

Who Should Own the Land?

LET'S SEE how some other countries have handled the problem of, "Who should own the land."

A stormy Italian parliament has argued over a bill to distribute large land holdings among small tenants who now farm the land. Long promised land redistribution is now on its way. The communists have made political hay of the delay.

In politically restless Italy, the parties in power generally move to appease the clamoring crowd. Today the Italian peasant definitely wants land of his own.

Living in cramped stone houses and tending with great labor their tiny patches of rented land, the peasant farmers eye with envy the large landowner living in comfort in the city from rent collected on his large holdings. About one-third of the land in Italy is in 500 acre tracts. It is owned by only 5 per cent of the landowners. Many of these large holdings are farmed poorly. A peasant farmer in the south told me, "I could not buy land even if I had the money. The big landowners just won't sell."

Even the Italians agree that the extremely poor standards of living of the Italian peasant cannot long be tolerated if the country is to have political stability.

Except for some of the rich, highly developed areas, the peasants live poorest where the land is owned by a few large landowners. Says one American agricultural expert in Italy, "The tenants or hired workers have had no incentive . . . and owners have been unable or unwilling to invest the amounts necessary to develop their own holdings."

Promises of land for land-hungry tenant farmers are nothing new in Italy. In medieval days, most of the land was owned by feudal lords and the church. Today all over Italy clusters of 14th century villages are perched on the top of steep hills, on inaccessible slopes of the mountains or surrounded by strong walls, reminders of the days when every noble was ruler of his own little domain. As early as the 11th century, in northern and central Italy, some of the tenants threw off the yoke of the feudal lords. For the most part, particularly in the south, the large landowners held their vast holdings until the latter half of the 18th century. By the middle of the 19th century, the various separate kingdoms and states that now make up Italy attempted to break up the large holdings.

Proclaimed with a blare of publicity, the fascist government brought forth its version of land reclamation and land improvement, the *bonifica*.

These were largely land reclamation projects, frequently limited because of their high cost, and did little about the large land holdings on which tenants lived on meager incomes. In the south, some farmers pointed out to me with pride, "the fine irrigation and drainage systems Mussolini built."

The present government plan calls for breaking up large estates of over 750 acres in the south where the largest amount of undeveloped land is located. From this land will be developed 5,000 small holdings. Completely exempt is the over one million acres owned by the church and religious orders, nearly 700 thousand acres owned by welfare agencies, and over two million acres owned by other organizations. Needless to say, much of this land is not always managed or farmed as well as possible. State and government land will be taken over and distributed.

Who Should Own Land

Who should own the land? All over the world this same problem faces farmers and farm people. In some countries political campaigns have been won, revolutions built on this very subject.

Large holdings have plagued Europe for ages. This is in sharp contrast to the experiences of our grandfathers who put their wives, their children, and a few possessions in the back of a covered wagon and headed west to preempt 80 acres from the government.

American agriculture too has wrestled with the problem of absentee land ownership. Frequently the owners, living far from the land, know little about farming. Under pressure to get as much out of it as quickly as possible, tenants have had to mine the land with little thought of future productivity. On sloping farms, tons of soil have washed down into the creek as the cash tenant kept the acres under the plow.

This has led some people to say all farms should be owned by the farmers who farm them. Some farm leaders have pointed out that these tenant-operated farms, farmed properly, are actually stepping stones to farm ownership. Young farmers not having enough cash to buy a farm outright can farm on someone else's farm, and eventually save enough to buy their own farms.

Security of Tenure

Britain's solution has been quite different. The British agricultural holding act now gives the British tenant almost complete security of tenure. It says, in brief, landowners who rent their farms may keep their land, but the tenant will have nearly all the say on how the farm will be run.

The farmer then becomes almost like the officer of a corporation. He runs the business and has most of the say. The owner is more like a stockholder. With such security, most tenants don't want to own their own farms. They would rather invest their capital in more machinery and more livestock instead of having it tied up in land.

In Britain, county committees have the legal right to force the landowner to make necessary improvements and the tenant to do a reasonably good job of farming.

Sweden requires that anyone buying a farm must plan to live on it and operate it himself. Nor can a farmer who owns one farm buy another unless his own farm is too small for profitable operation. If there is no farm operator to buy the land, the government can come in and buy the farm.

In Norway the price of a farm, like the price of everything else, is set by government appraisers. A county board system decides who gets the farm. They generally give preference to those who will live on the farm and farm it themselves. With county committees and government in control, it is frequently impossible to buy a farm in these countries.

Small farms are a problem in some sections of America just as in parts of Europe.

Laws in Great Britain, Sweden, Denmark, and Norway give loans and even direct subsidies to small farmers to encourage them to increase the size of their farm holdings. In America such loans were available during the depression, and at present FHA loans are available to small farmers. We do not have, however, a separate government farm program for small farmers such as they have in parts of Europe.

One of the problems that faces young farmers in America is the high cost of land. Unless the

young farmer inherits his land, he may find it difficult to get enough cash to make a down payment. Even then, the yearly payments may be pretty high.

Most farm mortgages in this country must be paid off in 30 years. That's all right in times like these, but in times of low income it puts a terrific stress on the farm and farm families.

Scandinavia has overcome this somewhat by long time, low rate mortgages. In Norway a farm mortgage is paid off in 54 years. In addition, a farmer can get a 30-year second mortgage. By using both kinds of mortgage it is possible for him to take up to 80 years to pay for his farm.

This means that the farmer owns his own farm, but that he is able to buy it and operate it with a minimum amount of capital investment for land over any short period of time. The loans are financed by government and farm cooperatives.

I think that the Scandinavian type of mortgage, financed by farm cooperatives, could be a big help to young farmers. It would save the farmer who has the misfortune of starting his farm operation in times of falling farm prices. It could help him over the lean years when farm income goes down. It would leave a larger part of his income to buy machinery and livestock, build needed buildings, and make repairs on the farm.