

Speculative Spaces: Land Speculation and Social Formation in Two California Counties

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Concerns over land monopolization came to California with the first American settlers. By the time Henry George published *Our Land and Land Policy* in 1871, squatters had already been waging war on the great Spanish-Mexican land grants for some dozen years. Yet it was George who famously predicted, “a generation hence our children will look with astonishment at the recklessness with which the public domain has been squandered. It will seem to them that we must have been mad...to every importunate beggar to whom we would have refused money we have given land—that is, we have given to him or to them the privilege of taxing the people who alone would put this land to any use.”²¹ He argued that by allowing speculators to buy up huge tracts of land for next to nothing, the State of California effectively retarded its own development. Potential farmers and homesteaders found that the prices had been hiked beyond their ability to pay. Much of the concern over speculation centered on the San Joaquin Valley, but William S. Chapman, the largest land speculator in California, wrote a letter to the San Francisco based *Evening Bulletin* in July of 1876 claiming that the speculators there had merely purchased land that nobody else wanted, and then developed it to make it more attractive to homesteaders. He wrote, “I have entered some hundreds of thousands of acres of this land. I have sold it as fast as I could at reasonable prices to actual settlers...settlement and cultivation have progressed in the San Joaquin Valley at a ten-fold greater rate than if there had been no speculation in the matter.”²²

Henry George and William S. Chapman sketch out the two positions that became central to the argument made by a generation of nineteenth-century California politicians and then became equally critical to a second generation of scholars in the twentieth century. Henry George would find both critics and defenders in the twentieth century as historians of the American West tried to determine the impact speculation had on settlement in California. Gerald Nash dismissed George’s work as oversimplified. In his essay “Henry George Reexamined” Nash argued that the land speculator acted as a necessary middleman, irrigating farmland to make it more attractive to settlers, publicizing the most desirable locations, and introducing eastern farmers to techniques of agricultural production better suited to a western climate. Nash believed that speculation actually fostered settlement. In contrast, Paul Gates argued that speculation did slow the settlement and development of agricultural regions, much as Henry George concluded. More recently, Donald Pisani has called for a closer focus on how land monopolists used riparian water rights to drive small farms out of business. Pisani explicitly linked the lack of agricultural development with land monopoly, writing, “the baneful effects of concentrated, nonresident ownership were painfully obvious in the almost complete absence of a rural society

and stable rural communities.”²³

All of these scholars wrote before the digitalization of land patent records allowed a close examination of land settlement patterns, and a study of the land patents registered with the State of California in the San Joaquin Valley reveals more complicated and spatially varied results. Not all ‘concentrated, nonresident ownership’ was necessarily speculation, and such ownership does not yield a single pattern of future use. Gates and Pisani, for example, treated the Southern Pacific Railroad and the great land speculators like Chapman and Isaac Friedlander as two sides of the same coin. But as Richard Orsi notes, California’s economic retardation and painfully slow population growth ate into the profits of a railroad company that depended on farmers using its lines to ship goods. Orsi suggests, “well aware that success would swell profits while failure meant possible receivership, Southern Pacific executives increasingly devoted the resources of the railroad to developing California.”²⁴

A spatial history of two San Joaquin counties—historic Fresno and Tulare Counties (including modern day Kings and Madera Counties)—at the center of the debate over land speculation allows a more detailed and nuanced version of the historic relationship between land speculation and settlement in nineteenth-century California. To look at how speculation and settlement patterns evolved over time, these maps are juxtaposed with the original land patents filed with the State of California, dating back to the 1860s. These land patents provide the names of the individuals who filed them, the date they were filed, and how the patents were purchased. Unfortunately, only the original owner appears in the state’s database. Much of the information therefore corresponds to the late 1860s, when land sales spiked in response to rumors that the Southern Pacific Railroad would be building a line through the interior of California. In order to examine how settlement unfolded in later decades, this study relied on county atlases of Fresno and Tulare created by Thomas Thompson in 1891 and 1893 respectively. The atlases note every current landholder in the two counties, in addition to giving landmarks like schools, post offices, mines, mills, and canals. By georeferencing the pages of the county atlas with the historic township and range grids using ArcGIS, the original patents can be compared to the 1891 and 1893 owners. More importantly, schools and post offices can be measured against the first patterns of land distribution thirty years earlier and used as surrogates for later community development.

We have divided the patents into two groups: patents filed under the Homestead Act, which represented original settlers, and the land claimed by the twenty individuals and corporations who filed

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the most patents. These included speculators, but also ranchers, loggers, and the Southern Pacific Railroad. Fresno and Tulare Counties display very different patterns that indicate significant differences in the relationship between speculation and settlement.

The two counties have similar but not identical histories; Tulare was created in 1852, Fresno in 1856. Tulare quickly emerged an early center of agriculture and ranching, even as its northern competition languished. Although the 1860 census counts 4,605 people in Fresno County and 4,638 in Tulare, the breakdown by race reveals a dramatic difference. In 1860, Tulare County had 3,262 white settlers to 1,340 American Indians. Fresno had less than a thousand white settlers.⁵ These differences were also reflected in the number of farms (469 in Tulare to 85 in Fresno) and the number of range cattle (37,379 in Tulare to 10,444 in Fresno).⁶ The Southern Pacific Railroad reached both counties in 1872. In 1880 Tulare County remained slightly more populous with 11,288 people to Fresno's 9,478. Unlike the rest of California, which saw the 1880s as a period of stagnation, both counties more than doubled in size during the following decade. It was Fresno County that experienced the most dramatic growth, mushrooming up to 32,026 people. Tulare, although permanently eclipsed, had expanded to 24,574.⁷

Even as their generic population trends paralleled each other, these neighboring counties also began to exhibit particular differences. The population in Fresno had become far more urban. By 1890, more than a third of the county's population (10,818 persons) could be found in the city of Fresno. In contrast, just 5,582 people in Tulare County lived in towns. The differences also extended to the countryside. Proportionate to both the size of the county and the population, Tulare still had more farms than Fresno. In addition, the average farm size in Tulare was more than 150 acres smaller than its counterpart in Fresno. The small farmer had flourished in Tulare County, but Fresno County had fostered large consolidated properties. Beneath the surface similarities, these two neighboring counties in the San Joaquin Valley had settled and developed in two markedly different fashions.

The difference between the two counties originated in the first land claims. In Fresno County the first claimants filed large claims and patented land in the most arable regions of the San Joaquin Valley. Homesteaders came later. The patents filed under the Homestead Act only began to rise significantly after 1872, when the Southern Pacific Railroad had completed its line through the county.

How land was claimed had a strong relation to how it was settled. Nineteenth-century reformers such as Henry George believed that small farms and relatively dense rural settlement provided the necessary support for basic social institutions. We have tried to gauge social development by using schools and post offices as measures of community development. Homestead patents showed a strong correlation with the later location of schools and post offices. The land originally held by speculators, on the other hand, was devoid of any comparable growth in schools and post offices, with the exception of the city of Fresno itself. The implications are clear: more than twenty years after the initial sale of the land, the patterns of settlement and development of Fresno were still being

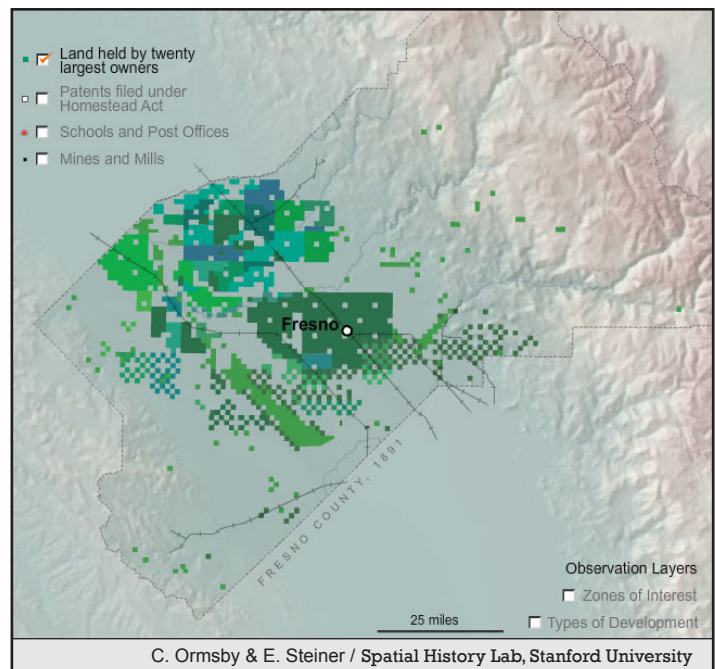


Figure 1 | Land held by twenty largest owners, Fresno County.

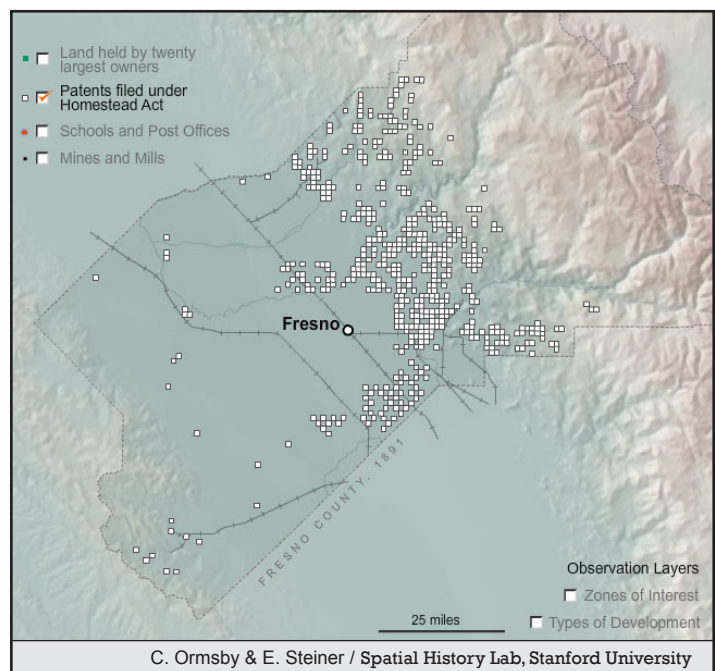


Figure 2 | Patents filed under Homestead Act, Fresno County.

shaped by land speculation.

The interactive map above illustrates these patterns. The layer marked 'Land held by twenty largest owners' shows the land held by the twenty individuals or corporations that filed the most land patents by 1868 (Figure 1). This land is predominantly in the center of the valley and accounts for a substantial portion of the entire county; between 1860 and 1891, these twenty individuals and companies were responsible for 41% of all patents filed. This land is centered along the railroad line. The layer marked 'Patents filed under Homestead Act' shows where settlers filed homestead patents (Figure 2). Arriving on the scene later than the speculators, these settlers were forced to take the less arable land, often in the

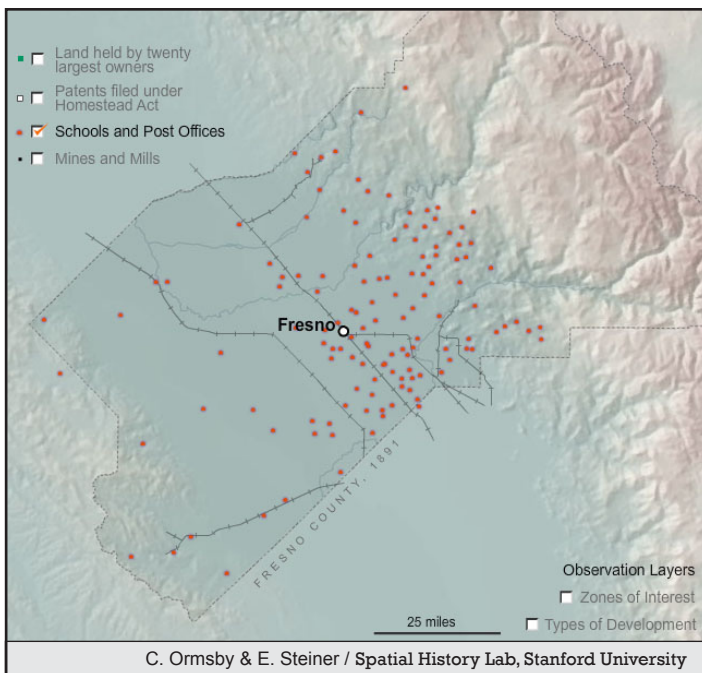


Figure 3 | Schools and Posts Offices, Fresno County.

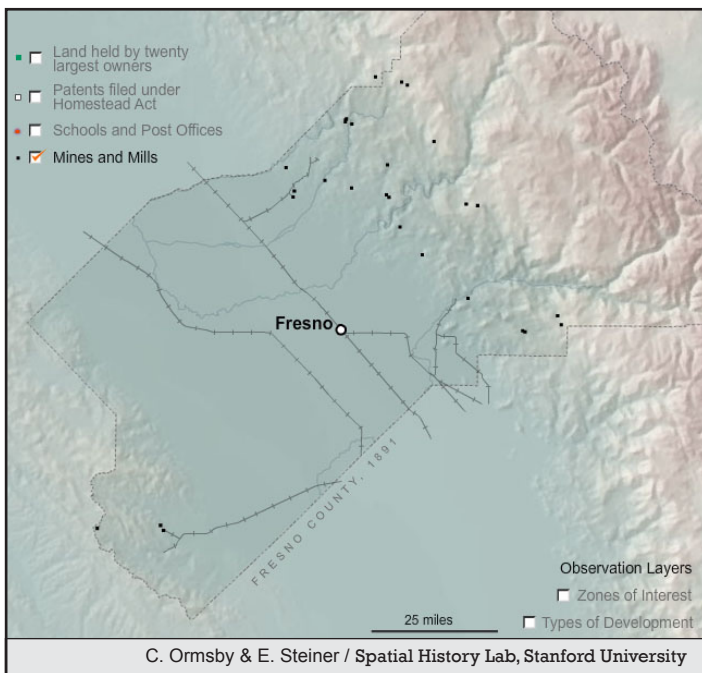


Figure 4 | Mines and Mills, Fresno County.

foothills of Fresno County. This land was also further from the rails that the farmers depended on to ship their produce to regional markets. The next layer, ‘Schools and Post Offices,’ is taken from the 1891 map of Fresno (Figure 3). These schools and post offices are strong indicators of community formation, and show where Fresno was most heavily developed thirty years after the initial spike in land speculation. With the exception of development surrounding the city of Fresno, there is a strong negative correlation between the land held by speculators and permanent settlement. In the same vein, there is a marked positive correlation between the schools and post offices and the land purchased through the Homestead Act thirty years earlier.

The final layer, ‘Mines and Mills,’ measures the impact that the mining and logging industries had on settlement in Fresno (Figure 4). There appears to be a limited correlation to schools and post offices. Both industries notoriously employed single men, and it is thus unsurprising that community development did not occur on the same level as in the more gender balanced agricultural communities. With all of these layers activated, one can compare the types of development through the observation layers (Figure 5). Again, the strongest contrast is between the lands purchased by the speculators of 1868 and the land purchased through the Homestead Act. Clearly, land speculation in Fresno had a dramatic impact on the human geography of the county even after speculators shed their holdings.

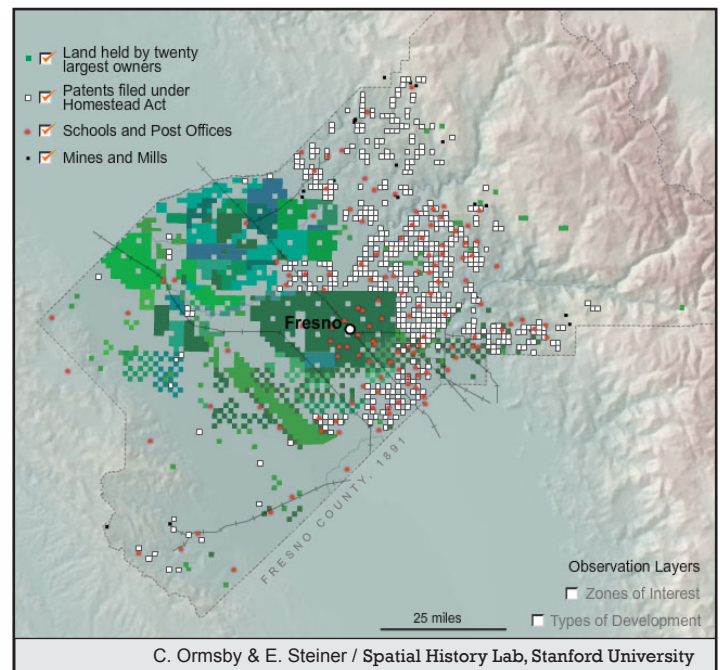


Figure 5 | All map layers activated, Fresno County.

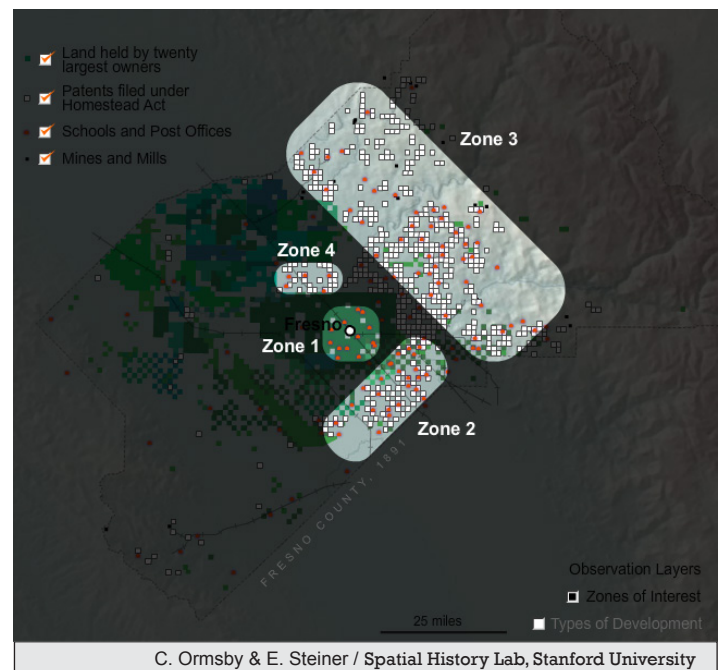


Figure 6 | Zones of interest, Fresno County.

It is, however, necessary to distinguish between the twenty largest owners. Not all of the land displayed on the ‘Land held by twenty largest owners’ layer represents speculators. The Southern Pacific Railroad had filed 157 patents by 1868, and held much more through railroad grants. This land, primarily in the south of Fresno along the border with Tulare County, is marked as Zone Two under Zones of Interest (Figure 6). In contrast to the land held by speculators, Zone Two shows significant settlement and markers of community development. Twenty years after the Southern Pacific filed its land patents, settlement in Zone Two has proceeded in much the same fashion as it did in areas exclusively settled under the Homestead Act.

The map of Tulare County reveals a very different story. Speculators often used military scrip, bought at a discount, to enter lands, but there was little use of military scrip in Tulare County. No year saw more than one hundred patents filed through military scrip, and other than a spike in 1860, the use of scrip hovered close to zero. Patents filed under the Homestead Act were filed in increasing numbers after 1868, a pattern which continued through the 1890s. Although the trend towards homesteading starts earlier in Tulare than Fresno, and the military speculation phenomenon is almost wholly absent, what really distinguishes the two counties is the trend in railroad grants. In Fresno County, more than thirty individuals or corporations had filed at least ten patents. In Tulare County, just nine had ten or more patents to their names. The difference was that land snatched up by speculators in Fresno went almost exclusively to the Southern Pacific Railroad in Tulare. In 1875 the railroad alone filed more than 550 patents, creating the largest spike in land sales in Tulare County history. In Fresno, the Southern Pacific had to compete with speculators like Isaac Friedlander and William Chapman and ranchers like Miller & Lux for prime real estate, but in Tulare, there was little or no competition.

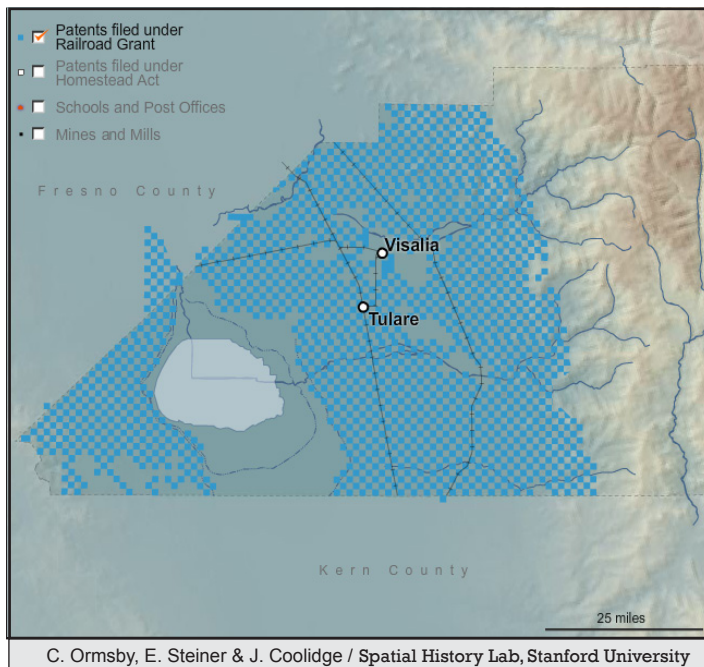


Figure 7 | Patents filed under Railroad Grant, Tulare County.

The Southern Pacific in Tulare County did not behave like the large private landholders in Fresno County. In Fresno, land held by speculators languished undeveloped for years as the owners waited for land prices to rise. The Fresno County Visualization clearly illustrates that some thirty years later, that land remained comparatively undeveloped next to land purchased through the Homestead Act. In the Tulare County Visualization, one can see that Southern Pacific lands settled and developed rapidly. The first layer, marked ‘Patents filed under Railroad Grant’ illustrates the extent of the patents filed by the Southern Pacific Railroad Company (Figure 7). The second layer, marked ‘Patents filed under Homestead Act’ shows where homesteading occurred at the outset (Figure 8). The last layer reveals the schools and post offices

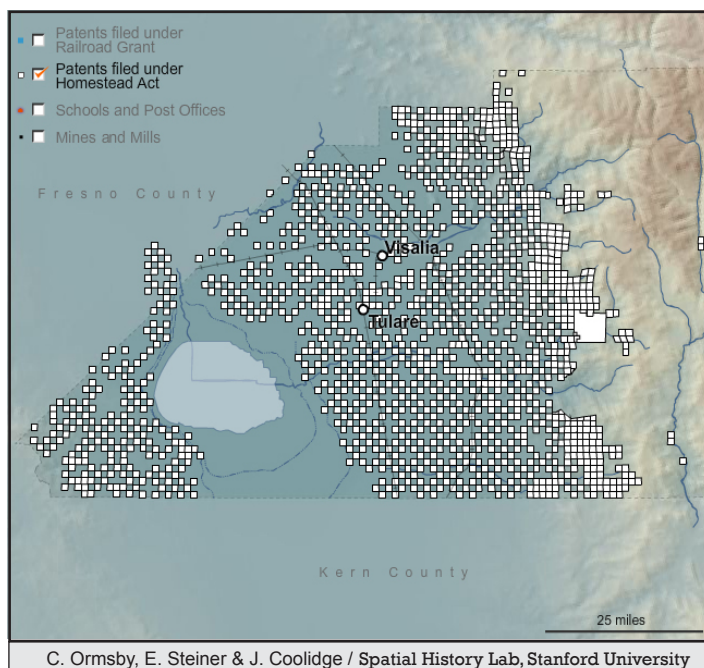


Figure 8 | Patents filed under Homestead Act, Tulare County.

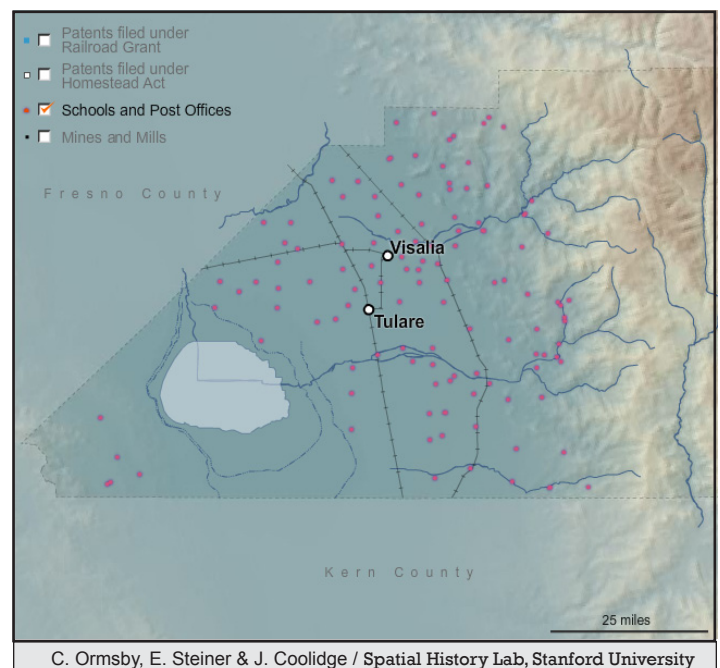


Figure 9 | Schools and Post Offices, Tulare County.

built by 1893, here used as markers of population development (Figure 9). The schools and post offices are evenly distributed across Tulare County, showing that Southern Pacific land policies encouraged a more even population growth.

The Southern Pacific Railroad behaved differently than private land speculators because it had different interests. Unlike individual land buyers, the company had a vested interest in selling the land as quickly as possible to increase the traffic of agricultural produce in the San Joaquin Valley. The result is that some twenty years after that historic spike in railroad grants (in 1875), railroad land is indistinguishable from land purchased through the Homestead Act.

The railroad's partial monopoly of land sales in Tulare County was not without its drawbacks, however. Many potential settlers resented the extent of the railroad's land grant and believed it to be invalid. Rather than purchase land from the railroad legally a number became squatters, gambling that the railroad grant would eventually be overturned in court. Richard Orsi argues that these squatters were in fact "petty land speculators" who refused the Southern Pacific's attempts to compromise in hopes of ultimately getting the land for free.⁸ These standoffs occasionally had devastating results, and Tulare County's Mussel Slough Massacre quickly became the most infamous. Despite the infrequent outbreak of violence, the role of the railroad in the development of the San Joaquin Valley clearly took a very different shape than the role of the large speculators who bought the same land. Furthermore,

Fresno County and Tulare County had very different experiences when it came to population distribution as a result of these two forces. Current scholarly literature tends towards treating the San Joaquin Valley as a single unit. In fact, the human geography of the Valley can vary widely from county to county.

1. George, Henry, *Our Land and Land Policy*, 10.
2. San Francisco *Evening Bulletin*, August 31, 1876
3. Pisani, Donald, "Land Monopoly in Nineteenth-Century California." *Agricultural History* 65.4 (1991): 15-37. 24.
4. Orsi, Richard, "The Octopus Reconsidered: The Southern Pacific and Agricultural Modernization in California, 1865-1915." *California Historical Quarterly* 54.3 (Fall, 1975), 197-220. 199.
5. nhgis.org (accessed 6/29/2011)
6. Preston, William. *Vanishing Landscapes: Land and Life in the Tulare Lake Basin* pg 87
7. nhgis.org (accessed 6/29/2011)
8. Orsi, Richard; *Sunset Limited: The Southern Pacific Railroad and the Development of the American West, 1850-1930* (University of California Press, Berkeley, 2005) pg 98

Online Version of the paper is available at <http://www.stanford.edu/group/spatialhistory/cgi-bin/site/pub.php?id=87>.

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