, M. H.; and Monte, N. W. *Grazing Districts in Montana: Their Purpose and Organization Procedure*. Montana Agricultural Experiment Station Bulletin no. 326. Bozeman: Montana Agricultural Experiment Station, 1936.

Spragg, Frank A. *Forage Conditions of Central Montana*, Montana Agricultural Experiment Station Bulletin no. 3. Bozeman: Montana Agricultural Experiment Station, 1902.

Starch, E. A. *Readjusting Montana's Agriculture, VII. Montana's Dry-Land Agriculture*. Montana Agricultural Experiment Station Bulletin no. 318. Bozeman: Montana Agricultural Experiment Station, 1936.

Newspapers

Lewistown Democrat-News 1920-1940.

Books and Pamphlets

Aughey, Samuel. *Sketches of the Physical Geography and Geology of Nebraska*. Omaha: Daily Republican Book and Job Office, 1880.

Chicago, Milwaukee and St. Paul Railway. *Fergus County, Montana*, 1908. N. p., 1908.

Federal Writers' Project. *Montana: A State Guidebook*. New York: Viking Press, 1939.

Ely, Richard T. *Ground Under Our Feet: An Autobiography*. New York: Macmillan Company, 1938.

Gray, Lewis C. *Land Planning*. Public Policy Pamphlet No. 19. Chicago: University of Chicago Press, 1936.

Jorgensen, Emil Oliver. *False Education in Our Colleges and Universities: An Expose of Prof. Richard T. Ely and His "Institute for Research in Land Economics and Public Utilities."* Chicago: Manufacturers and Merchants Federal Tax League, 1925.

Montana Department of Agriculture and Publicity, *The Resources and Opportunities of Montana, 1914 Edition* (Helena: Independent Publishing Company, 1914).

Moulton, Gary E., ed. *The Journals of the Lewis and Clark Expedition*. 8 vols. Lincoln: University of Nebraska Press, 1987.

- Noble, Dan. *The Judith Basin of Central Montana*. Chicago: Chicago, Milwaukee, and St. Paul Railway, 1908.
- Roosevelt, Franklin D. *Nothing to Fear: The Selected Addresses of Franklin D. Roosevelt, 1932-1945*, ed. by B. D. Zevin. Cambridge: Harvard University Press, 1946.
- Stuart, Granville. *Forty Years on the Frontier as seen in the Journals and Reminiscences of Granville Stuart, Gold-Miner, Trader, Merchant, Rancher, and Politician*. Ed. by Paul C. Phillips. 2 vols. Cleveland: Arthur H. Clark Company, 1925.
- Taylor, Henry Charles. *A Farm Economist in Washington, 1919-1925*. Madison: University of Wisconsin Department of Agricultural Economics, 1992.
- Turner, Frederick Jackson. *The Frontier in American History*. New York: Henry Holt and Company, 1920.
- Turner, Frederick Jackson. *The Early Writings of Frederick Jackson Turner*. Compiled by Everett E. Edwards. Madison: University of Wisconsin Press, 1938.

Articles

- Baker, O. E. "Land Utilization in the United States: Geographical Aspects of the Problem." *Geographical Review* 13(1923):1-26.
- Clark, Noble. "Discussion." *Journal of Farm Economics* 18 (May 1936):274-280.
- Clayton, C. F. "Program of the Federal Government for the Purchase and Use of Submarginal Land." *Journal of Farm Economics* 17(February 1935):55-63.
- Gray, L. C. "The Economic Possibilities of Conservation." *The Quarterly Journal of Economics* 27 (1913):497-519.

- _____ . "Federal Purchase and Administration of Submarginal Land in the Great Plains." *Journal of Farm Economics* 21(1939):123-131.
 - _____ . "The Field of Land Utilization." *Journal of Land and Public Utility Economics* I (1925):152-159.
 - _____ . "Research Relating to Policies for Submarginal Areas." *Journal of Farm Economics* 16 (April 1934):298-303.
 - _____ . "The Social and Economic Implications of the National Land Program." *Journal of Farm Economics* 18 (May 1936):257-273.
- Johnson, Sherman E. "Land Use Readjustment in the Northern Great Plains." *Journal of Land and Public Utility Economics* 13(1937):153-162.
- Landis, Paul H. "Probable Social Effects of Purchasing Submarginal Land in the Great Plains." *Journal of Farm Economics* 17(August 1935):513-521.
- Oliver, A. Russell. "Land Utilization in Judith Basin, Montana." Abstract in *Annals of the Association of American Geographers* 28 (1938):57-58.
- Proceedings of the International Conference of Agricultural Economists*, Oxford, England, 1929. Oxford: Agricultural Economics Institute for the International Association of Agricultural Economists, 1929.
- Tolley, H. R. "The Program Planning Division of the Agricultural Adjustment Administration." *Journal of Farm Economics* 16 (October 1934):582-508.
- Tugwell, Rexford G. "The Place of Government in a National Land Program." *Journal of Farm Economics* 16 (January 1934):55-69.
- Westbrook, Lawrence. "The Program of Rural Rehabilitation of the FERA." *Journal of Farm Economics* 17(February 1935):89-100.

Wilson, M. L. "A Land Use Program for the Federal Government." *Journal of Farm Economics*. 15(April 1933):217-235.

_____. "The Report on Land of the National Resources Board." *Journal of Farm Economics* 17(February 1935):39-50.

Secondary Sources

Articles

Arrington, Leonard. "The Sagebrush Resurrection: New Deal Expenditures in Western States, 1933-1939" in *Pacific Historical Review* 52:1-16.

Guttenberg, Albert Z. "The Land Utilization Movement of the 1920s." *Agricultural History* 50 (1977):477-490.

Hargreaves, Mary W. M. "Dry Farming Alias Scientific Farming." *Agricultural History* 22(1948):39-56.

_____. "Land-Use Planning in Response to Drought: The Experience of the Thirties." *Agricultural History* 50(1976):561-582.

Kirkendall, Richard S. "L. C. Gray and the Supply of Agricultural Land." *Agricultural History* 37(1963):206-214.

Lehman, Timothy. "After the Dust Bowl: 'How Many Times Do We Have to Buy Back the Great Plains?'" Paper presented at the 8th Biennial Conference of the American Society for Environmental History, Las Vegas, Nevada, 10 March 1995.

Meinig, Donald W. "The Mormon Culture Region: Strategies and Patterns in the Geography of the American West, 1847-1964," *Association of American Geographers Annals* 55 (June 1965):191-220

Peffer, E. Louise. "Which Public Domain Do You Mean?" *Agricultural History* 23(April 1949):140-146.

- Popper, Deborah Epstein and Popper, Frank J. "The Great Plains: From Dust to Dust." *Planning* 53 (December 1987):12-18.
- Raban, Jonathan. "The Unlamented West." *New Yorker* 20 May 1996:60-81.
- Saloutos, Theodore. "The New Deal in the Great Plains." *Agricultural History* 43(1969):345-355.
- Worster, Donald. "The Kingdom, the Power, and the Water" in *Great Basin Kingdoms Revisited: Contemporary Perspectives*, 21-38.
- _____. "New West, True West: Interpreting the Region's History." *Western Historical Quarterly* 18 (April 1987):141-155.

Books

- Arrington, Leonard J. *Great Basin Kingdom: An Economic History of the Latter-day Saints, 1830-1900*. Cambridge: Harvard University Press, 1958.
- Arthur, Jim, ed. *A History of Winifred, Montana*. Lewistown, Montana: Central Montana Publishing, 1988.
- Baker, Gladys L.; Rasmussen, Wayne D.; Wiser, Vivian; and Porter, Jane M. *Century of Service: The First 100 Years of the United States Department of Agriculture*. Washington, D. C.: Government Printing Office, 1963.
- Bakken, Gordon Morris. *Surviving the North Dakota Depression*. Published by author, 1992.
- Benedict, Murray R. *Farm Policies of the United States 1790-1950: A Study of their Origins and Development*. New York: The Twentieth Century Fund, 1953.
- Billington, Ray Allen. *Frederick Jackson Turner: Historian, Scholar, Teacher*. New York: Oxford University Press, 1973.

- Blew, Mary Clearman. *All but the Waltz: A Memoir of Five Generations in the Life of a Montana Family*. New York: Penguin Books, 1991.
- Bogue, Allan G. and Taylor, Robert, eds. *The University of Wisconsin: One Hundred and Twenty-Five Years*. Madison: University of Wisconsin Press, 1975.
- Box, Thadis W. *The Arid Lands Revisited - One Hundred Years Since John Wesley Powell*. 57th Annual Faculty Honor Lecture. Logan: Utah State University, 1978.
- Burlingame, Merrill G. and Bell, Edward J. Jr. *The Montana Cooperative Extension Service: A History 1893-1974*. Bozeman: Montana State University, 1984.
- Cannon, Brian Q. *Remaking the Agrarian Dream: New Deal Rural Resettlement in the Mountain West*. Albuquerque: University of New Mexico Press, 1996.
- Conkin, Paul K. *Tomorrow a New World: The New Deal Community Program*. Ithaca, New York: Cornell University Press, 1959.
- Curti, Merle and Carstensen, Vernon. *The University of Wisconsin: A History, 1848-1925*. 2 vols. Madison: University of Wisconsin Press, 1949.
- Deal, Babbie and McDonald, Loretta, eds. *The Heritage Book of Central Montana*. Lewistown: 1976
Fergus County Bicentennial Heritage Committee, 1980.
- Fulton, Dan. *Failure on the Plains: A Rancher's View of the Public Lands Problem*. Bozeman: Big Sky Books, 1982.
- Gates, Paul W. *History of Public Land Law Development*. Washington, D. C.: Government Printing Office, 1968.
- Hamilton, James McClellan. *From Wilderness to Statehood: A History of Montana, 1805-1900*. Portland, Oregon: Binfords and Mort, Publishers, 1957.

- Hargreaves, Mary Wilma M. *Dry Farming in the Northern Great Plains, 1900-1925*. Cambridge: Harvard University Press, 1957.
- . *Dry Farming in the Northern Great Plains: Years of Readjustment, 1925-1990*. Lawrence: University Press of Kansas, 1992.
- Hays, Samuel P. *Conservation and the Gospel of Efficiency: The Progressive Conservation Movement*. Cambridge: Harvard University Press, 1959.
- Howard, Joseph Kinsey. *Montana: High, Wide, and Handsome*. New Haven: Yale University Press, 1943; reprint ed., 1959.
- Johnson, Sherman E. *From the St. Croix to the Potomac - Reflections of a Bureaucrat*. Bozeman: Big Sky Books, 1974.
- Kirkendall, Richard S. *Social Scientists and Farm Politics in the Age of Roosevelt*. Columbia: University of Missouri Press, 1966.
- Kluger, James R. *Turning on Water with a Shovel: The Career of Elwood Mead*. Albuquerque: University of New Mexico Press, 1992.
- Kraenzel, Carl Frederick. *The Great Plains in Transition*. Norman: University of Oklahoma Press, 1955.
- Lehman, Tim. *Public Values, Private Lands: Farmland Preservation Policy, 1933-1985*. Chapel Hill: University of North Carolina Press.
- Lowitt, Richard. *The New Deal and the West*. Bloomington: Indiana University Press, 1984.
- Lord, Russell. *The Wallaces of Iowa*. Boston: Houghton Mifflin Company, 1947.
- Malin, James C. *The Grassland of North America: Prolegomena to Its History*. Lawrence, Kansas: By the Author, 1947.

- Malone, Michael P. and Roeder, Richard B. *Montana: A History of Two Centuries*. Seattle: University of Washington Press, 1976.
- Matthews, Anne. *Where the Buffalo Roam*. New York: Grove Weidenfeld, 1992.
- McElvaine, Robert S. *America: 1929-1941*. New York: New York Times Books, 1984.
- Meinig, D. W. *The Shaping of America: A Geographical Perspective on 500 Years of History*. Vol. 2: *Continental America, 1800-1867*. New Haven: Yale University Press, 1993.
- Moulton, Gary E., ed. *Atlas of the Lewis and Clark Expedition*. Lincoln: University of Nebraska Press, 1983.
- Muhn, James and Stuart, Hanson R. *Opportunity and Challenge: The Story of BLM*. Washington, D. C.: Government Printing Office, 1988.
- Nash, Roderick. *Wilderness and the American Mind*. New Haven: Yale University Press, 1967; rev. ed., 1973.
- Opie, John. *The Law of the Land: Two Hundred Years of American Farmland Policy*. Lincoln: University of Nebraska Press, 1987.
- Peffer, E. Louise. *The Closing of the Public Domain: Disposal and Reservation Policies, 1900-50*. Stanford, California: Stanford University Press, 1951.
- Raban, Jonathan. *Bad Land: An American Romance*. New York: Pantheon Books, 1996.
- Riney-Kehrberg, Pamela. *Rooted in Dust: Surviving Drought and Depression in Southwestern Kansas*. Lawrence: University of Kansas Press, 1994.
- Rowley, William D. *M. L. Wilson and the Campaign for the Domestic Allotment*. Lincoln: University of Nebraska Press, 1970.

- Saloutos, Theodore. *The American Farmer and the New Deal*. The Henry A. Wallace Series on Agricultural History and Rural Studies, No. 1. Ames: Iowa State University Press, 1982.
- Sparlin, Alberta C. *The Trail Back*. Published by Author, 1976.
- Spence, Clark C. *Montana: A Bicentennial History*. New York: W. W. Norton and Company, 1978.
- Stegner, Wallace. *Beyond the Hundredth Meridian: John Wesley Powell and the Second Opening of the West*. Boston: Houghton Mifflin Company, 1953.
- _____. Introduction to *Report on the Lands of the Arid Region of the United States*, by John Wesley Powell. Cambridge: Belknap Press of Harvard University Press, 1962.
- Taylor, Henry C. and Taylor, Anne Dewees. *The Story of Agricultural Economics in the United States, 1840-1932*. Ames: Iowa State College Press, 1952; reprint ed., Westport, Connecticut: Greenwood Press Publishers, 1974.
- Toole, K. Ross. *Montana: An Uncommon Land*. Norman: University of Oklahoma Press, 1959.
- _____. *Twentieth-Century Montana: A State of Extremes*. Norman: University of Oklahoma Press, 1972.
- Vichorek, Daniel N. *Montana's Homestead Era*. Montana Geographic Series, vol. 15. Helena: Montana Magazine, 1987.
- Webb, Walter Prescott. *The Great Plains*. New York: Ginn and Company, 1931.
- Weygant, Noemi. *Rimrock Land: Our Homestead Site*. Duluth, Minnesota: Priory Press, 1978.
- White, Richard. *"It's Your Misfortune and None of My Own": A History of the American West*. Norman: University of Oklahoma Press, 1991.

Worster, Donald. *Dust Bowl: The Southern Plains in the 1930s*. New York: Oxford University Press, 1979.

_____. *Rivers of Empire: Water, Aridity, and the Growth of the American West*. New York: Oxford University Press, 1985.

Vita

A native of the Great Plains, Melissa Gilbert Wiedenfeld was born in Burlington, Colorado, in 1959, and grew up in Lewis, Kansas. She graduated from Lewis High School in 1977, nearly seven decades behind environmental historian James C. Malin. She received a bachelor of arts degree from Kansas Wesleyan in 1981. She married Texas native David Wiedenfeld in 1982; their daughter Amy Wiedenfeld was born in 1994. Melissa Wiedenfeld received a master of arts degree from Texas Tech University in 1983, having written a thesis on "Women in the Texas Farmers' Alliance." She worked in the field of historic preservation for several years in Tallahassee, Florida, before returning to graduate school. She will receive the doctoral degree in history from Louisiana State University in December 1997.

Melissa Wiedenfeld returned to the Great Plains in 1997 and currently resides in Bartlesville, Oklahoma. She teaches at Bartlesville Wesleyan College and Rogers University.

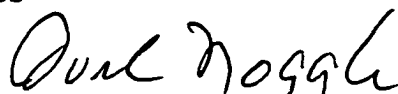
DOCTORAL EXAMINATION AND DISSERTATION REPORT

Candidate: Melissa Gilbert Wiedenfeld

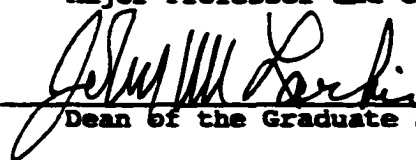
Major Field: History

Title of Dissertation: The Development of a New Deal Land
Policy: Fergus County, Montana (1900-1945)

Approved:



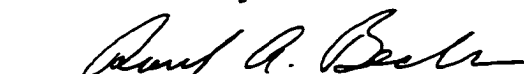
Major Professor and Chairman



Dean of the Graduate School

EXAMINING COMMITTEE:

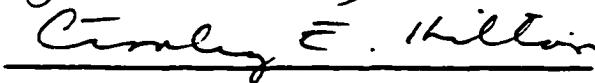








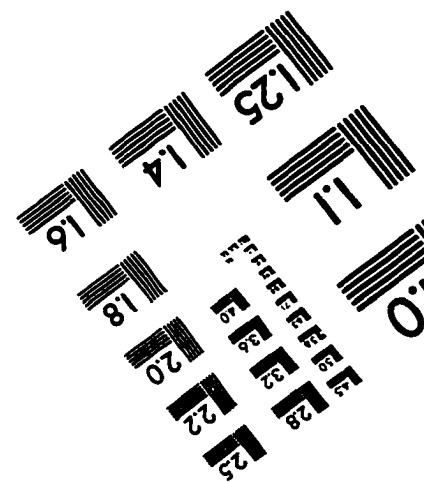
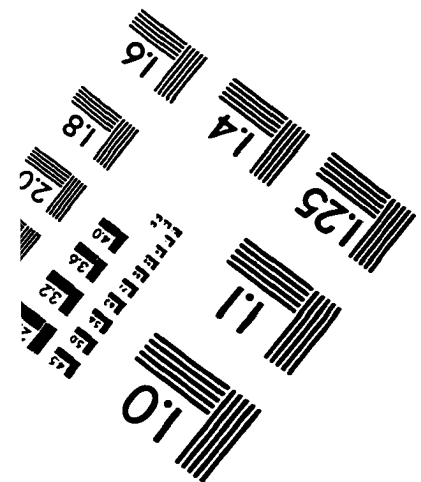
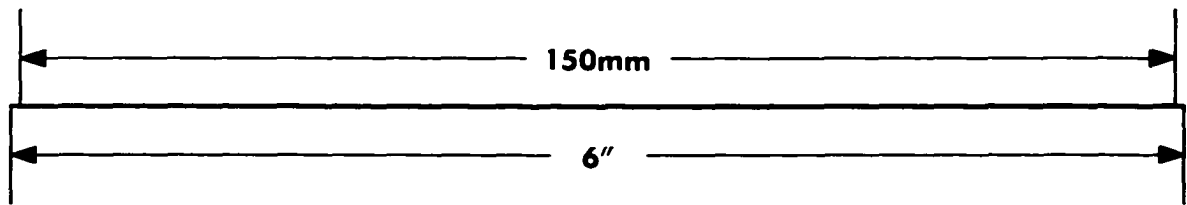
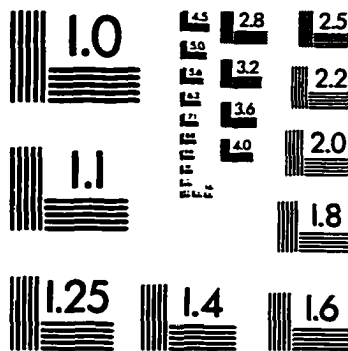
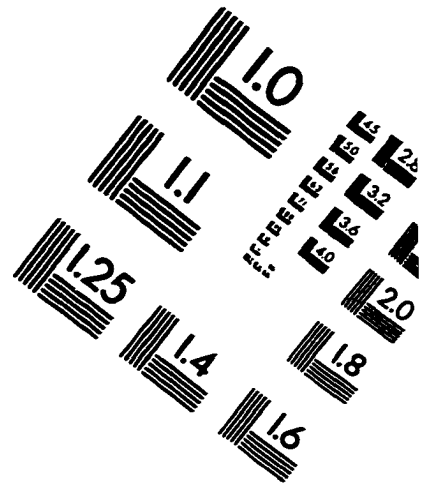
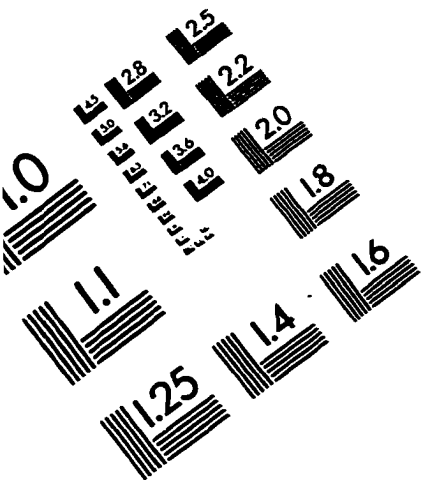




Date of Examination:

April 3, 1997

IMAGE EVALUATION TEST TARGET (QA-3)



APPLIED IMAGE, Inc.
1653 East Main Street
Rochester, NY 14609 USA
Phone: 716/482-0300
Fax: 716/288-5989

© 1993, Applied Image, Inc., All Rights Reserved