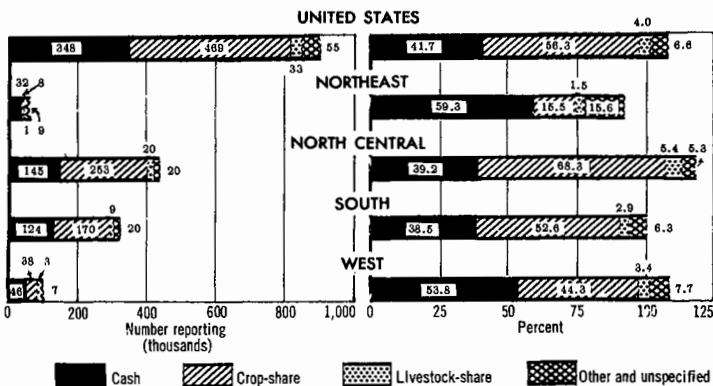


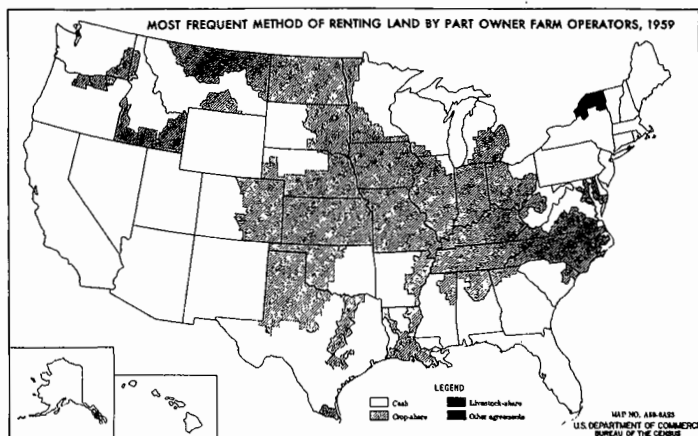
there is another reason which helps explain the growing use of part-owner arrangements. The rapid technological advances in agriculture have permitted many farmers to expand their farm business to make more effective use of land, labor, and capital. This expansion frequently requires a larger amount of equipment and livestock as well as additional land. Some full owners who decide to expand their operations by operating more land may choose to keep their level of working capital high and rent additional land. In this way part ownership becomes a means by which full owners expand their operations without tying up needed funds in real estate. The pressure to expand farm operations affects part owners as well and they may elect to rent additional land instead of completing purchase of their present farms. Thus, the part-owner group grows because of the movement of both tenants and full owners into the group and because part owners remain in it for longer periods of time.

The number of part-owner farms.—Part-owner farms represented about 10 percent of all farms in each census from 1900 to 1940. By 1959, however, the proportion of part-owner farms had increased to about 23 percent. In 1959 there were 834,470 part-owner farms in the United States. This is an increase of 8,800 farms from 1950 but a decrease of about 34,000 from the peak year of 1954. The Great Plains was the area where the highest proportion of farms were operated by part owners.

PART OWNERS REPORTING SPECIFIED RENTAL ARRANGEMENTS, FOR THE UNITED STATES AND REGIONS: 1959



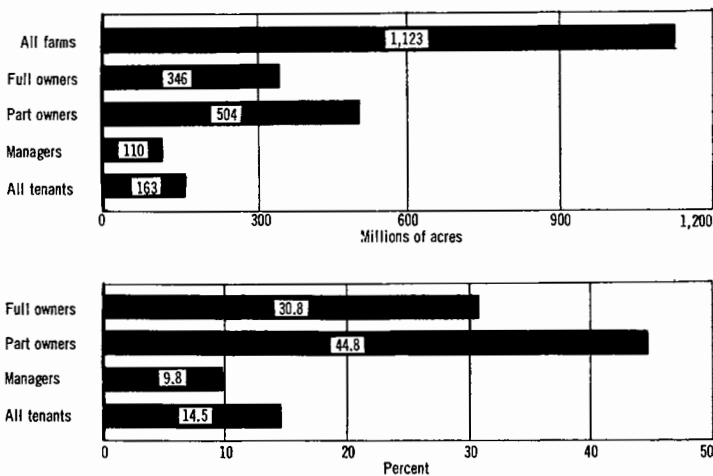
Most frequent method of renting by part owners.—In 1959 cash renting was the dominant method of renting by part owners in the Northeast, in most of the Gulf States in the South, and throughout much of the grazing area in the West. Crop-share leases predominated in the cash-crop producing areas of the South and of the North Central region. The areas in which part owners most frequently used crop-share leases tended to coincide in a general way with the areas in which tenants used either share-cash or crop-share leases.



TENURE OF FARMLAND

Use rights of farmland.—Farm operators may gain access to farmland in three different ways: through ownership, through rental arrangements, or through management contracts. The distribution of land among tenure groups is quite different from the proportion of operators associated with each of the tenure groups. In 1959 full-owner operators accounted for 57.1 percent of all farmers, but they operated only 30.8 percent of the farmland. This wide difference is partly explained by the fact that many of the full-owner farms were part-time or residential farms. Also, 24.0 percent of the full owners were over 65 years of age. Many of these farmers had curtailed their operations and were operating smaller units than part owners or tenants. A different relationship existed for the part-owner group. Part owners accounted for 22.5 percent of all farms, but they operated 44.8 percent of all the land in farms. A large proportion of the part owners were located in the Great Plains, where farms are generally large.

LAND IN FARMS, BY TENURE OF OPERATOR, FOR THE UNITED STATES: 1959



Manager-operated farms also contained a disproportionately large acreage of farmland. Only 0.6 percent of the farm operators were managers, but they operated 9.8 percent of the land. Manager farms tend to be large-scale operations with large acreages. The average size of manager-operated farms was nearly 20 times the average size of all farms.

The tenant group accounted for 19.8 percent of all farms in the United States, but their farms contained only 14.5 percent of the farmland. The heavy concentration of small tenant farms in the cotton- and tobacco-producing areas of the South was primarily responsible for the low proportion of land in tenant farms. The small cropper and crop-share farms of the South, however, were partially offset by the larger than average farms of the cash tenants in the North Central region and the West.

Changes in amount of land under lease.—In spite of the sharp drop in tenancy in the last decade, the decline in the proportion of farmland under lease has been small. Number of tenant farms declined by nearly 50 percent, while land under lease decreased by only 11 percent. In 1959 approximately 382 million acres, or one-third of the farmland, was operated under leasing arrangements.

Land in farms operated by tenants increased steadily from less than one-fourth of all farmland in 1900 to nearly one-third in 1935, the peak year for both tenant-operated land and all land operated under lease. After 1935 the land in tenant farms declined, especially during the 1940's. By 1959 only 14.5 percent of the farmland was operated by tenants.