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FARM STRUCTURE AND LAND OWNERSHIP:
United States and the Northeastern States, 1978

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A major study to identify who owns the privately held land in the United States has just been completed by the USDA. Preliminary results from their national survey of 37,000 individuals, partnerships, and corporations was released in September 1979.^{1/} This report summarizes some of these data with special emphasis on how the results for the Northeastern States conform and differ from those for the country as a whole.

Overview

The land area of the United States consists of about 2.3 billion acres. Of this total about 60 percent or 1.25 billion acres is privately held by 28.8 million different owners, most of whom are individuals or families. The rest is held by federal, state and local governments and is used for a wide range of things such as parks, national forests, grazing districts, highways, airports, reservoirs, schools, court houses and other public buildings.

Of the 1.25 billion acres of privately owned land, 871 million acres or 70 percent are classified as farm and ranch land. The remainder is in many uses. Among the most important are managed or commercial forests, open space and forested areas owned by individuals for their own enjoyment, residences, and commercial and industrial sites.

This survey concentrated attention on the characteristics of all those who owned private land in the United States and particularly those who owned

^{1/} ESCS, U. S. Department of Agriculture, Who Owns The Land, ESCS 70, Washington, D. C., September 1979.

farm and ranch land. These data are intended ...

to help the public better understand how decisions made by landowners affect the environment, food and fiber supplies, employment, distribution of wealth and income, resource development and the competition for land and water resources.^{2/}

Future studies will use these data to indicate the nature of changes in the ownership of land and its use over time.

The basic information on land ownership was analyzed in two major categories:

- (1) All privately held land -- 1250 million acres
- (2) All farm and ranch land -- 871 million acres or 70 percent of that total.

Form of Ownership - All Private Land

Individuals and individual family units account for 95 percent of the 28.8 million ownership units holding title to some land. The 28.8 million ownership units include all those with residences in urban and suburban areas as well as in the countryside. Collectively this group also held direct title to 84 percent of the privately owned land (table 1). Corporations, large partnerships (not closely held family partnerships) and miscellaneous account for the rest. At first glance 1.4 million corporations and similar organizational arrangements seem like a very large number. This number, however, must include all the urban and suburban businesses which own the land on which they are located as well as corporate giants like Georgia Pacific, Weyerhaeuser, and Burlington Northern who are major holders of timber and mining properties.

Individuals and joint ownerships by a husband and wife account for 26.2 million of the 28.8 million ownership units nationally. Family partnerships and corporations make 1.2 million more of the total.

^{2/} ESCS, op. cit., p. 2.

Table 1. ALL PRIVATE LAND: TYPE OF OWNER
ESCS Survey, United States, 1978

Type of owner	United States			Northeast
	Number of units	Acres owned	Percent of total acres	Percent of total acres
	<u>millions</u>	<u>millions</u>		
Sole owner	12.6	432	35	29
Husband-Wife	13.6	420	33	42
Family partnership	1.0	135	11	7
Non-family partnership	.2	27	2	3
Family corporation	.2	63	5	2
Non-family corporation	.6	120	10	14
Miscellaneous	<u>.6</u>	<u>53</u>	<u>4</u>	<u>3</u>
Total	28.8	1250	100	100

The Northeastern States include Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey, Pennsylvania, Delaware and Maryland. It is a block of 11 states characterized by strong urban and suburban influences. It is the old industrial area of the country where 25 percent of the American people live on 5 percent of the nation's land area. Most of the area was once farmed, but during the 20th century substantial areas have returned to brush and trees.

The pattern of ownership in the Northeast is quite similar to the national pattern. When sole proprietorship and joint ownership by husband-wife are taken together they account for 71 percent of the land in the Northeast and 68 percent nationally. Closely held family partnerships or corporations account for only 9 percent of the land in the Northeast compared to 16 percent for the United States. In contrast non-family corporations and partnerships account for 20 percent of the privately held land in the Northeast and 16 percent nationally.

Form of Ownership - Farm Land

There has been substantial concern about changing ownership patterns of farm land. Hence the aggregate statistics for land classified as farm and ranch land is of particular interest. The data collected provide few surprises.

Nationally, individual families own 5.55 million of the 6.23 million farm units, which make up 74 percent of the 871 million acres. When family partnerships and corporations are added to this total they represent 96 percent of the ownership units and 92 percent of the land. The non-family based partnerships and corporations together with all the miscellaneous units account for 8 percent of the aggregate acres.

Table 2. FARM AND RANCH LAND: TYPE OF OWNER
ESCS Survey, United States, 1978

Type of owner	United States			Northeast
	Number of units millions	Acres owned millions	Percent of total acres	Percent of total acres
Sole proprietor	2.74	319	37	33
Husband-Wife	2.81	325	37	51
Family partnership	.37	106	12	9
Non-family partnership	.08	16	2	2
Family corporation	.08	54	6	2
Non-family corporation	.04	21	2	2
Miscellaneous	.11	30	4	1
Total	6.23	871	100	100

The Northeast has very little corporate ownership of any kind in farming compared with the nation as a whole. Family corporations account for nearly 17 percent of the land in farms in the Mountain States and over 10 percent in the Pacific Region, the two areas where they are most important compared with 2 percent in the Northeast. Non-family corporations are most important in the Mountain, Pacific, and Southeast regions where the percent of total farm land so held is 6, 5, and 4 percent respectively. Non-family partnerships and

corporations along with the miscellaneous category account for less than 6 percent of total farm land in the bulk of the Northern States but more than 10 percent in the Southwest, Mountain and Pacific States.

Size of Holdings - Farm Land

More than half of the farm and ranch land in the United States is held in blocks of 100 to 1,000 acres. Of the more than 6.2 million people holding title to some land classified as farm and ranch land, over 57 percent of the units are of less than 50 acres and add up to only about 6 percent of the total acres. Counting all the blocks of land of less than 100 acres includes 72 percent of the individual units and 14 percent of the total area. While some of this land is operated as parts of commercial farms, a sizeable proportion are undoubtedly part-time farms and contribute very little to gross agricultural output.

Most recently a land holding is defined as a farm by the Census and USDA if that unit is operated under a single management and has annual sales of agricultural products of \$1,000 or more. There were 2.37 million such "farms" in 1978 according to the USDA. The difference between 6.23 million units in table 3 and the estimate of 2.37 million operating farms is probably accounted for by the large number of land holdings or parcels from which a few acres are rented or cropped by operating farmers. The emphasis in this study was ownership of land parcels and their use and not on operating farms as such.

Most of the nation's agricultural production originates on the 1.75 million units of 100 acres or more which account for 86 percent of the 871 million acres of farm and ranch land. To provide perspective here the most recent Census in 1974 reported 465 million acres were in cropland. Thus a substantial part of the 871 million acre total is pasture, range and forest land.

Table 3.

FARM AND RANCH LAND: SIZE OF HOLDINGS
ESCS Survey, United States, 1978

Size of holding acres	Number of units thousands	Acres owned millions	Percent of acres owned
Less than 50	3577	54	6
50 - 99	899	69	8
100 - 199	870	131	15
200 - 499	621	200	23
500 - 999	162	121	14
1,000 - 2,999	76	132	15
3,000 - 9,999	17	92	11
10,000 and over	4	72	8
Totals	6226	871	100

There were 97,000 units reporting 1,000 acres or more of farm and ranch land. These accounted for 34 percent of the total area. There was no supplementary information to indicate what proportion of the total was cropland and how much was open range or pasture on these units. It is likely that a substantial number of the largest units were in the dry, western half of the country.

A tabulation was made to examine the degree of concentration of ownership of farm and ranch land in each of 10 regions of the United States established for the study.

Region	Proportion of Acreage Held in Largest Units	
	Largest 5 Percent	Largest 1 Percent
	Percent	
United States	51	29
Northeast	33	14
Lake States	25	8
Corn Belt	27	9
Northern Plains	32	15
Appalachian	38	16
Southeast	46	23
Delta	45	21
Southern Plains	50	29
Mountain	66	34
Pacific	70	41

The issue of concentration of ownership of farm and ranch land is receiving substantial attention by a wide range of people. Care must be used in interpreting any such numbers. Well over half of the ownership units are in parcels of 50 acres or less. Many would argue that these smaller units should not be included in the divisor in calculating these proportions or concentration ratios. An alternative way of describing the national totals would be as follows: - The 62,260 ownership units (1 percent of the total) with the largest acreages accounted for 29 percent of the farm and ranch land. The 311,300 ownership units (5 percent of the total) with the largest acreages made up 51 percent of all farm and ranch land. Such a statement calls attention to the numbers of ownership units involved in any percentage of land area controlled.

In general there are lower rates of concentration of ownership of farm land in the northern half of the country where the predominant types of farming involve grains, forage and intensive livestock operations. The Northeastern states are typical of this region.

Greatest concentration occurs in the West where ranching and dry land agriculture are more common. This is also the area where non-farm-family corporations and large scale partnerships account for substantial areas of farm land. These are most important in California, Arizona, Hawaii, Texas and Florida.

Age of Owners

Some indication of the distribution of ownership of private lands by age was obtained. As might be expected those over 50 held 70 percent of the land area owned by family units. Those over 65 held 31 percent of the total. The oldest group also accounted for more than 25 percent of the ownership units.

Table 4.

ALL PRIVATE LAND: AGE OF OWNERS
ESCS Survey, United States, 1978

Age of principal owner years	United States			Northeast
	Number of units millions	Acres owned millions	Percent of total acres*	Percent of total acres*
<u>Individual owners:</u>				
Under 35	3.9	59	6	8
35 - 49	6.9	235	24	28
50 - 64	8.5	379	39	39
65 and over	<u>5.7</u>	<u>300</u>	<u>31</u>	<u>25</u>
Subtotal	25.0	973	100	100
Corporations and large partnerships	1.3	203		
No response	<u>2.5</u>	<u>74</u>		
Total	28.8	1250		

* Held by individuals and families.

The distribution of ownership of land by age groups in the Northeast was essentially the same as that for the country as a whole. The fact that less of the total land area was held by people 65 and over may indicate some desire of senior citizens to live in a warmer climate or invest in land in the Sun Belt.

Method of Acquisition

Most private land is purchased from someone who is not a relative. About 60 percent of all land was obtained by the present owner in this manner. The next largest source of land was from family, either by inheritance, purchase or as a gift (Table 5).

Table 5. ALL PRIVATE LAND: METHOD OF ACQUISITION
ESCS Survey, United States, 1978

Method	United States		Northeast
	Acres owned	Percent of total*	Percent of total acres*
	<u>millions</u>		
Purchased from non-relative	691	60	68
Inherited	213	18	12
Purchased from relative	191	17	16
Gift	31	3	2
Other	<u>26</u>	<u>2</u>	<u>2</u>
Subtotal	1152	100	100
No response	<u>98</u>		
Total	1250		

* Reporting method of acquisition.

The Northeast region had one of the highest proportions of land acquired by purchases from non-relatives. It was also a region where acquisition of land by inheritance was low compared to most areas. Overall national patterns were quite similar. In no region did as much as 50 percent of the land come from some form of transfer within the family by purchase, gift or inheritance.

Summary

More than 28.8 million people or ownership units in the United States hold title to some of the 1.25 billion acres which are privately owned. Family ownership units control 84 percent of this land area. Corporations and partnerships hold title to the balance.

There are 871 million acres of privately owned farm and ranch land according to the 1978 ESCS survey. These are in the hands of 6.23 million ownership units. Individual families, including closely held corporations and family partnerships, account for 96 percent of these ownership units and 92 percent of the land.

More than 70 percent of the 6.23 ownership units with farm and ranch land have holdings of less than 100 acres. These units amount to 14 percent of the total area classified as farms but probably account for a small amount of commercial production. There remain more than 1.75 million different units of 100 acres or more. Those with 100 to 1,000 acres account for more than half of the land in farms.

Additional information can be found in the initial ESCS summary publication, Who Owns The Land, ESCS, U. S. Department of Agriculture, ESCS 70, September 1979.