



The Economic Development of Custer County Through World War I and the New Era, 1914-1929

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Article Summary: By 1929 Custer County had proven its agricultural productivity, but it had not developed non-agricultural employment for an increasing population. Financially the people of the county appeared to be losing ground.

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THE ECONOMIC DEVELOPMENT OF CUSTER COUNTY THROUGH WORLD WAR I AND THE NEW ERA, 1914-1929

BY MAURICE C. LATTA

(Based Upon a Thesis by Wayne M. Smith)

RECENTLY two young men whose homes were in Custer County completed master's theses at the University of Nebraska upon significant periods in the economic history of their home county.¹ I was faculty adviser for each thesis and have undertaken to prepare two articles, of which this is the first, presenting and interpreting the findings of the two for the readers of NEBRASKA HISTORY.

My original intention had been to prepare an abstract, but it became clear within a very short time that each was so tightly packed with information and each was so original that an abstract which preserved the character of the original work would be beyond my abilities while some changes should be made in the interest of unified presentation in these pages.

In the end I have chosen to prepare an article of my own, based upon the material presented in the two theses, supple-

¹ Wayne M. Smith, "The Effects of World War I and the New Era on Custer County, Nebraska," (Ms. M.A. Thesis, University of Nebraska, 1951); Loyd Glover, Jr., "The Economic Effects of Drouth and Depression on Custer County," (Ms. M.A. Thesis, University of Nebraska, 1950).

mented by other material of my own collection. The interpretations especially are my own. This article rests especially upon the research of Wayne M. Smith, now an economist in the service of the Federal Government. It by no means traverses all the ground of Mr. Smith's able study, and he would be prompt to say that his thesis left much untouched in the economic history of the county. Each variety of history has its own especial tasks: among those of the economic historian is to present general information in exact, *i.e.*, statistical form. Rather than "colorful" individuals and dramatic events it is his responsibility to discover, describe, and interpret justly the doings of the average men, of those "who only did the work for which they drew the wage." His task is to record what men did together with their tools and their customs upon their land, in the "ordinary business of making a living."

Such a narrative, especially when embellished with over-many statistical references, can be deadly dull. It takes imagination and sympathy for a man to write such history so that it will be recognized as the record of action by full-bodied human beings. Whether my students and I succeed in transferring such a sense of events to these pages we cannot say: we can but make the attempt.

Custer County, Nebraska, the object of our study, was organized under authority of a legislative act approved February 17, 1877.² Its boundaries have not been changed since organization, and it is now second largest among the counties of the state, with an area of 2,588 square miles, more than 1,650,000 acres. The county lies just west of the 98th meridian of west Longitude and between the isohyets for twenty-two and twenty-four inches of annual rainfall, thus indicating its location on or near the eastern margin of the Great Plains.³ Most of the county lies in the Loess Hills

² *Laws of Nebraska, 1877*, p. 211; also *Who's Who in Nebraska* (Nebraska Press Association, Lincoln, 1940), pp. 206-207.

³ Walter Prescott Webb, *The Great Plains* (Boston, 1931), pp. 3-21.

soil province, but the northwestern corner, about 175,000 acres altogether, is included in the Sandhills province.⁴

The county lies, today, across the boundary between the Corn Belt and the Sandhills types of farming areas.⁵ and there is evidence that this boundary is almost as old as the county. At the first count of population for the county, in 1880, the census enumerators reported 2,211 people and 25,816 cattle.⁶ It was still debatable frontier with Indian "scares" a very recent memory and with cattlemen vainly striving to keep out the settlers and preserve open-range operations.⁷ The next ten years settled the debate. In 1886 the Burlington built through the county,⁸ and the settlers came with a rush. In 1890 there were 21,677 people present to be counted, of whom it is estimated that 19,000 were engaged in agriculture upon 3,567 farms (as against 435 farms ten years earlier).⁹ Hardly half of the county area was in farms, but of that half eighteen per cent had been in corn the year before,¹⁰ a concentration on corn higher than could have been found in many Iowa counties, and enough to mark the county as Corn Belt territory.

The hard years of the 1890's cut back the population and the number of farms, but the acreage in farms and the total acreage in corn alike expanded. Still, the farmers gave a trial to wheat which in 1899 occupied 166,000 acres as against

⁴ G. E. Condra, *Nebraska Resources and Industries* (Conservation and Survey Division, University of Nebraska, Lincoln, 1923), p. 5.

⁵ U.S. Department of Agriculture, Bureau of Agricultural Economics, "Generalized Types of Farming in the United States" (Mimeograph, Washington, D.C., July, 1946), p. 33 and folded-in map.

⁶ *10th Census of the United States 1880*, I, 400; III, 162.

⁷ W. L. Gaston and A. R. Humphrey, *History of Custer County, Nebraska* (Western Publishing and Engraving Company, Lincoln, 1919), p. 57.

⁸ Construction actually was by the Grand Island and Wyoming Central Railroad, a Burlington subsidiary. (Thomas M. Davis, "Lines West—The Story of George W. Holdrege, II," *Nebraska History*, XXXI [June, 1950], 120-124.)

⁹ Estimates of farm population made by Glover, *op. cit.*, p. 25. Population total from *11th Census of the United States, 1890*, III, 29; farm numbers from *Ibid.*, X, 218; farm numbers for 1880 from *10th Census*, III, 70.

¹⁰ Computed from data in *11th Census*, X, 218, 375.

186,000 in corn.¹¹ But in the good years after 1900 the farmers turned from the cash grain to forage crops, in a second decade of rapid expansion and consolidation. From 1900 to 1910 county population increased nearly thirty percent, farms increased in number to more than 4,000, corn acreage climbed past the quarter million mark (while wheat acreage slumped to less than one-fifth that of corn), cattle went over 109,000 in number, but were distanced by swine, of which 135,072 were recorded. Seventeen percent of all land in farms was in corn in 1909. The Corn Belt apparently had claimed the county for its own.¹² But there were features of county practice which showed how marginal Custer's position was. Even in 1910 population density was less than ten per square mile.¹³ Average size of farm had been rising since the first census reports: it had been 183 acres in 1880; in 1910 it was 376 acres, far above the typical Corn Belt size. The average yield of corn was low, only a little over twenty bushels an acre in 1909.¹⁴ Still, in a commonwealth as young as Nebraska, the county's economy must have seemed well-grounded and durable.

Its foundation was in the soil, the gently-sloping, deeply dissected loess plain of central Nebraska. Five roughly-parallel streams had cut broad channels through the hills, from the sand hills in the northwest to the south and east boundaries of the county. On the table-lands and broader divides lay the fertile Holdrege soils, prairierths with friable subsoils, good for tillage or pasture alike. Where erosion had

¹¹ *12th Census of the United States, 1900*, VI, 173.

¹² *13th Census of the United States, 1910*, VII, 32, 50. Computation of corn percentage by the author. The definition of the Corn Belt is not a simple matter. The Bureau of Agricultural Economics calls it simply the area of Feed Grains and Livestock. The author is engaged in a study whose ultimate object is the establishment of a simple index for the Corn Belt economy. So far he has nothing better to offer than the "corn intensity" figure, i.e., the percentage of all land in farms which is in corn; but he recognizes that large numbers of cattle and hogs, to eat the corn, with accompanying large acreages of forage crops, form an essential part of the definition. On all of these counts, despite its considerable tract of Sandhills land, Custer County is "in" the Corn Belt, although on the margin and hence with some deviant characteristics.

¹³ 25,668 people, 2,588 square miles. *13th Census*, III, 27.

¹⁴ *Ibid.*, VII, 50.

carried off the darker topsoil, over the rougher lands of the county generally, lay the lighter-colored soils classed as Colby—good soils but not as good as the Holdrege for most crops and requiring constant care to prevent erosion damage. These two series accounted for two-thirds of the county's area. Another fifth of the area was about evenly divided between sandy soils, of several series, and the fertile alluvial terrace soils of the Hall series. Bottom land, with immature soils much exposed to hazard from flood, made up the remainder. PLATE I, a soils map prepared by Mr. Smith, shows the major divisions of the county's soils.¹⁵

The climate of the county, however absorbing a topic the weather may be to Nebraskans, can be quickly dismissed here with a few adjectives. Custer has a continental climate, with an extreme range of 152° Fahrenheit in its annual temperature gamut,¹⁶ and with a very high degree of variability in its rainfall. This variability was not so great for the period covered by Mr. Smith's paper as to make it impossible for the farmers to operate with some success. For the sixteen years from 1914 to 1929, inclusive, rainfall at Broken Bow only twice fell below twenty inches for the year and the corn crop was only twice below four million bushels.¹⁷ But the next thirteen years included five with less than twenty inches of rainfall each and there were eight successive years of those thirteen in which the total corn crop was less than *three* million bushels.¹⁸ By comparison with the hard-hit thirties, then, the period of World War I and the New Era was a good time, climatically.

But it seems clear that the county had gone about as far as it could in attracting population on the basis of agriculture alone. The state as a whole, agricultural though it is, has stabilizing occupations in industry, transport, and serv-

¹⁵ Adapted by Mr. Smith from Plate VII, pp. 14-15, in Nebraska State Planning Board, *Water Resources of Nebraska, General Section* (February, 1941).

¹⁶ U.S. Department of Agriculture, Bureau of Chemistry and Soils, *Soil Survey of Custer County, Nebraska* (No. 36, Series 1926), p. 4.

¹⁷ Smith, *op. cit.*, p. 79, compilation from *Agricultural Statistics of Nebraska and Reports of the State Board of Agriculture*.

¹⁸ Glover, *op. cit.*, p. 87.

ices which Custer County has not developed to any comparable extent. The county population record is, then, one of oscillations, with the state, but more extreme than that of the state. With Nebraska, Custer had had an immense surge of numbers between 1880 and 1890. Between 1890 and 1900 the county lost nearly nine percent of its 1890 population, while the state *almost* lost population (actual gain .3%). Between 1900 and 1910 the state increased nearly twelve percent, Custer County nearly thirty. In the next ten years Nebraska as a whole added nearly nine percent, the county scarcely three percent, while the New Era decade, 1920 to 1930, saw Custer losing numbers (—8%) in the face of a small state increase (6.3%).¹⁹

The railroads building into Custer County had followed the easy routes indicated by the parallel stream valleys. So the Burlington, building from Grand Island northwestward, had taken the valley of Mud Creek, later sending another branch up the Middle Loup to end at Sargent. The Union Pacific had built up Wood River, crossing over to the South Loup on its way across the county to its terminus at Stapleton, to the west. There were no junctions in the county, no division points, no other reasons for accumulating a population for transport services. The county developed almost no industries other than those for local supply. A short-lived college operated in Broken Bow, but closed in 1916,²⁰ thus marking the failure of one type of service institution which might have supported continued growth in numbers. So the 1920 census figure of 26,407 people in the county marked the peak.

In 1910 there had been 25,668 people in the county. Loyd Glover estimated that of this total 19,000 were on farms,²¹ the remainder being residents of ten organized towns and a number of smaller village aggregations. On the 4,008 farms (the largest number of record) a few of the old sod houses were still in use, but in most cases these had been replaced by frame buildings. Of the farms sixty-three percent were

¹⁹ Computations from data in *Census reports*, 1890-1930.

²⁰ Smith, *op. cit.*, p. 41.

²¹ Glover, *op. cit.*, p. 25.

operated by owners or part owners. Over forty thousand horses and mules furnished the power with which a 1909 crop of five million bushels of corn, a million of oats, and three-quarters of a million of wheat, backed up by two hundred thousand tons of hay, had been harvested.²²

Then World War I and the automobile arrived, virtually together. The prices of farm produce jumped, although the acreage of the principal crops showed no significant changes for the period of the war and the post-war boom, i.e., through 1920. But in four of the seven years, the wheat crop had a value of more than a million dollars, while the value of the corn crop climbed from less than three million dollars in 1915 to over seven million in 1919.²³

Apparently the first and immediate reaction was a rush to the "Tin Lizzie." There had been 651 cars registered in the county in 1914, about one car for every forty persons. As yet the automobile was only a slight and somewhat noisy intruder on the domain of the horse and locomotive. In 1914, for example, a Broken Bow hardware shop advertised its receipt of a carload of buggies, while the county seat enjoyed the services of six passenger trains daily. That summer the police of Broken Bow, with apparent impartiality, published warnings to the owners of stallions and jacks against parading them within one block of the square and to the operators of automobiles against failing to sound their horns at every intersection.²⁴

But within four years time there were over four thousand automobiles registered in the county and it would have been possible, with a little crowding and an exact distribution of seats, six to a car, to take every person in the county riding at once. The suddenness of the adoption of the automobile is vividly demonstrated in PLATE II.²⁵

²² 13th Census, 1910, VII, 32, 41, 50.

²³ Smith, *op. cit.*, pp. 79, 80.

²⁴ *Custer County Chief* (Broken Bow), July 2, 1914.

²⁵ Smith, *op. cit.*, pp. 13-15. Figures for car registrations were drawn from a number of sources, unpublished correspondence in the files of the Nebraska State Historical Society, and the Reports of the Department of Public Works. No data could be secured for 1919 and 1920.

Studies by Mr. Clinton L. Warne, a doctoral candidate at the University of Nebraska, show that the county was in close step with the state as a whole. Mr. Warne's studies, moreover, demonstrate that for the entire state farm income is the determining factor in increasing motor car acquisition and ownership. That the World War I farm boom coincided with the availability of a cheap and powerful motor car helps to explain the shift but one is still left wondering. What is one to say of the presumed conservatism of the rural American? (In Nebraska, the rural counties ran ahead of Douglas County in buying cars in numbers.) And, if the automobile had not been at hand at the moment, what would have been done with the money?²⁶

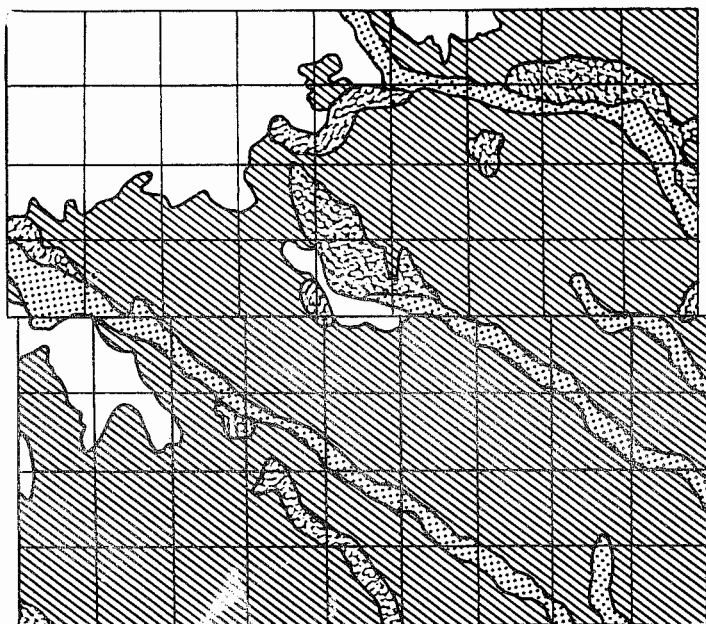
Quite possibly, it might have gone to bid up the price of farm land still further and to push the post-war land boom to even giddier and more painful peaks. That unhappy aftermath of the war began, apparently, in northwest Iowa and central Illinois early in 1919 and ran its course, like a prairie fire, during the next few months. Although Nebraska Sandhill lands showed a greater proportional increase in sale price, the boom was pretty well confined to the Corn Belt.²⁷ The location of Custer County, astride the boundary between Corn Belt and Sandhills, gave Mr. Smith an opportunity to establish the limits of the boom.

For this purpose, he chose two townships, thirty-six square miles each, one in the southeastern portion of the county, lying south of Mason City, the other in the northwestern portion and including a representative grouping of sandy soils. For each of these areas he recorded all land transfers for the period of his study. After eliminating all transfers for love and affection, for one dollar consideration, in settlement of an estate, or of small tracts as for a road,

²⁶ Computations by Mr. Warne. I am indebted to him also for information about the wholesale price of automobiles, which make it evident that the people of Custer County must have paid out over two million dollars for automobiles from 1914 to 1918. Cf. *Automotive News* (Detroit), April 30, 1951, p. 16.

²⁷ Harry R. O'Brien, "Frenzied Farm Finance," *Saturday Evening Post* (March 6, 1920), pp. 18ff; Eleanor H. Hinman, *History of Farm Land Prices in Eleven Nebraska Counties, 1873-1933*, University of Nebraska, Agricultural Experiment Station, *Research Bulletin* No. 72 (June, 1934), pp. 20-21.

PLATE - I
CUSTER COUNTY SOILS







- | | |
|---|--|
|  | HOLDREGE - COLBY |
|  | DUNESAND-VALENTINE-ANSELMO |
|  | UNDIFFERENTIATED SOILS OF TERRACES |
|  | UNDIFFERENTIATED SOILS OF BOTTOM
LAND |

PLATE - II
AUTO AND TRUCK REGISTRATIONS

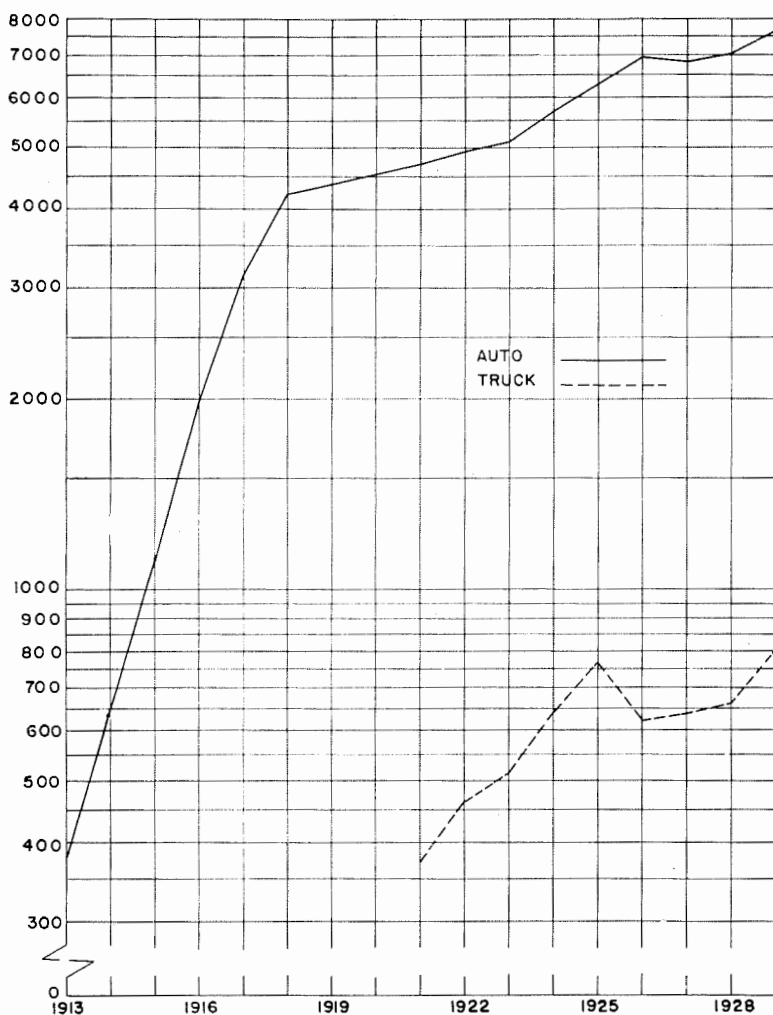


PLATE - III
ENROLLMENT IN RURAL SCHOOLS

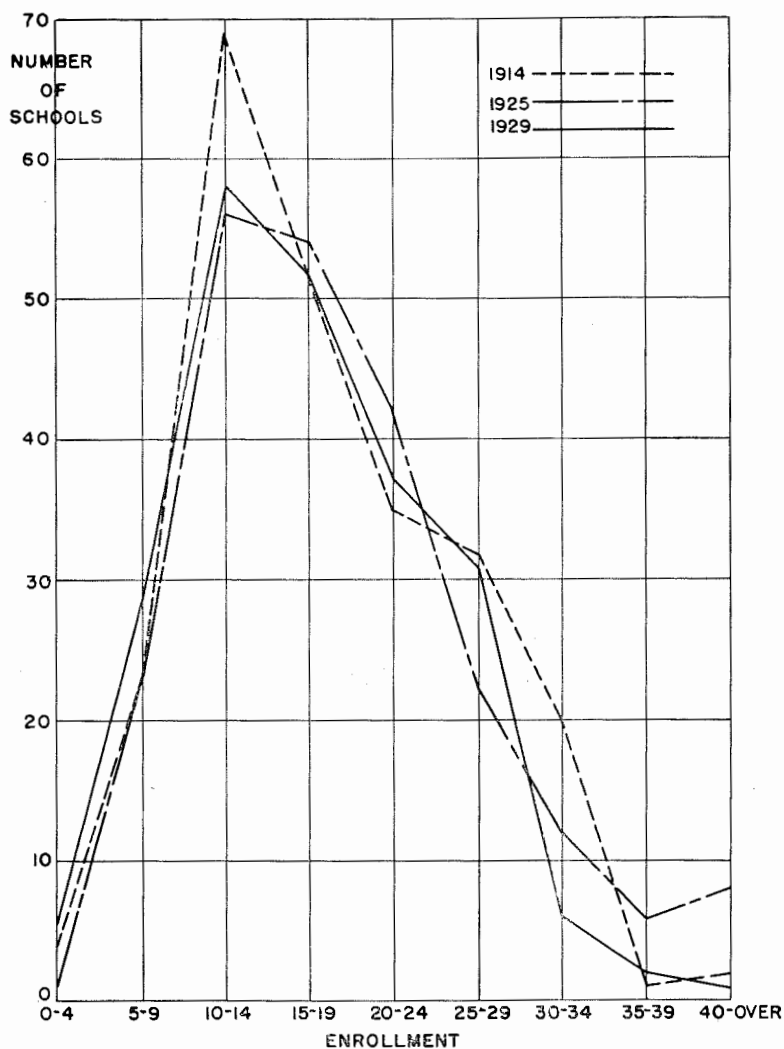
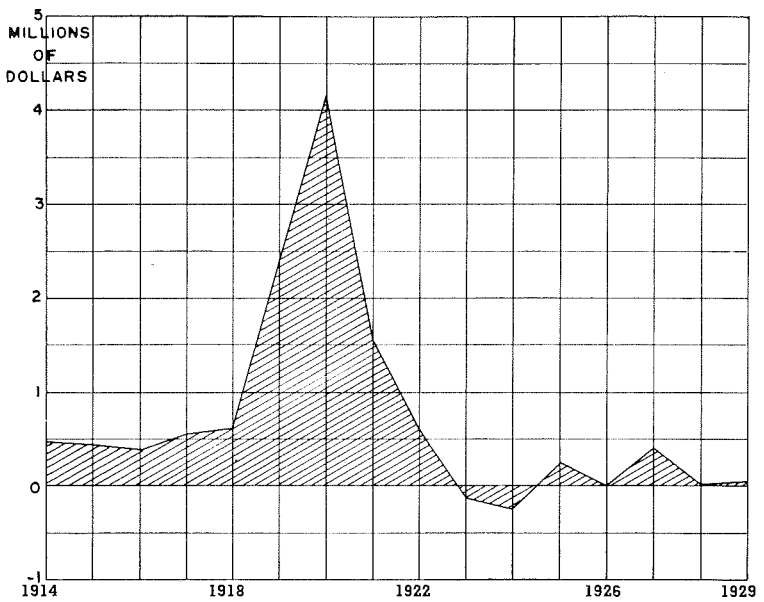


PLATE - IV

INCREASE IN FARM MORTGAGE DEBT



he found for the southeastern township a total of seventy-six transfers in sixteen years, less than five a year. But twenty-nine of these transfers were made in the boom years of 1919 and 1920. Only forty-four transfers were recorded for the sandy township and these were in many cases instances of readjustments by large land-holders to get their holdings into better form.²⁸

The boom came at the end of a period of over twenty years in which Midwestern farmers and lenders alike had been growing more and more confident of the future for their section. Farmers were willing to borrow and lending agencies willing to loan, especially on corn-growing land. Mr. Smith found one case of a farm in Mud Creek Valley which sold in 1918 for \$108 per acre, being at the same time mortgaged to a life insurance company for \$62.50 an acre. In 1919 the farm sold again for \$110 an acre, the purchaser assuming the mortgage. In 1920 a third sale was recorded at \$170.50, accompanied by the placing of a second mortgage for \$37.50. The mortgages were of the kind that was typical at that time, for a five year term, with no provision for amortizing payments. The farm still bore the mortgages, undiminished, when it was sold for a fourth time, in 1929. This time the owner transferred his equity for a consideration of one dollar.

But that the great expectations of 1919 were due for so summary a disappointment was naturally not known in advance. That the increase in automobile registrations slackened off so sharply in 1919, while the break in farm income did not come until 1920, may be an indication that some of the dollars accruing in such a flood went into bidding up land,²⁹ but the major source of funds for financing land purchases was credit. From the annual summaries of mortgage filings and releases kept in the office of the Register of Deeds, Mr. Smith found that dollar sum of mortgages filed exceeded that of mortgages released by \$11,673,825 for the period 1914 to 1929. Of this increase over seventy per cent (\$8,076,237) took effect in the years of the boom, 1919, 1920, and 1921.

²⁸ Smith, *op. cit.*, pp. 67-68.

²⁹ The decline in the rate of increase in automobiles appears in 1919 for the state as well, according to Mr. Warne's figures.

An ironic circumstance, in view of the subsequent history of the two areas, is that the occupants of the Corn Belt lands appear to have suffered from the past good reputation of their region. While the percentage increase in sale price of Sandhills land was very much greater than that of Corn Belt land, the dollar increase was very much less and the consequent burden of mortgage indebtedness was not so heavy. Since the average interest rate on mortgage loans in Custer County was about six per cent in 1920, the eight million dollars of debt added in the boom meant an interest cost of some \$480,000, an amount equal to some twelve percent of the average value of the corn crop from 1921 to 1925.³⁰ While we have no figures to support the claim, it is reasonable to believe that the principal burden of this interest cost fell on the corn lands of the county.

A tabulation made by Mr. Smith of mortgages filed, by type of lender, for the two townships given intensive analysis, serves to point up the limits of the boom and also one of the factors which had supported it.³¹

TABLE I

Mortgages filed, by type of lending agency, for two Custer County townships, 1914-1929.		
	Eastern	Sandhills
Individuals	88	28
Trust and Investment companies	37	8
Insurance companies	33	2
Banks	11	8
Miscellaneous	7	6
Total Mortgages filed.....	176	52

The availability of corporate credit for corn belt land, demonstrated in this table, was undoubtedly one of the factors supporting the boom and, in view of the subsequent movement of prices, a contribution to the subsequent farm distress. The present reputation for stability enjoyed by the Sandhills livestock enterprise may find one of its sources in this difference in credit available for speculation in 1919 and 1920.

³⁰ Smith, *op. cit.*, p. 64. And see also PLATE IV.

³¹ *Ibid.*, p. 68.

While the aftermath of the farm land boom was in many cases little more than regrets and added costs, the result of the adoption of the automobile was a great and growing utility, plus a great and equally growing set of expenses. The sum of the costs born by individuals for this early period we cannot compute, but some of the cost born by the public can be stated. Of these the most obvious is the increased cost of highways. An extensive highway-construction program was launched in Custer County in 1920, a portion of it on a Federal Aid Project for a road across the county from Mason City through Broken Bow and Merna to Arnold. In addition, however, the county embarked upon an ambitious program of highway construction which brought its highway expenses up from a range of \$11,000 to \$12,000 a year for the war years to \$40,000 a year for the years immediately after 1920.³² By 1927 maintenance costs alone on county roads were \$25,000 a year, even though the most costly, heavy-duty highways in the county were maintained by the state, and the local roads by the precincts.

Mr. Smith did not attempt to compute a figure for total highway costs in the county, a laborious task in itself, and of very little significance in the absence of a figure for income of the people of the county. Obviously, the cost of the highways was not wholly on account of the motor car, although cars soon became the principal users. A day-time census of highway use, taken August 17-23, 1924, two miles southeast of Broken Bow showed an average daily use of 359 vehicles, of which less than twelve were horsedrawn. "Inter-State" automobiles and trucks were almost as numerous.³³ How rapidly the horse disappeared from the roads was shown by a twenty-four hour count taken for one day five years later near the same spot. This showed only three teams as against 671 cars and 86 trucks.³⁴

³² *Ibid.*, p. 19, compilation from published *Minutes* of the Board of Supervisors.

³³ *Biennial Report of the Department of Public Works* (1923-1924, pp. 124-127.

³⁴ *Custer County Chief*, June 20, 1929. Working with the assessment records and *Agricultural Statistics of Nebraska*, Mr. Smith found that the number of horses in the county declined continuously from 1914 to 1929, and that the average number of horses per farm, which had been ten in 1920, fell to eight in 1925, and seven in 1930.

Less certain as to significance are a set of changes more or less clearly traceable to the automobile. One of these is the great change in occupations, with livery barns, harness shops, blacksmith shops, and horse-dealers giving way to filling stations, garages, automobile agencies, and accessory dealers. Whether there was gain or loss here it would be hard to say. Equally difficult to assay is the effect of the automobile upon open-country businesses and village business areas. The automobile increased the trade-pulling and population-supporting power of the large town. Broken Bow can show an unbroken increase in population, decade by decade, from 1900 to 1950. For most of the other towns in the county, 1920 marked the population peak.³⁵ Whether this was good or bad is a matter of dispute. Certainly the 1950 village, with electric lights, good roads, flexible motor transportation, and fresh stocks in its stores, is a better place to live and very likely a better place in which to make a living than the same village forty years earlier, even though it may have held more people in 1910.

The automobile was by no means the only modern amenity to make its impact upon the county in the period under consideration. Water systems for towns and for farm homes alike, electric lights, better schools, pavement, better buildings—these form the major elements. An exceptionally large and costly item in this list, from its date evidently an expression of the post-war boom, was the Broken Bow paving project. The county seat, which recorded a population of 2,567 in 1920, laid some eight miles of paving, with accompanying sewer and water connections, in 1920 and 1921, and issued bonds to an amount of nearly a million dollars to pay for the improvement.³⁶ The Broken Bow tax rate showed one result, jumping from 6.2 mills in 1914 to 32 mills in 1922. It did not hold that level but was still at 23.7 mills in 1928. Other towns in the county spent heavily as well, Anselmo having a rate of 16.1 in 1926 (apparently

³⁵ U.S. Census figures, from *Nebraska Blue Book* (1922), pp. 263-279; *Ibid.* (1930), pp. 333-340; *Ibid.* (1942), pp. 303-310; *Custer County Chief*, June 12, 1950.

³⁶ *Custer County Chief*, September 1, 1921.

the peak), while Sargent levied 19.7 mills at its peak in 1928.³⁷

By 1929 there is no doubt that Custer County people were living better than ever before. Most of the rural schools were on a nine-month term, over twenty high schools provided opportunity for further, secondary education,³⁸ 7,600 cars provided mobile transportation, running water was piped into the dwellings in nearly half of the farm homes, three-quarters of them had telephone connections, nearly a third had radios, 401 had electricity.³⁹ Things looked good—and yet, William Allen White, looking at the parallel changes in Emporia, Kansas, with no increase in population and little increase in basic production, gasped, “It’s crazy as a bed bug—but there it is.”⁴⁰

The author of this article has not been stressing cost of these new developments because of any dislike of them, or because of any “dismalness” attaching to economics as a study, but simply because economics as a subject is concerned with the great circle of exchanges, in which income and outlay must be equal for the economy as a whole, but not necessarily for every portion of it. How fared it with Custer County? The changes we have chronicled were mostly those of a persistent increase in outlays, a short-lived burst in income. The added outlays, for automobiles, building materials, gasoline, and the like, furnished income for other portions of the nation but could not be counted upon certainly to return to the county.

We have, of course, no figures for outlays and income for the people of the county. We can only make certain conjectures based upon some rather scattered bits of evidence. Perhaps the first bit of evidence is that afforded by population. The 1920 Census reported the peak for the county, that of 1930 showed a slight decline. Evidently the county’s economy did not provide economic opportunities

³⁷ Compiled by Mr. Smith from figures quoted on Custer County tax receipts.

³⁸ Smith, *op. cit.*, pp. 48-49.

³⁹ *15th Census of the U.S., 1930, Agriculture, II, Part 1, 1281.*

⁴⁰ William Allen White, *The Changing West* (New York, 1919), p. 84.

on a par with those of other areas of the nation. This decline indicated an out-migration from the county somewhat greater than the natural increase of its population.

The failure to develop any new enterprises is evident from the stability of the farm component of that population. Mr. Glover's estimate of the farm population for 1920 was 17,500; the Census of 1930 showed 17,468 persons on farms.⁴¹ Supporting evidence is provided by PLATE III, drawn by Mr. Smith and showing graphically the stability of enrollment in rural schools for the entire period. In the boom years of the war the number of farms in the county had declined by three hundred, while the average size had increased by twenty-seven acres. With the New Era, however, it was necessary to drive the farms harder for they were now saddled with heavier, fixed costs and the level of living of the farm families called for large continuing cash outlays. Corn acreage increased and the corn intensity, i.e., the percentage of all land in farms which was in corn, increased as well. In 1919 corn intensity had been only 16.3%; in 1929, with nearly forty thousand more acres in farms, corn intensity was 23.7%. Yet this heavier concentration brought a lower return. Mr. Smith has tabulated the corn acreage, the yield, and the total value for the years of his study, all years, be it remembered, with reasonably good crops. This table shows, for the five years 1916 to 1920 an average corn acreage of 224,000, a total yield of twenty-seven million bushels, and a total value of twenty-four million dollars. The first five years of the New Era, 1921 to 1925, displayed a corn acreage of 276,000 a year, with a total yield of thirty-four million bushels, and a total value of something less than twenty-one million dollars. For the last four years of the New Era, corn acreage was 333,000 a year, total yield (four years) was twenty-eight million bushels, but total value for this greater yield (greater than the five year total of the war years), was only eighteen million dollars.⁴²

In spite of improved technology, increasing money costs, and rising level of living, average size of farm declined from

⁴¹ Glover, *op. cit.*, p. 25.

⁴² Adapted from table on p. 79 of Smith's thesis.

1920 to 1925, and was only kept from declining further by the increase in total acreage in farms which has been mentioned already. (That this expansion of farming activities was extending tillage agriculture to lands that could ill support it was to be demonstrated soon enough.) The farmers in Custer County, as elsewhere in the nation, were in a critical position. Their windfall profits of World War I had failed to arrest the mounting wave of tenancy. For the county this had shown a rise with each successive census: it had been 37% in 1910, it was 41% in 1920; by 1930 it was 49%.⁴³

Banking figures show another aspect of the trend. Resources of all banks in the county were about five million dollars in 1916, \$8,211,000 in 1925, \$8,784,000 in 1928, but had fallen by 1929 to \$7,064,000. The loans and discounts, marking the funds locally available for business operations, showed a similar movement, rising from \$3,552,000 in 1916 to \$6,744,000 in 1920, and falling irregularly then to \$4,681,000 in 1929.⁴⁴

The evidence above is sketchy and unsatisfactory. Perhaps it would bear different interpretation did we not know the record of trial and distress that was to be the county's in the next dozen years after 1929. If we attempt to summarize as well as we can upon the basis of the evidence for the period 1914 to 1929 alone, we should have to say that the county had proven its agricultural productivity, that it had not developed within its own limits non-agricultural employment for an increasing population, and that the progress of agricultural technology was creating a situation in which maximum, desirable incomes could not be earned by all its farm workers. Financially, the people of the county *appeared* to be losing ground. Here was a precarious financial position but not necessarily a critical one. How it would bear up under the gnawing attrition of drouth and depression was to be disclosed soon.

⁴³ 15th Census, III, Part 1, 1213.

⁴⁴ Smith, *op. cit.*, pp. 70, 72, compiled from *Reports of the Bureau of Banking* for the years indicated.