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## FARM TENANCY IN THE U. S.

### WORKMEN'S COMPENSATION

(Note: The April issue of the University's North Carolina Law Review—"Workmen's Compensation in North and South Carolina"—deals more fully with the problem here discussed.)

Although North Carolina is traditionally an agricultural state, the use of modern machinery, the division of labor, and the development of the factory with the consequent factory village, is fast working a transformation in the old order of things. Capitalists are more and more securing Carolina mill sites in order to have close proximity to forests, water power, cotton fields, and a native population untainted by what they call "radical proclivities." So that, in addition to the claim to preeminence as one of the largest cotton-producing states, North Carolina is fast becoming one of the important industrial units of the country.

In 1920, according to the census, 895,582 people in North Carolina were engaged in gainful occupations, and of this number 258,314, or 28 percent, were engaged in extraction of minerals, manufacturing and mechanical industries, transportation and public service. Conservatively then, 250,000 employees in North Carolina would be affected by a Workmen's Compensation Act whenever such a law is passed.

### Underlying Theory

The general theory underlying compensation statutes is that since the injury to the workman is an incident in the process of production, the industry should include compensation for the injury as one of the elements in the final cost of production. Just as a mill owner must pay for repairing a broken machine, he should pay the economic loss resulting from injuries to workers in the course of their employment. It has been suggested that such a rule will make workmen careless, and that it is unfair to hold the employer liable when he is not at fault, but, as a matter of fact, no American compensation act compensates for pain and suffering or even gives full economic reparation, and it is submitted that rarely does a workman value partial economic reparation more than his life and limbs.

Under the present system of employers' liability, an employer must use ordinary care for the safety of those in his employment, provide a reasonably safe place to work, reasonably safe tools and appliances, and a sufficient number of reasonably competent and careful workmen to conduct his business in a reasonably safe manner. But an employer who has exercised reasonable care in these respects is not liable for industrial accidents to employees that occur inevitably despite these precautions, hence the inherent hazards of the industry fall exclusively upon the employees. Furthermore, even where an employer has failed to perform one of these duties and an injury is approximately caused thereby, the employer may still avoid liability by setting up as a defense contributory negligence, assumption of risk, and the fellow-servant rule. Of the forty-four recent North Carolina cases involving personal injuries to employees which were studied, the employees were able to recover damages in only twenty-seven cases, and of course many of these cases were brought upon a contingent-fee basis, so that the employees actually recovered little on the average.

The common law of employers' liability assumes that every workman is in a position to choose his own occupation, to quit it when he will, and to exact whatever wage he can. The fact is that abstractions proceeding upon a theoretical equality do not fit a society divided into classes by conditions of industry. Generally speaking, the workman assumes the risk of accidents because he needs food and clothing, and the wages received are fixed by competition, not by the hazard of the employment. Under the doctrine of assumption of risk, the workman must assume the risk, both physically and financially, of inevitable accidents or quit his job, and of course few workmen are in a position to take the latter alternative. To a large extent, this statement is also true of injuries which are commonly regarded as due to the negligence of the employee.

### One of Only Five

It is a significant fact that forty-three American states have enacted Workmen's Compensation Acts, only Arkansas, Florida, Mississippi, and the two Carolinas having failed to do so, and North Carolina is the only important industrial state in the United States which is without such a law.

To have the desired effect, a sweeping change in the present law of employers' liability will obviously fail unless there is adequate machinery to get the actual money to the injured employees or their surviving dependents with a minimum of expense and delay. In answer to that problem, thirty-two states have created a commission to administer their compensation laws, and this seems to be the most practical method. Under this system, employers report industrial accidents to the commission which then supervises the settlements. In case a claim is disputed, use by the commission of independent investigators, impartial physicians, simple forms and procedure, and the mail service, is admirably adapted to quick, cheap, and adequate determination of the dispute. With a single commission having plenary jurisdiction over all industrial injuries, it is possible to secure coordination of activities, to perfect a state regulatory system, and make a scientific study of such problems as accident prevention and rehabilitation. To give greater dignity to the commission, and to expedite a final decision of the commission, the appeal should be directly to the Supreme Court of the State. The commissioners should be fully equal to the superior judges in intellectual ability and general attainment, and the fact that the cases which they decide involve a narrow range of subjects should enable them to become especially proficient in deciding them.

### Present Status Unfair

It is submitted that the present system of employers' liability in North Carolina is economically unfair and unwise, and is productive of antagonism between employers and employees. It results in a denial of recovery in a large number of cases in which the injury arises out of the employment, and in the cases in which the plaintiff is successful the attorney usually takes a large portion of the net amount ultimately recovered. The uncertainty, expense, and irritation of the present negligence-litigation system is great; and an injured employee who dares to sue his employer almost invariably loses his job.

The general theory upon which Workmen's Compensation Acts rest is economically sound and the end secured is certainly socially desirable, and it is believed that the enactment of such a law in North Carolina would be a step forward in the state's industrial progress. Under a compensation system, employers not only do not treat injured employees as antagonists asserting adverse claims, but usually assist them in securing prompt payment of their claims by the insurance carrier. The laws of forty-three sister states furnish convenient guides to the legislature of North Carolina.—Robt. A. McPeeters, Research Assistant in the School of Law, University of North Carolina.

### CARTERET COUNTY BOOKLET

Carteret County: Economic and Social is the title of the fourteenth county bulletin issued from the Department of Rural Social-Economics at the University of North Carolina. Expenses of publication and distribution of this particular bulletin are borne by the Extension Division. In about ten days the bulletin will be ready for distribution to newspapers, local-study clubs, schools in Carteret, and any individual or group sufficiently interested to write for copies. It is an important compilation and interpretation of facts and figures gathered into a handy little booklet designed to aid in the better understanding of Carteret county's problems and progress.

The authors of the bulletin are Miss Aleeez Lefferts, Mr. Clifford W. Lewis, and Mr. Henry Lay, all Carteret county students at the University. The three have contributed ten chapters to the

### WORKMAN COMPENSATION

The serious consequences to a wage earner's family of industrial accidents resulting in the death or maiming of the worker, who frequently is the main support of a family, are of increasing concern, not only to the workers and the employers themselves but to the state as a whole. The present uncertain position of both employer and employee growing out of the danger of industrial accidents is unsatisfactory. Experience has demonstrated the desirability of replacing the uncertainties of the present situation with some form of Workmen's Compensation Law which will be fair to both the employer and employee. The proper regard for those humane principles which would place the burden of the injured in the more hazardous occupations upon the industry itself, instead of upon the injured workman or his family, I believe would justify very serious consideration of this matter. What form this law should take, what classes it should include, how the insurance feature of such a plan may be arranged, and what compensation should be provided, need not be discussed at this time. It is sufficient, perhaps, for the moment, to point out that North Carolina is one of the six remaining states, and I believe the only great industrial state, that has not adopted a Workmen's Compensation Law as a governmental policy.

Experience in other states bears witness to the salutary results, and the dictates of conscience require that an effort be made to place upon our statute books a law that will meet the peculiar needs of our state, and, at the same time, be fair and just to all concerned.—Gov. A. W. McLean, in his first message to the 1925 Legislature.

study as follows: Historical Background, Natural Resources, Industries and Opportunities, Facts about the Folks, Wealth and Taxation, Schools, Farm Conditions and Practices, Food and Feed Production, Evidences of Progress, Problems and Solutions.

Work on the bulletin was sponsored by the Carteret County Club at the University which, although organized primarily for the purpose of promoting fellowship among the students that hail from Carteret, also desires to translate a part of education in terms of the community which is common to each of its members.—E. T. T.

### FARM TENANCY IN THE U. S.

The table which appears elsewhere shows how the states rank in percent of all farms operated by tenants for the year 1925, while the parallel column gives the tenant rate for 1920. The difference is the ratio increase or decrease in tenant farmers.

Volume XII number 14 of this publication presented a study on farm tenancy in North Carolina by counties in 1925 and 1920, along with a more or less detailed interpretation of the state table.

### Summary Facts

The following appear to be the outstanding facts with regard to farm tenancy in the United States.

While there was a decrease in the number of farms in the United States between 1920 and 1925, there was an increase in the number of farms operated by tenants. The net increase in the farm tenant ratio was from 38.1 percent in 1920 to 38.6 percent in 1925.

Exactly one-half of the states increased their farm tenant rates during the last five years, while in the other twenty-four states the farm tenant rate decreased.

A point that it is well to keep in mind is that the farm tenant situation is far more serious than statistics on farms operated by tenants indicate. If a former tenant has purchased a farm, and has made only a small first payment, he is classed as an owner. If a farmer owns a very small piece of land and rents additional land he is classed as an owner. A large percent of farmers classed as owners are virtually tenants, and a tenth of the cultivated area of the United States is land rented by farmers

classed as owners. That is, they are renting additional land. The percent of land area cultivated as leased land is larger than the percent of farms operated by tenants.

### In the South

Nearly two-thirds of all farm tenants in the United States, sixty-five percent to be exact, are in the sixteen Southern states. Only one-third of the nation's farm tenants are located in the other thirty-two states.

More than half of all farms in the 16 Southern states, 51.1 percent to be exact, are operated by tenants. In the ten cotton-belt states 57.8 percent of all farms are operated by tenants. Every cotton-belt state except Georgia increased its tenant rate during the last five-year period. The exodus of farm tenants from Georgia following the boll-weevil disaster, and not increase in farm ownership, explains Georgia's decreased tenant rate. Georgia lost approximately sixty thousand farms, 1920-1925, about forty-eight thousand of which were tenant farms.

In the South farm tenancy seems to thrive equally as well on prosperity as on depression. Fat years seem to hatch tenants as effectively as lean years. During the fairly prosperous decade from 1910 to 1920 the farm tenant rate increased in the South. Since 1920 there has been a general depression in agriculture and many farmers who had made a payment or two and were classed as owners in 1920 have lost out and reverted to the status of tenant. And in addition thousands of straight-out owners have lost their farms since 1920, due to the general depression. Depression is not conducive to land purchase, so the new farm population likely prefers to farm as tenants.

The greatest single economic and social problem in the South is the problem of farm tenancy, and it is not a negro problem as is so often thought, but a white problem, for two-thirds of all farm tenants in the South are whites, and only one-third are negroes. It was not a white problem after the Civil War, but it is a white problem today, and it is increasingly a white problem. And what is true for the South is equally true for North Carolina.

There is no hope for an efficient and generally prosperous agriculture, nor for a satisfying and wholesome rural life, that is not rooted and grounded in home and farm ownership.—S. H. H., Jr.

### HOME OWNERSHIP

There is no government for the many while the land belongs to the few; for the history of the world teaches that the men who own the land will rule it.

The home-owner is the most constructive and at the same time the most important force in our civilization. He is a pioneer in progress, he is a lover of peace, but he is a very demon in the battle when danger threatens the land he loves.

The small farm owned by the man who tills it is the best plant-bed in the world in which to grow a patriot. Such a consideration brings wealth to the souls of men. On such a soil it is possible to produce anything, from two pecks of potatoes to the hill to a President of the United States.

The wizard of the Northwest, James J. Hill, once said: Land without population is a wilderness, population without land is a mob.

Every consideration of progress and safety urges us to employ all wise and just measures to get our lands into the hands of the many and forestal that most destructive of all monopolies—the monopoly of the soil.—Thomas W. Bickett.

### OUR LANDLESS MULTITUDES

North Carolina has twenty-two million idle wilderness acres, a hundred thousand vacant town and city lots, and a million three hundred eighty thousand landless, homeless people, town and country. Almost exactly one-third of our white farmers and two-thirds of our negro farmers own no land. The people who live in rented dwellings in our towns and cities are from two-thirds to three-fourths of the various municipal populations.

These are the people in North Carolina who own not an inch of the soil they cultivate nor a single shingle in the roofs over their heads. They are fifty-two percent or more than half the entire population of the state.

Enduring social structures cannot be built on landownership by the few and land-orphanage for the many. Civilization is rooted and grounded in the home-owning, home-loving, home-defending instincts.—E. C. Branson.

### FARM TENANCY IN THE UNITED STATES Percent of Farms Operated by Tenants 1925 and 1920

In the table below, based on the Federal Farm Census of 1925, the states are ranked according to the percent of all farms operated by tenants in 1925. The second column gives the percent of all farms operated by tenants in 1920, to show increases and decreases.

Maine, with only 3.4 percent of her farms operated by tenants, has the lowest farm-tenant rate in the United States. Mississippi with a farm tenancy rate of 68.3 percent leads the states in tenancy.

North Carolina ranks 39th with 45.2 percent of all farms operated by tenants in 1925, against 43.5 percent in 1920. During the five-year period 1920-25 North Carolina's net increase in the number of farms operated by tenants was surpassed by only two states, Texas and Oklahoma.

(Note: For a discussion of farm tenancy in North Carolina in 1925 see News Letter, Vol. XII, No. 14.)

S. H. Hobbs, Jr.

Department of Rural Social-Economics, University of North Carolina

Rank	States	Percent tenants 1925	Percent tenants 1920	Rank	States	Percent tenants 1925	Percent tenants 1920
1	Maine	3.4	4.2	25	Ohio	25.5	29.5
2	New Hampshire	4.8	6.7	26	Maryland	26.4	28.9
3	Massachusetts	4.8	7.1	27	Minnesota	27.1	24.7
4	Connecticut	6.4	8.5	28	Indiana	29.2	32.0
5	Nevada	7.8	9.4	29	Colorado	30.9	23.0
6	Vermont	9.3	11.6	30	Kentucky	32.0	33.4
7	Utah	11.1	10.9	31	Missouri	32.6	28.8
8	Rhode Island	12.1	15.5	32	North Dakota	34.4	25.6
9	New York	14.1	19.2	33	Delaware	35.8	39.3
10	California	14.7	21.4	34	Tennessee	41.0	41.1
11	Michigan	15.1	17.7	35	South Dakota	41.5	34.9
12	Wisconsin	15.5	14.4	36	Illinois	42.0	42.7
13	New Jersey	15.9	23.0	37	Kansas	42.2	40.4
14	Washington	16.3	18.7	38	Iowa	44.7	41.7
15	West Virginia	16.3	16.2	39	North Carolina	45.2	43.5
16	Oregon	16.8	18.8	40	Nebraska	46.4	42.9
17	New Mexico	17.1	12.2	41	Arkansas	56.7	51.3
18	Pennsylvania	17.4	21.9	42	Oklahoma	58.6	51.0
19	Wyoming	17.9	12.5	43	Louisiana	60.1	57.1
20	Florida	21.3	25.3	44	Texas	60.4	53.3
21	Arizona	21.6	18.1	45	Alabama	60.7	57.9
22	Montana	21.9	11.3	46	Georgia	63.8	66.1
23	Idaho	24.4	15.9	47	South Carolina	65.1	64.5
24	Virginia	25.2	25.6	48	Mississippi	68.3	66.1

### FARM TENANCY BY GEOGRAPHIC DIVISIONS

Geographic division	Percent tenants 1925	Percent tenants 1920	Geographic division	Percent tenants 1925	Percent tenants 1920
New England	5.6	7.4	W. N. Central	37.8	34.2
Pacific	15.6	20.1	South Atlantic	44.5	46.8
Middle Atlantic	15.8	20.7	E. S. Central	50.3	49.7
Rocky Mountain	22.2	15.4	W. S. Central	59.2	52.9
E. N. Central	26.0	28.1			