

## WEALTH AND DEBT.

### WEALTH.

The wealth of the United States is the total value of the property of the people and the government, which has been estimated by each census since 1850. The early estimates are naturally less complete and correct than those of later dates. The following table shows the results of these estimates and the wealth per capita of the population:

TOTAL AND PER CAPITA WEALTH, BY DECADES.

DECADES.	Total wealth.	Wealth per capita.
1850.....	\$7, 136, 000, 000	\$308
1860.....	16, 160, 000, 000	514
1870.....	30, 069, 000, 000	780
1880.....	43, 642, 000, 000	870
1890.....	65, 037, 091, 197	1, 036

These figures are graphically given in Diagrams 373 and 374. The following table shows the rate of increase in wealth, by decades:

RATE OF INCREASE OF WEALTH, BY DECADES.

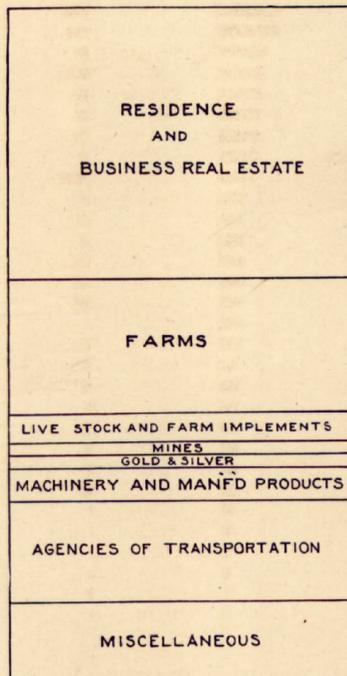
DECADES.	Rate of increase.
1850 to 1860.....	126.5
1860 to 1870.....	85.5
1870 to 1880.....	45.0
1880 to 1890.....	49.02

The wealth in 1890 is made up of the following items:

Real estate and improvements.....	\$39, 544, 544, 333
Live stock, farm implements, and machinery.....	2, 703, 015, 040
Mines and quarries, including product on hand...	1, 291, 291, 579
Gold and silver coin and bullion.....	1, 158, 774, 948
Machinery of mills and product on hand.....	3, 058, 593, 441
Railroads and equipment.....	8, 685, 407, 323
Telegraphs, telephones, ships, and canals.....	701, 755, 712
Miscellaneous.....	7, 893, 708, 821

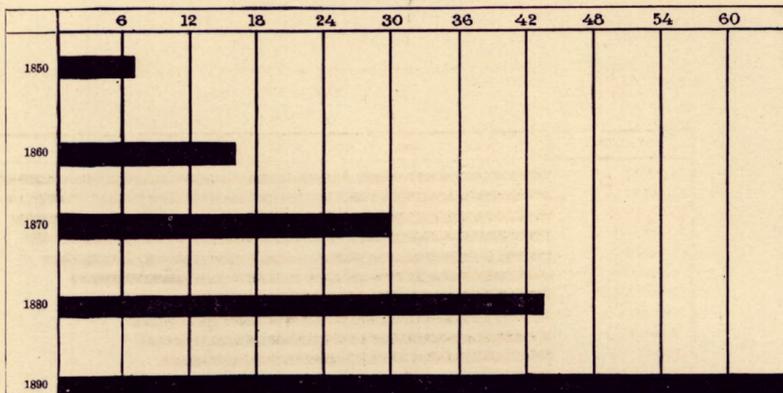
These are shown graphically by Diagram 375.

375. WEALTH IN 1890.



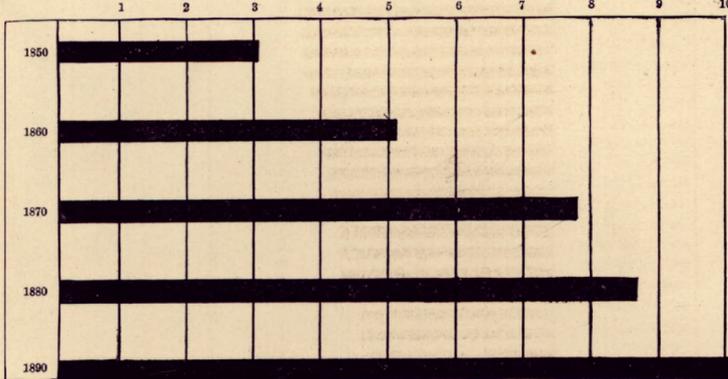
373. TOTAL WEALTH OF THE UNITED STATES: 1850 TO 1890.

[Billions of dollars.]

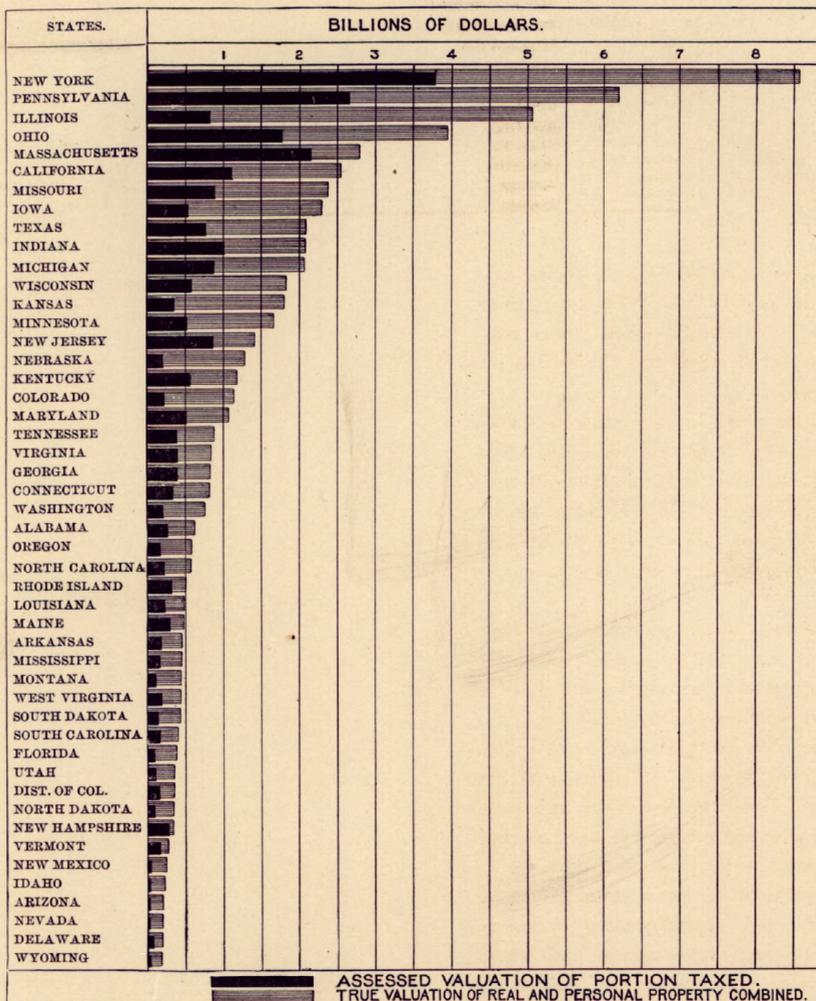


374. WEALTH PER CAPITA: 1850 TO 1890.

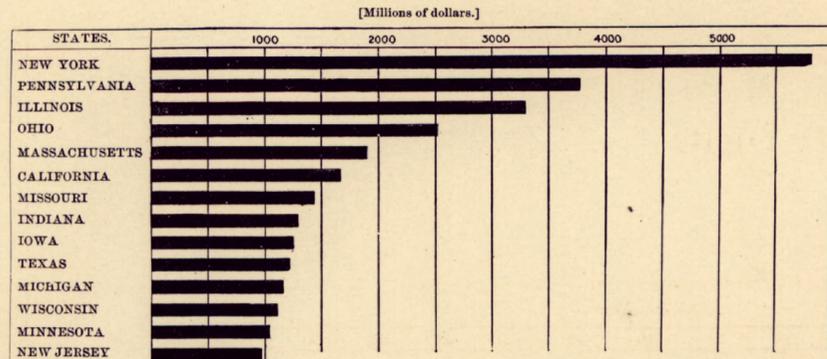
[Hundreds of dollars.]



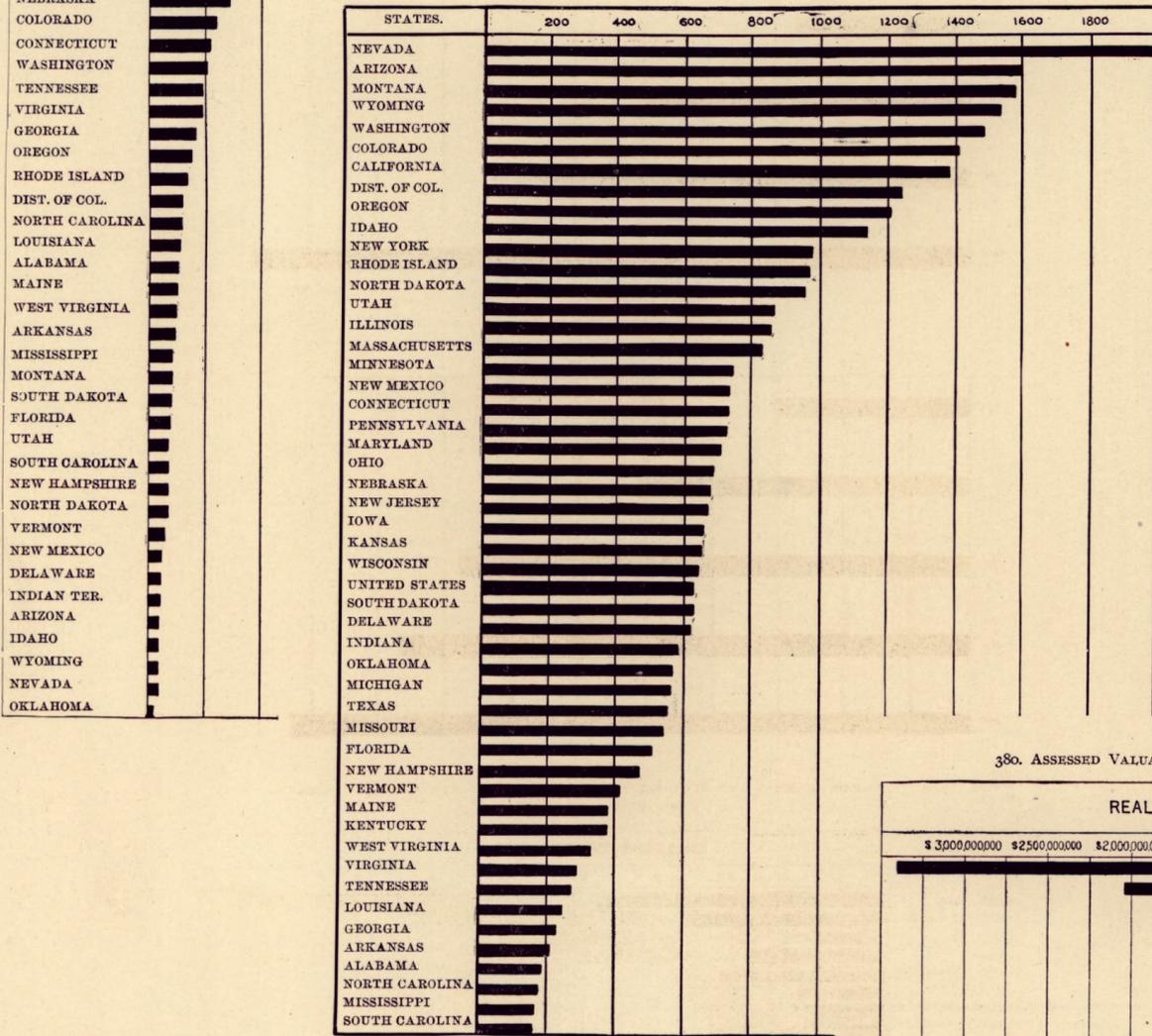
376. TRUE VALUATION OF REAL AND PERSONAL PROPERTY COMBINED AND ASSESSED VALUATION OF PORTION TAXED: 1890.



378. VALUE OF REAL ESTATE AND IMPROVEMENTS THEREON, BY STATES AND TERRITORIES: 1890.



379. TRUE VALUATION OF REAL ESTATE AND IMPROVEMENTS THEREON, PER CAPITA, BY STATES AND TERRITORIES: 1890.



assessed to their true valuation are shown, by states, by Diagram 378, in which the states are arranged in very much the same order as in the diagram last cited.

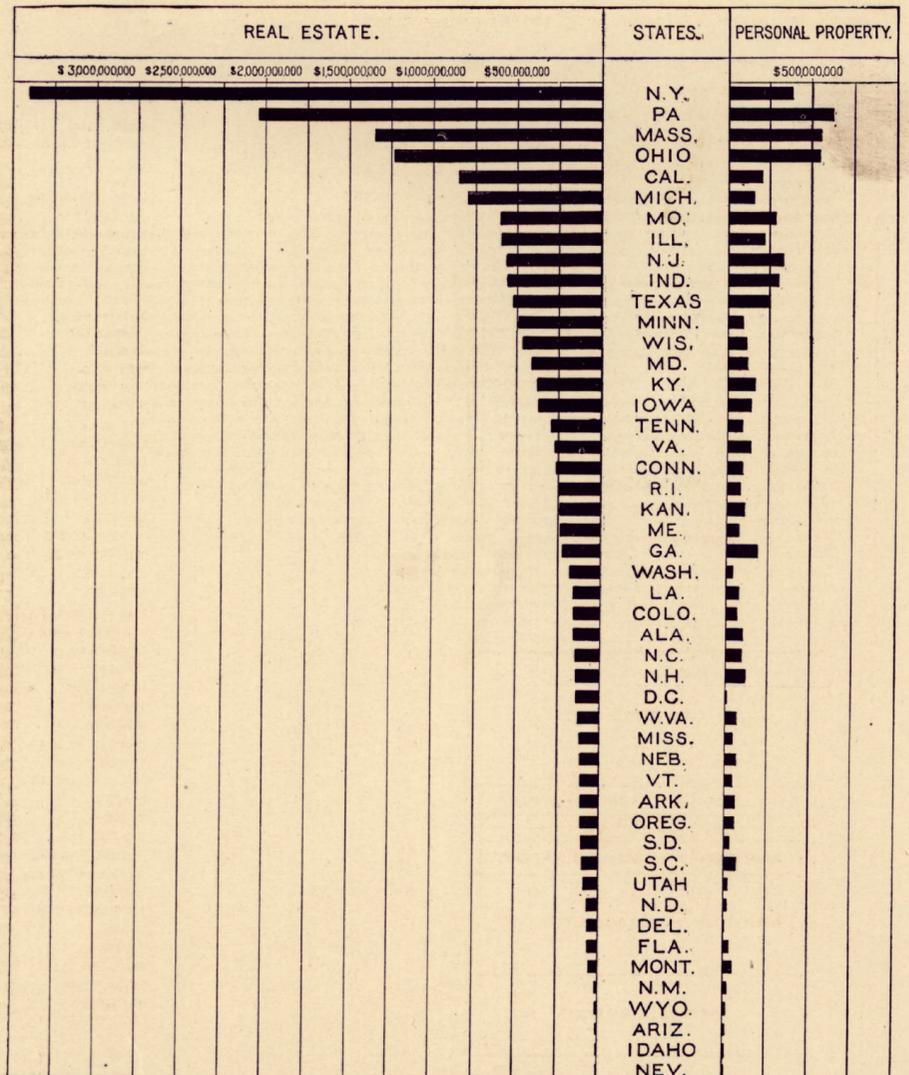
Diagram 379 shows the true valuation of real estate with improvements per capita of the population. In this diagram a very different order of the states is observed, the western states and territories being at the head of the list and the southern states at the foot.

The assessed valuation of all taxed property, including real estate and personal property, is shown by Diagram 376 by the black portions of the bars. Here New York and Pennsylvania head the list, with Massachusetts third and Ohio fourth. Illinois, which stands third in true value of property, is comparatively low in respect to assessed valuation. This is due simply to the fact that its property is rated low by the assessors. The same is the case in Iowa, Kansas, Nebraska, and other states. Thus it is seen that the relation between the length of the black and the shaded bars expresses the ratio between the assessed and the true value of property. In the northeastern states the ratio is not far from one-half, while in many of the northern central states it is less than a fourth. The highest ratio is in New Hampshire, where it approaches quite nearly to unity.

Diagram 380 shows the assessed valuation of taxed property, distinguishing between real estate and personal property. Taking the country over, personal property has a valuation not very different from that of real estate. Indeed, speaking roundly, it may be said that they are about equal, and the deficiencies which are illustrated in this diagram mean simply that far the largest proportion of personal property escapes taxation; in other words, is not returned to the assessors. This proportion differs in different states with the degree of stringency of the laws and the care exercised by assessors in carrying out the laws. As is seen, there is scarcely a state in which the returns of personal property are not deficient.

Maps 381, plate 61, and 382, plate 62, represent the true value of real estate with improvements, in the first compared with area, and in the second with population. The

380. ASSESSED VALUATION OF PROPERTY TAXED, BY STATES AND TERRITORIES: 1890.



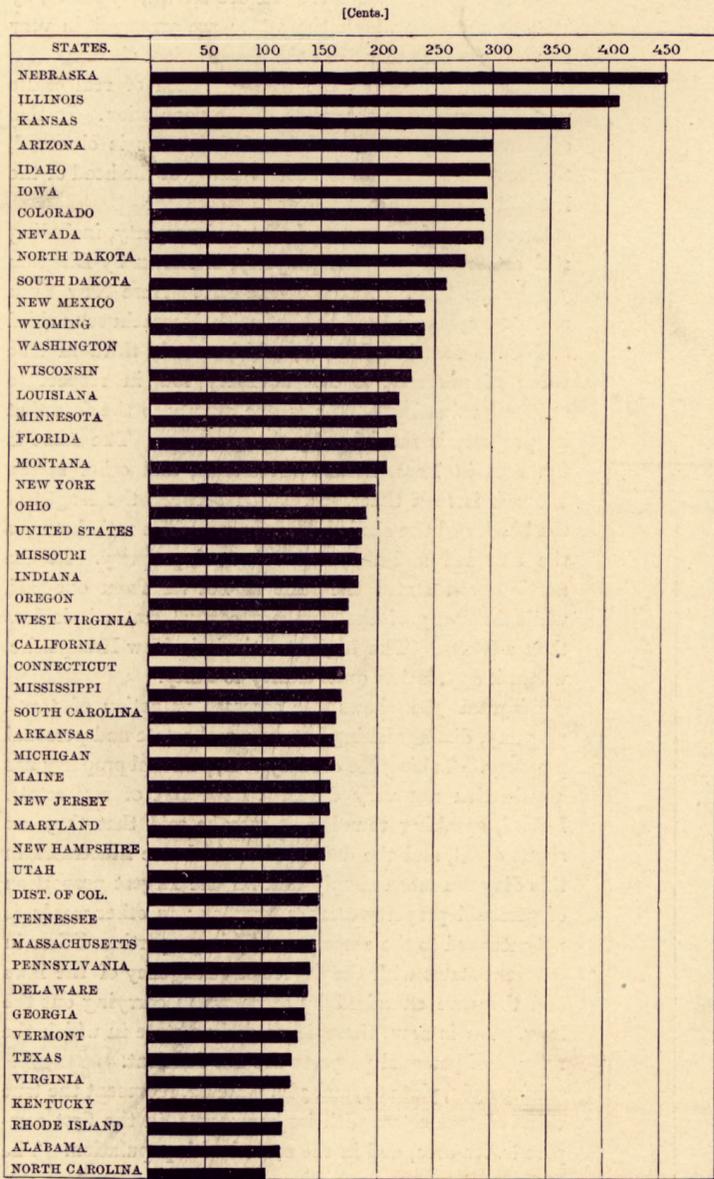
The nation's wealth has increased in each decade at a more rapid rate than the population. The total wealth has increased in forty years until in 1890 it was more than nine times as great as in 1850, and the wealth per capita has more than trebled.

The true value of all property in each state is shown by Diagram 376, by the total length of the bars. New York is the wealthiest state, with a valuation of over \$8,500,000,000, or nearly one-eighth of the entire wealth of the country; Pennsylvania follows with about one-tenth, and Illinois with about a twelfth of the entire wealth.

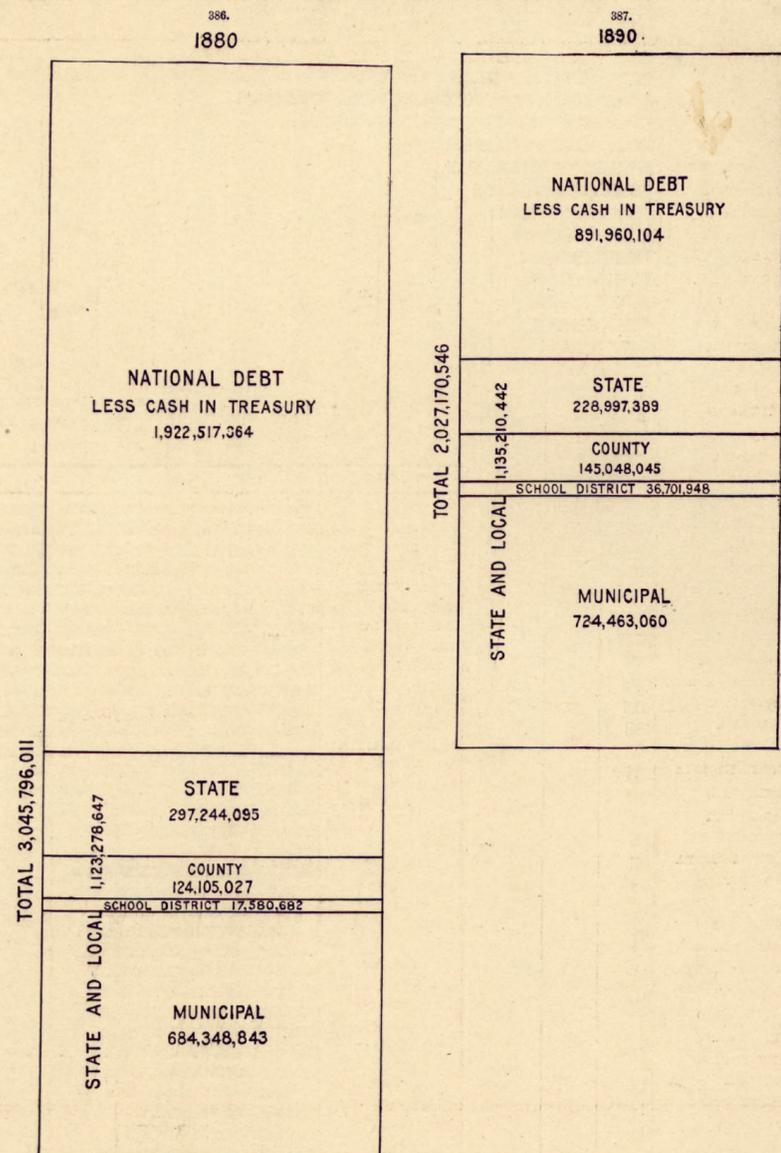
The total wealth per capita of the population is shown by Map 377, plate 61, wherein it appears that the wealthiest states in proportion to population are those of the far west and the poorest those of the south.

Wealth may be divided into two parts—real estate with improvements and personal property. The value of the former has been obtained from the reports of assessors, which give the value as assessed for purposes of taxation. This bears a certain relation to the true value differing in different states and in parts of the same state, and these relations have been obtained approximately by correspondence with assessors, real estate agents, and others who are qualified to give such information. The results of the assessors' returns as modified by these ratios of

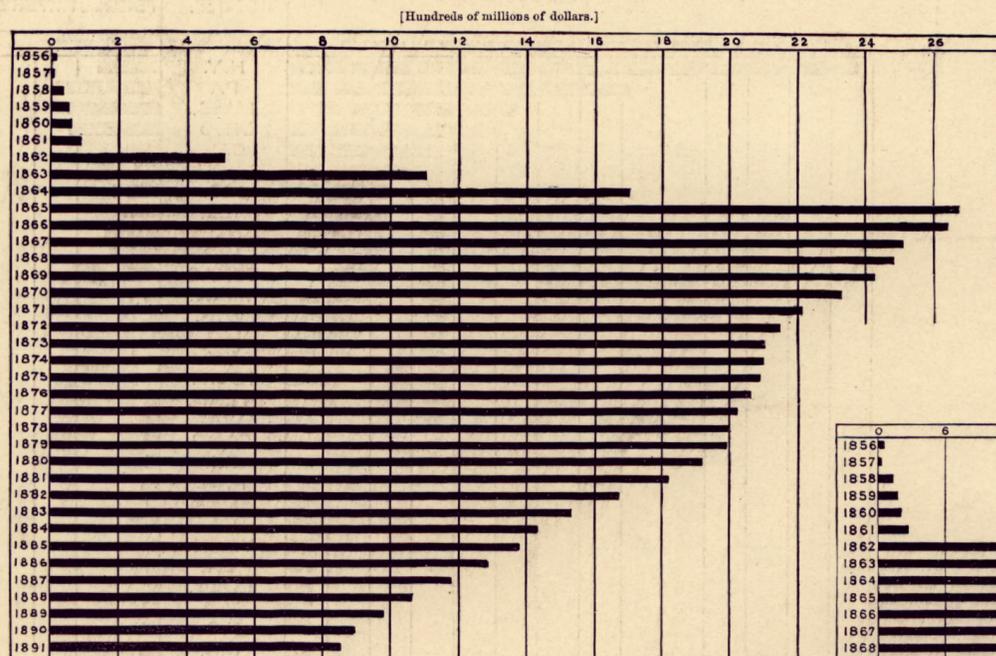
384. RATE OF TAXATION PER \$100 OF ASSESSED VALUATION, BY STATES AND TERRITORIES: 1890.



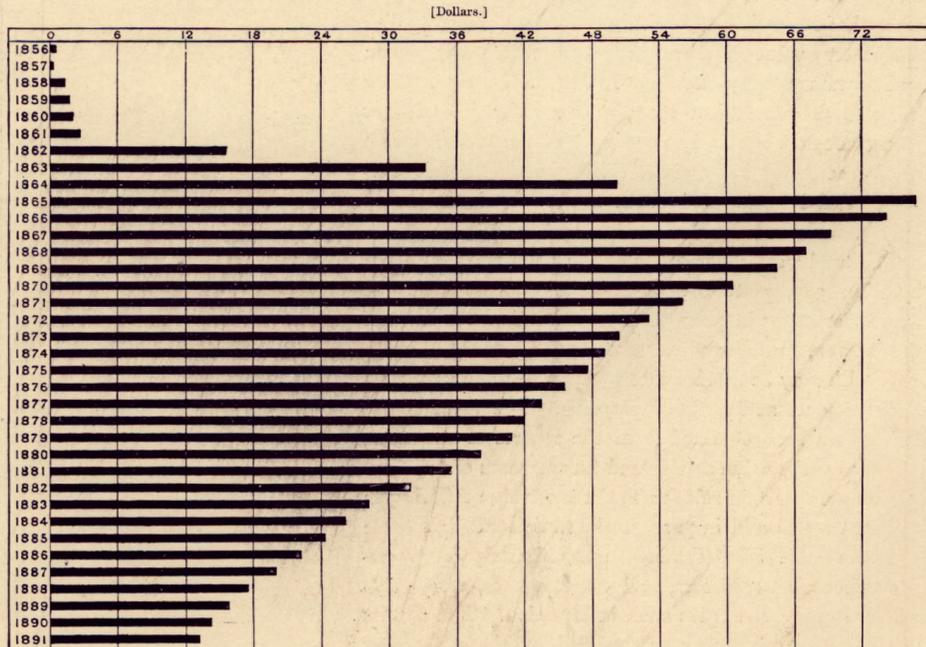
COMPOSITION OF THE COMBINED DEBT IN 1880 AND 1890.



388. NATIONAL DEBT, LESS CASH IN TREASURY: 1856 TO 1891.



389. NATIONAL DEBT, PER CAPITA, LESS CASH IN TREASURY: 1856 TO 1891.



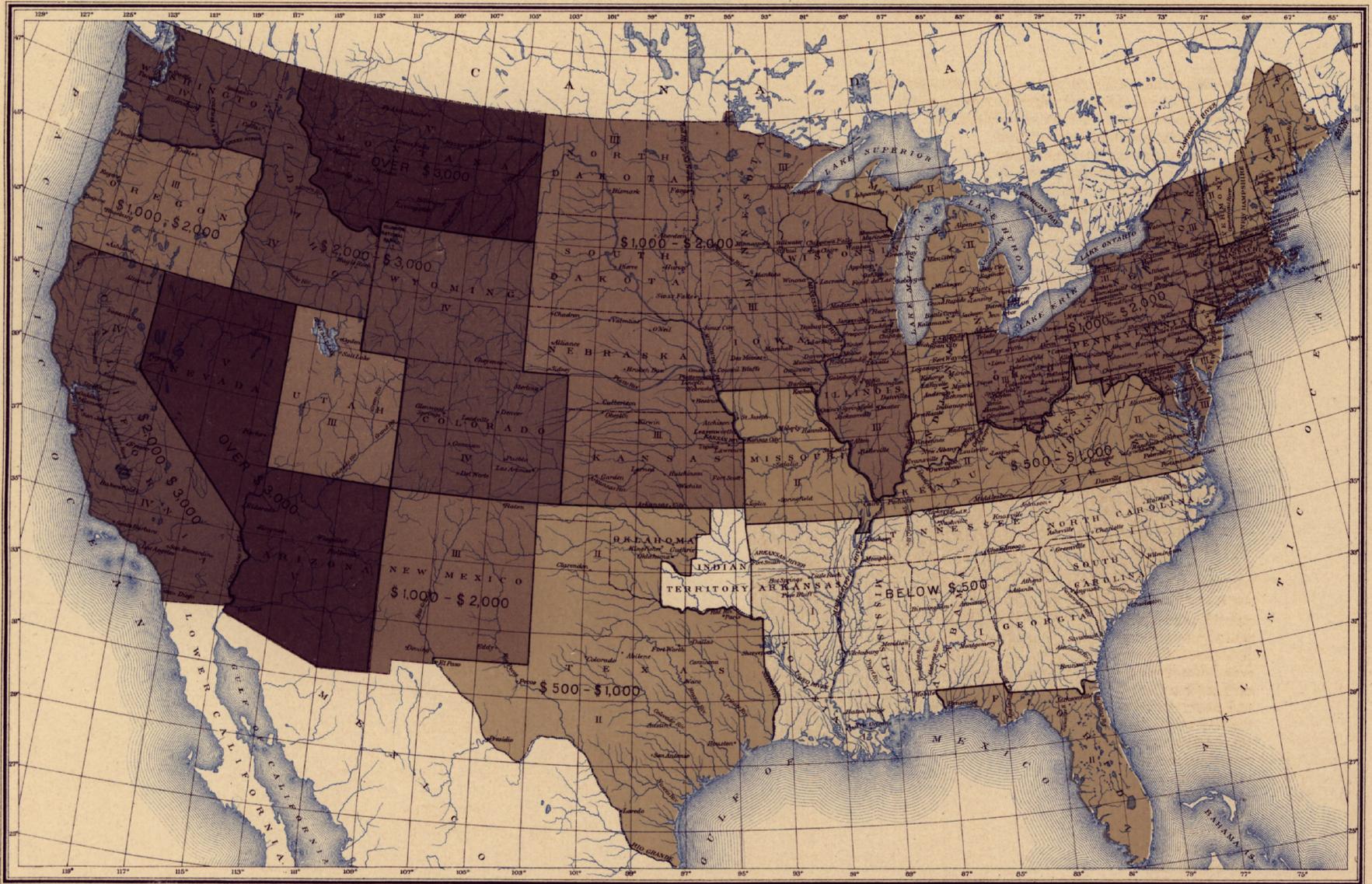
TAXATION.

The rate of taxation per \$100 on assessed valuation of property is shown by Diagram 384. This does not express the burden on property, inasmuch as the assessed valuation of the different states bears different relations to the true valuation.

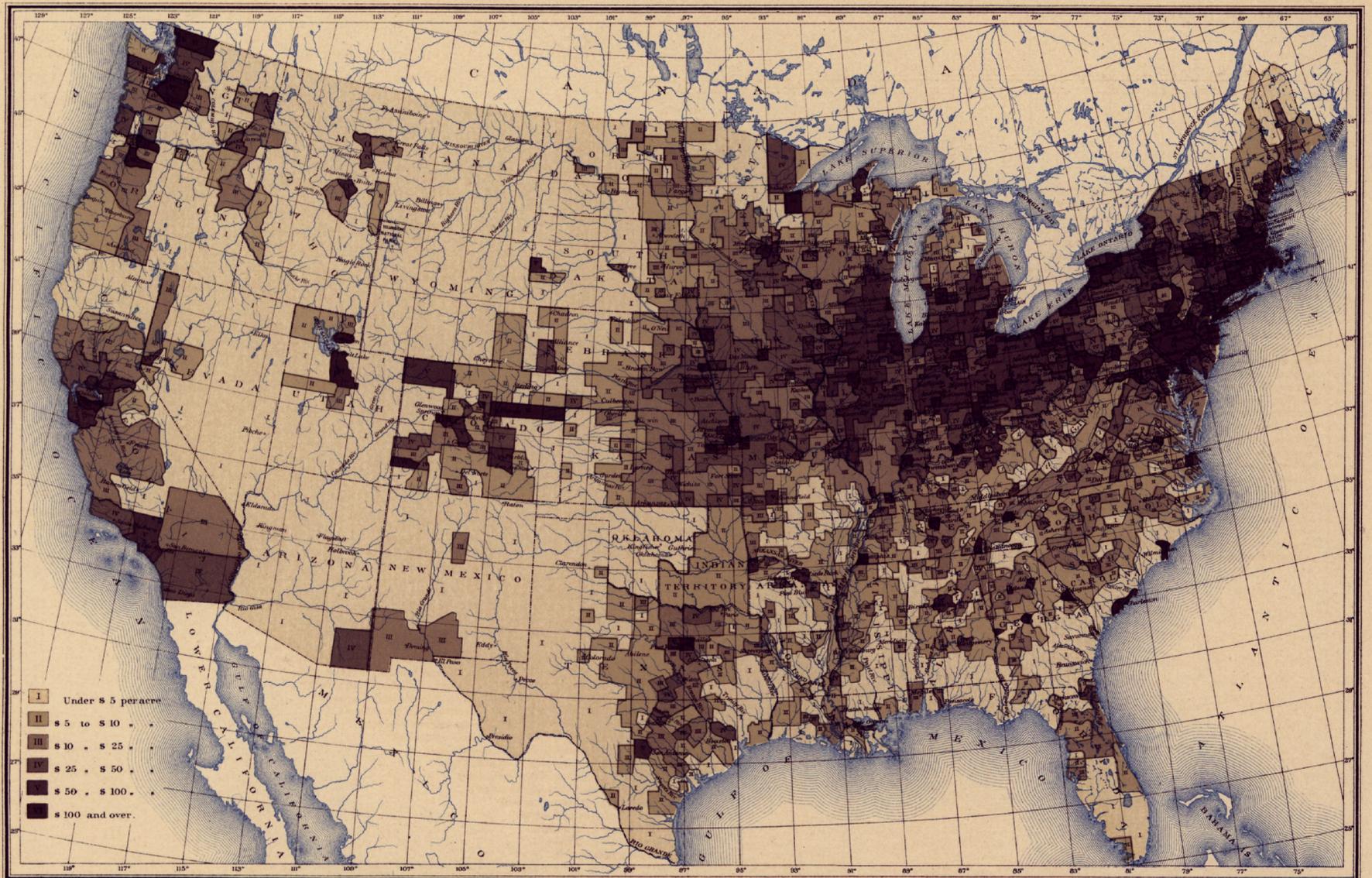
Map 385, plate 63, shows the taxation compared with population; that is, the burden on each individual. This is seen to be greatest in the west and least of all in the southern states.

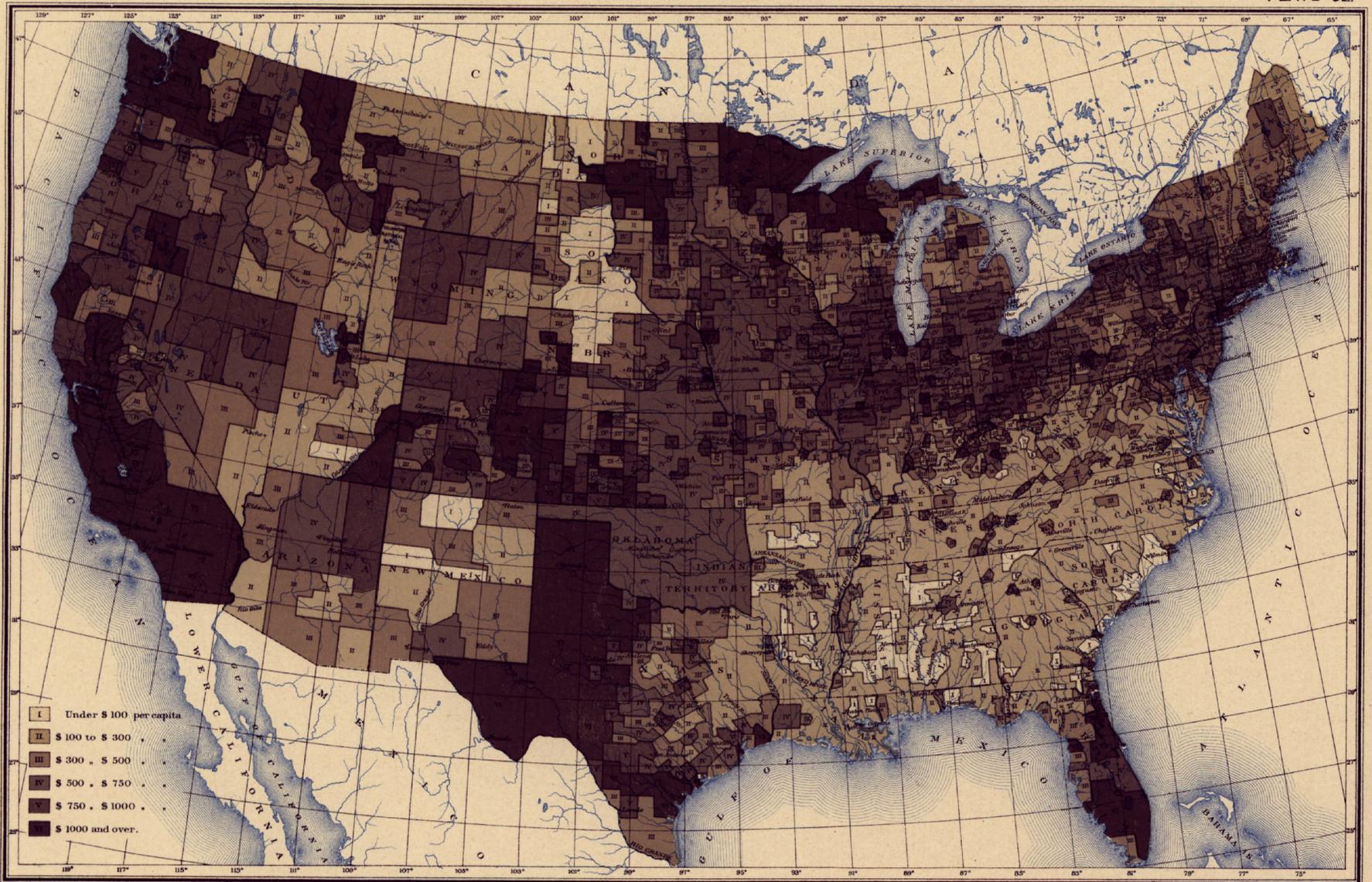
first shows a low valuation in the sparsely settled west and, though in less degree, in the south, and a high valuation in many of the northeastern states; and secondarily, the upper Mississippi valley and the parts of the Lake states adjoining. The second map shows a high valuation per capita in certain parts of the west, including especially Washington, California, Colorado, and west Texas. Indeed, most of the west is rich in real estate values, while, on the other hand, the south is poor.

Map 383, plate 62, presents the distribution of assessed values of property per capita of the population.

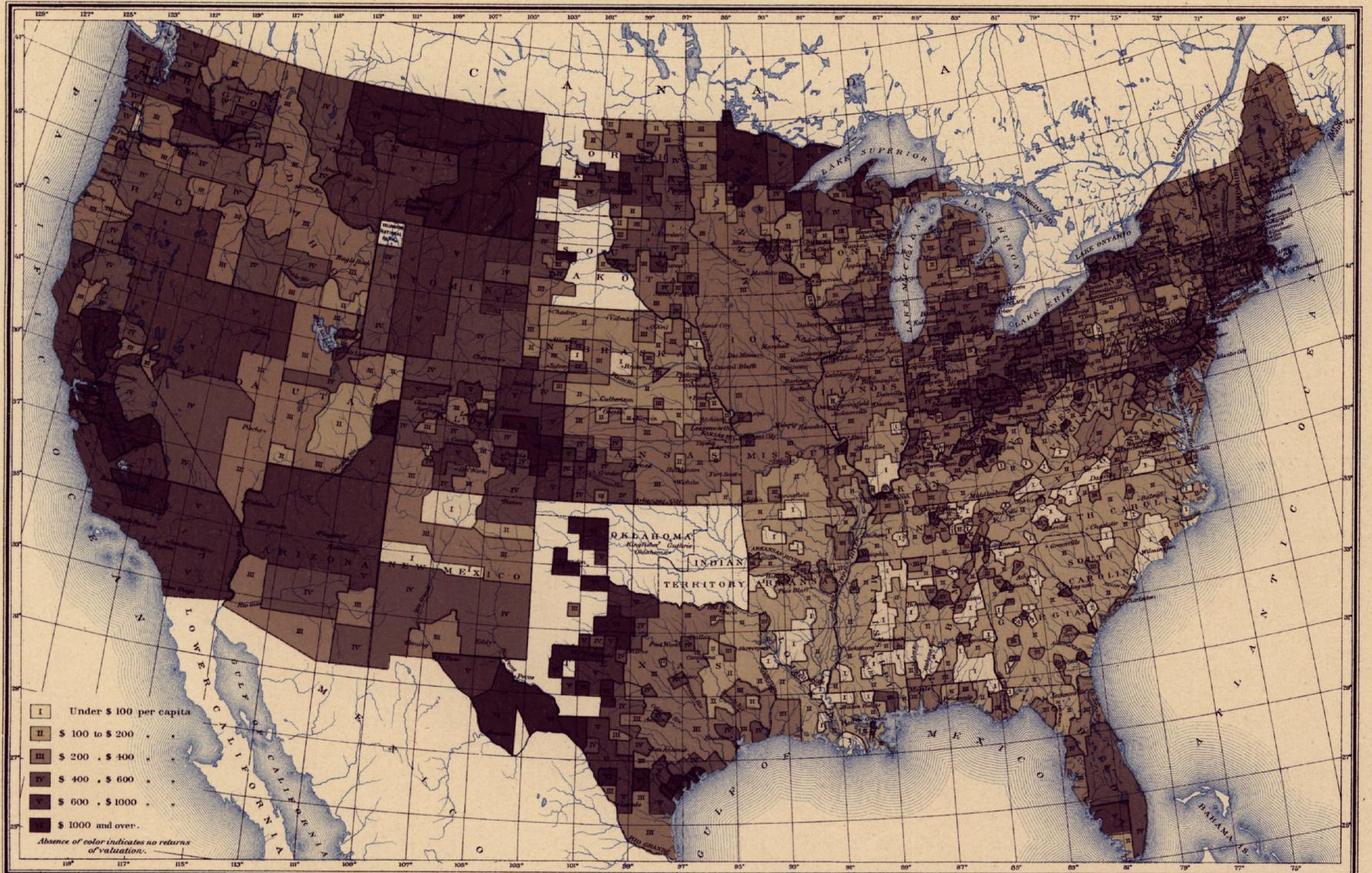


381. TRUE VALUATION OF REAL ESTATE AND IMPROVEMENTS THEREON PER ACRE: 1890.



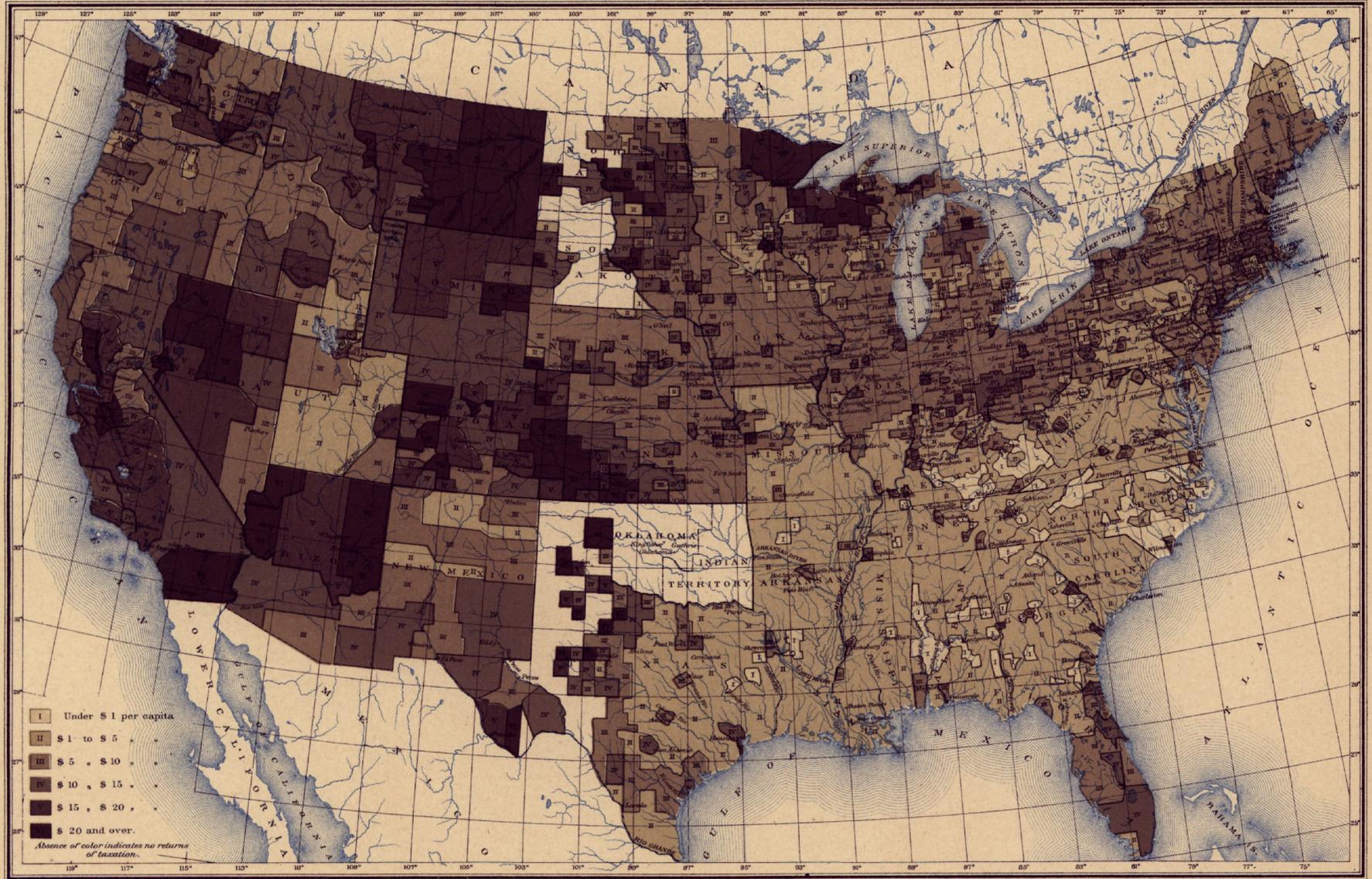


383. ASSESSED VALUATION ON REAL AND PERSONAL PROPERTY PER CAPITA: 1890.

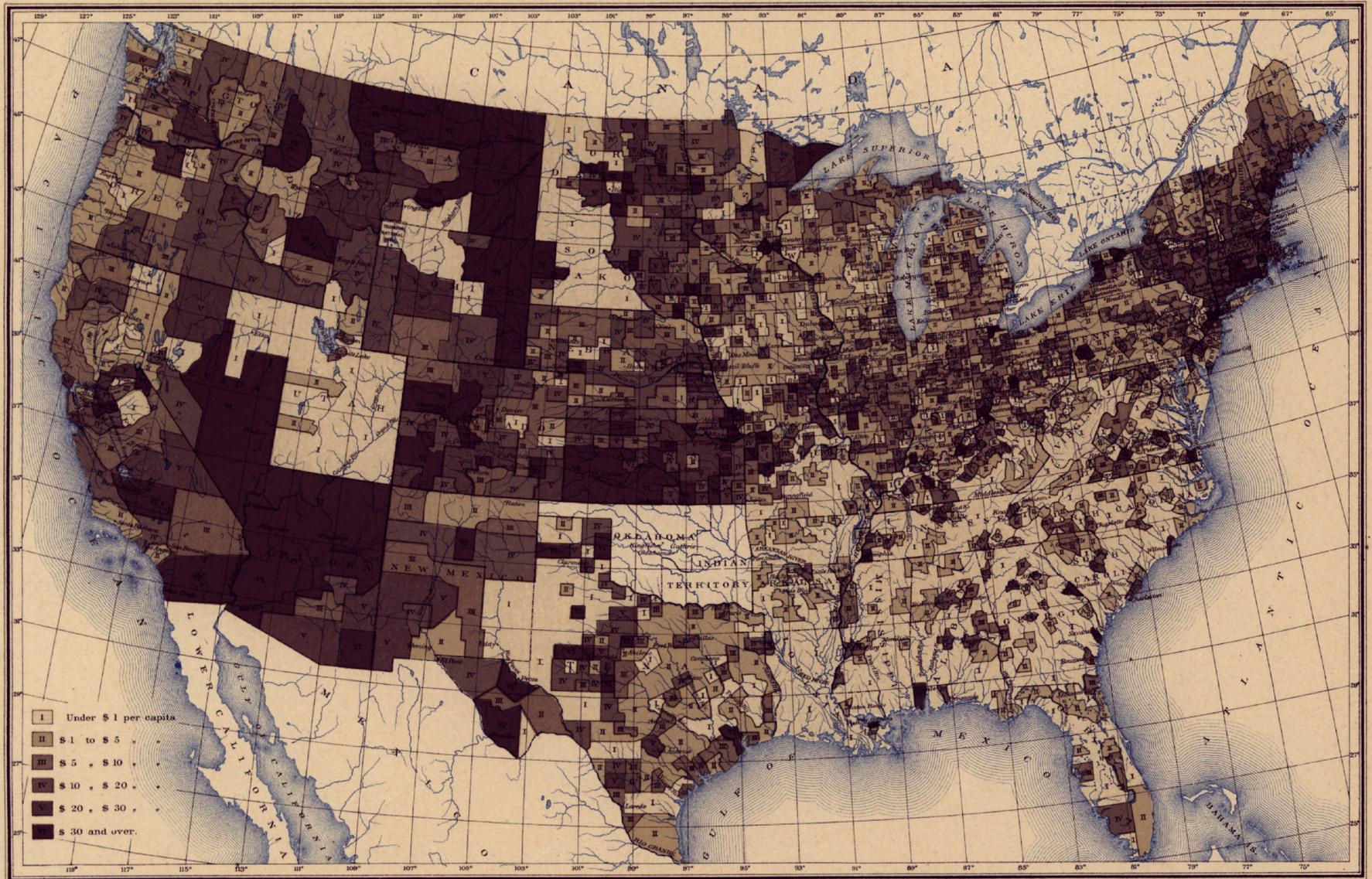


385. TAXATION ON REAL AND PERSONAL PROPERTY PER CAPITA: 1890.

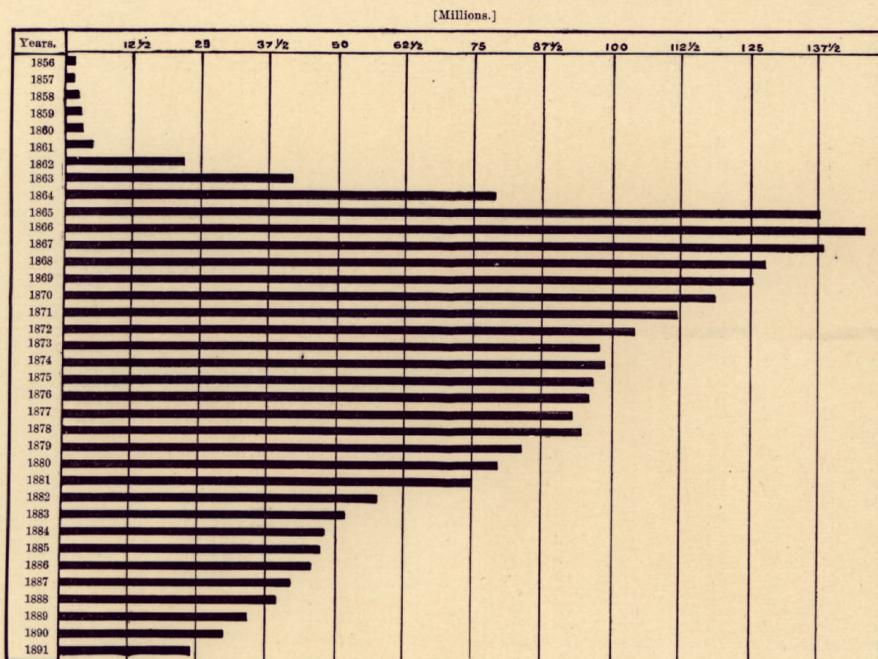
PLATE 63



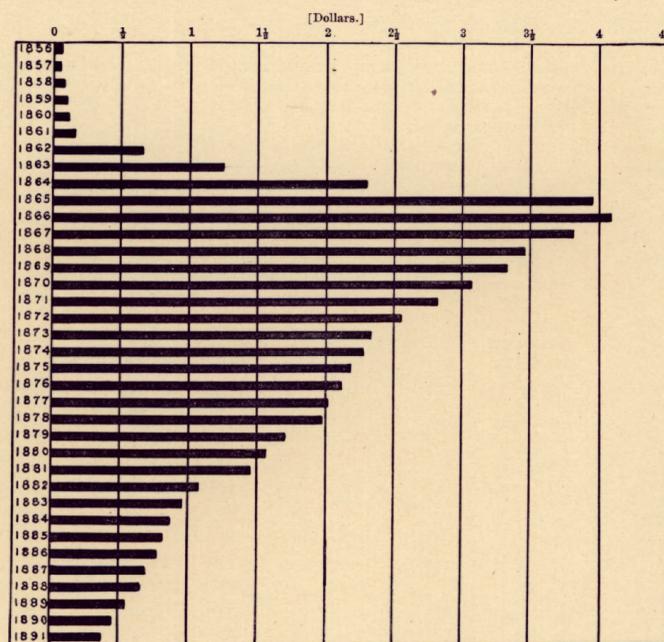
398. DISTRIBUTION PER CAPITA OF THE COMBINED COUNTY, MUNICIPAL AND SCHOOL DISTRICT INDEBTEDNESS LESS SINKING FUND. 1890.



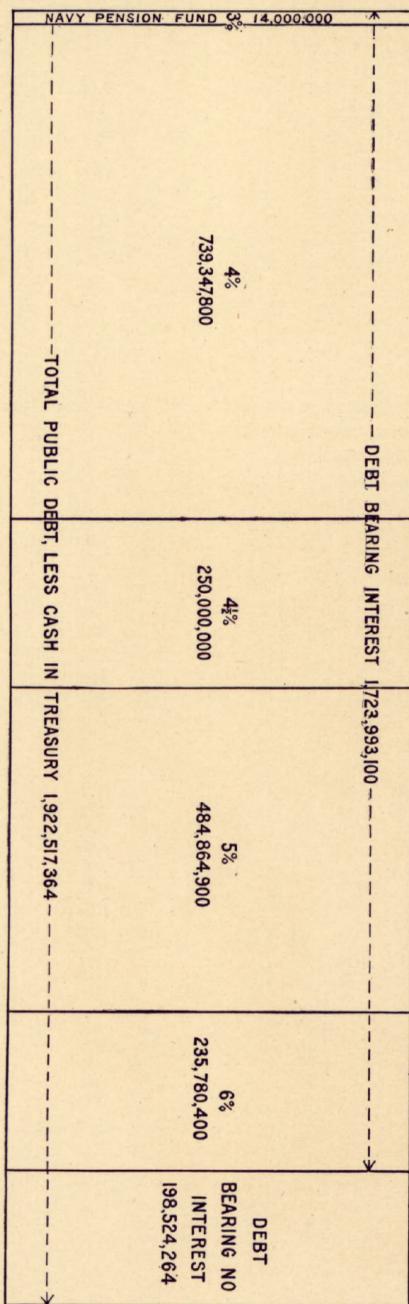
390. NATIONAL DEBT—ANNUAL INTEREST CHARGE: 1856 TO 1891.



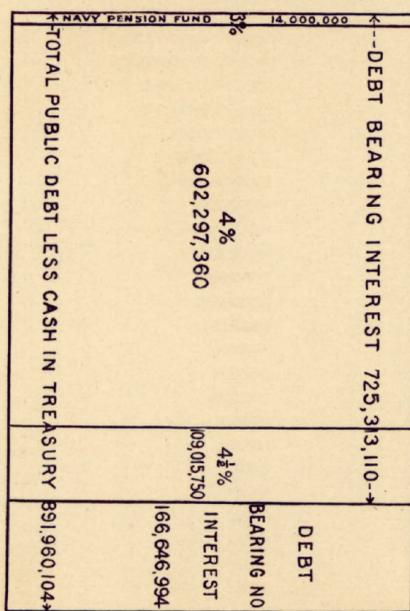
391. NATIONAL DEBT—ANNUAL INTEREST CHARGE PER CAPITA: 1856 TO 1891.



393. OUTSTANDING PRINCIPAL OF THE PUBLIC DEBT, LESS CASH IN TREASURY, JANUARY 1, 1880.



392. OUTSTANDING PRINCIPAL OF THE PUBLIC DEBT, LESS CASH IN TREASURY, JANUARY 1, 1890.



DEBT.

In 1890 the debt of the United States, the states, counties, school districts, and the municipalities was, together, a trifle over \$2,000,000,000. In 1880, 10 years earlier, it was a trifle over \$3,000,000,000, having diminished in 10 years by one-third its amount.

Diagrams 386 and 387 show these debts in 1890 and 1880 side by side. The total area of each diagram represents the entire governmental debts and is subdivided into the parts appertaining to each group of governments. At each date the national and the municipal debts are the large items, the state and county debts being small, and school district debts trifling in amount. During the decade the national debt has been reduced one-half, state debts have diminished decidedly, county debts have slightly increased, those of school districts have doubled, and those of municipalities have increased slightly.

Diagram 388 illustrates the history of the national debt since 1856. At that time it was trifling. During the war it increased with gigantic strides, reaching a maximum in 1865 of nearly \$2,700,000,000. Since then it has diminished year by year, and commonly with great rapidity, until in 1891 it was but little more than a third as great as at the maximum at 1865.

Diagram 389 shows the history of the national debt since 1856 per capita of the population. At the maximum in 1865 the debt was about \$75 per head of population. The decrease in the debt since then has been accompanied by an increase in the population, so that in 1891 it was but \$13 per head, or about one-sixth of what it was in 1865.

Diagram 390 shows in similar form the annual interest charge on the national debt for the same year. The interest charged has, since the war, diminished not only as the principal has diminished, but at a more rapid rate, as loans were replaced by others at less rates of interest. The annual interest charge per capita has diminished, but at a still more rapid rate, on account of the increase in population. This is shown by Diagram 391.

Diagram 392 classifies the outstanding principal of the public debt, less the cash in the treasury, separating the interest bearing debt from the non-interest bearing debt and classifying the interest bearing debt according to the interest paid. Thus it is seen that the great body of the interest bearing debt is at 4 per cent.

Diagram 393 presents the status similarly in 1880 for comparison.

INDEBTEDNESS OF STATES.

The indebtedness of states, which in 1890 amounted to \$229,000,000, was distributed among the various states as shown by Diagram 394. The largest state debts were as a rule, those of the southern states. In Virginia the debt was vastly greater than that of any other state.

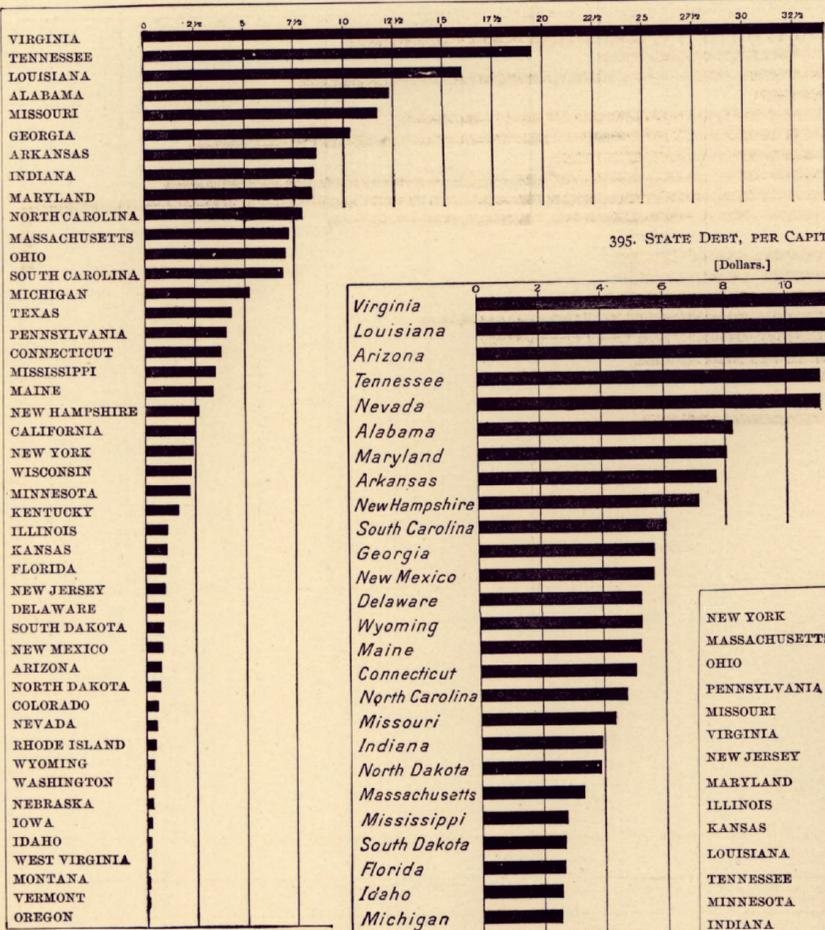
Diagram 395 shows similarly the amount of state debt per capita of the population. Here we find Virginia with its large reconstruction debt far in the lead, Louisiana following it, and then alternately southern and far western states.

Diagram 396 shows by the lengths of the bars the indebtedness of states, including in that term not only the state debt, but the debts of counties and municipalities. Here New York is far in the lead, having a debt nearly three times as great as its next competitor, Massachusetts, a fact which is in a great part due to the enormous debt of the city of New York. Massachusetts follows it, and then Ohio and Pennsylvania, the column being ended by the newer states and territories of the far west.

Diagram 397 shows the combined debt, that is, the debt of states, counties, and municipalities, per capita of the population. From this diagram it is seen that the District of Columbia had, per head of the population, a much larger debt than any other division of the country. This, however, is misleading unless qualified.

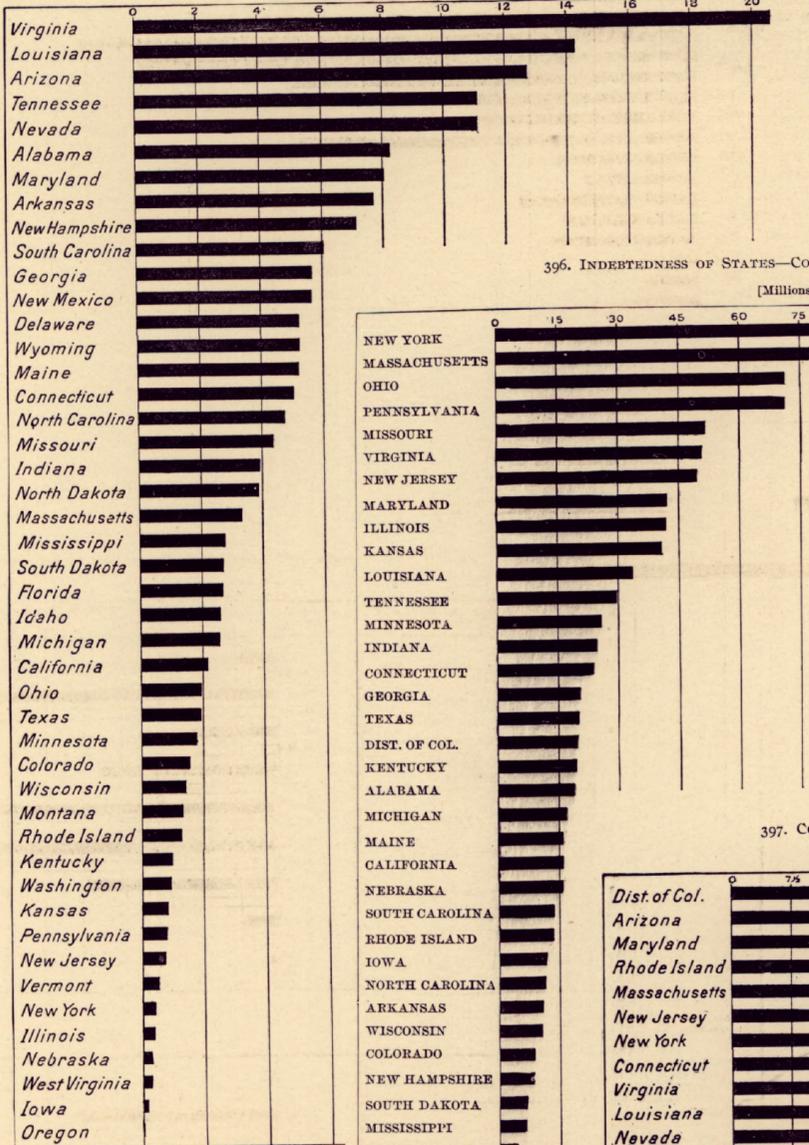
394. INDEBTEDNESS OF STATES: 1890.

[Millions.]



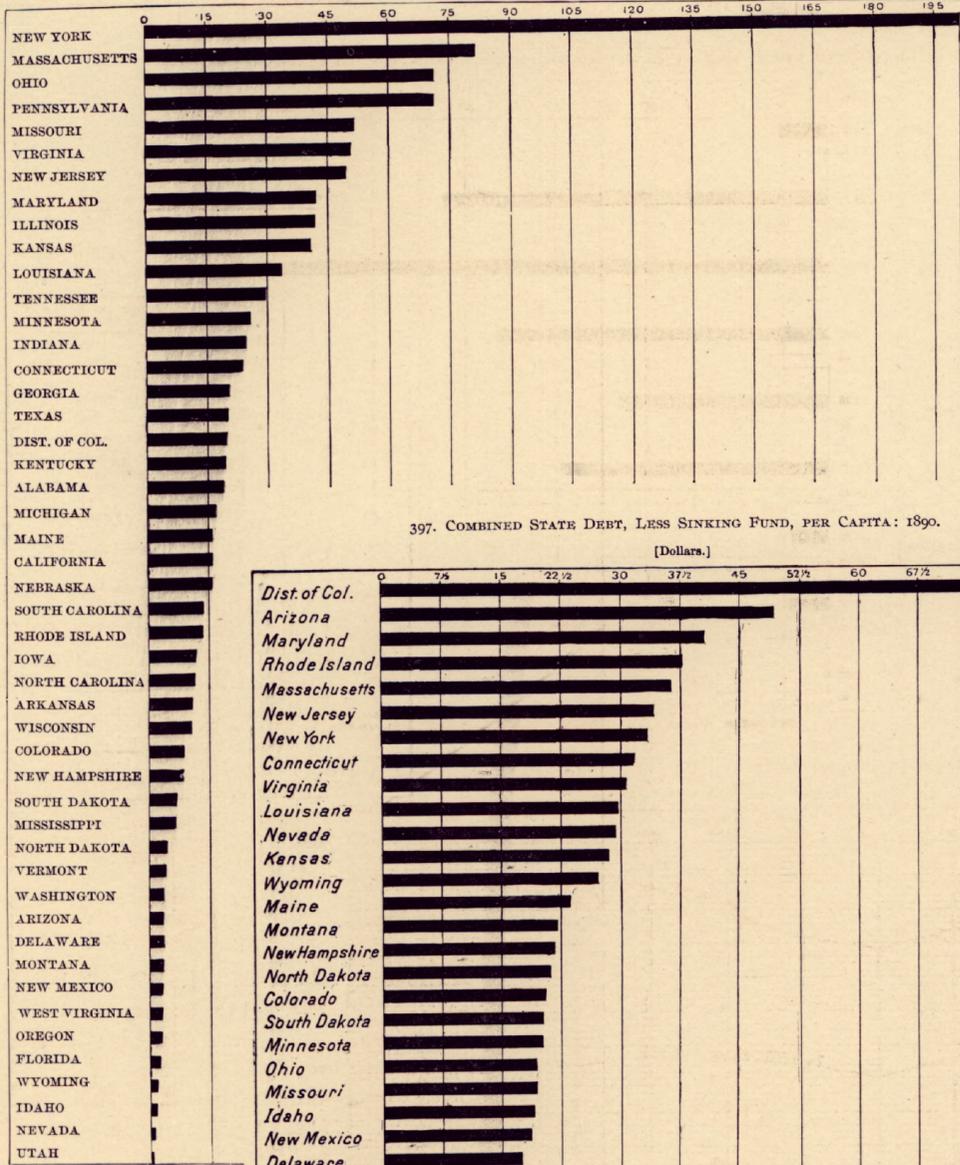
395. STATE DEBT, PER CAPITA: 1890

[Dollars.]



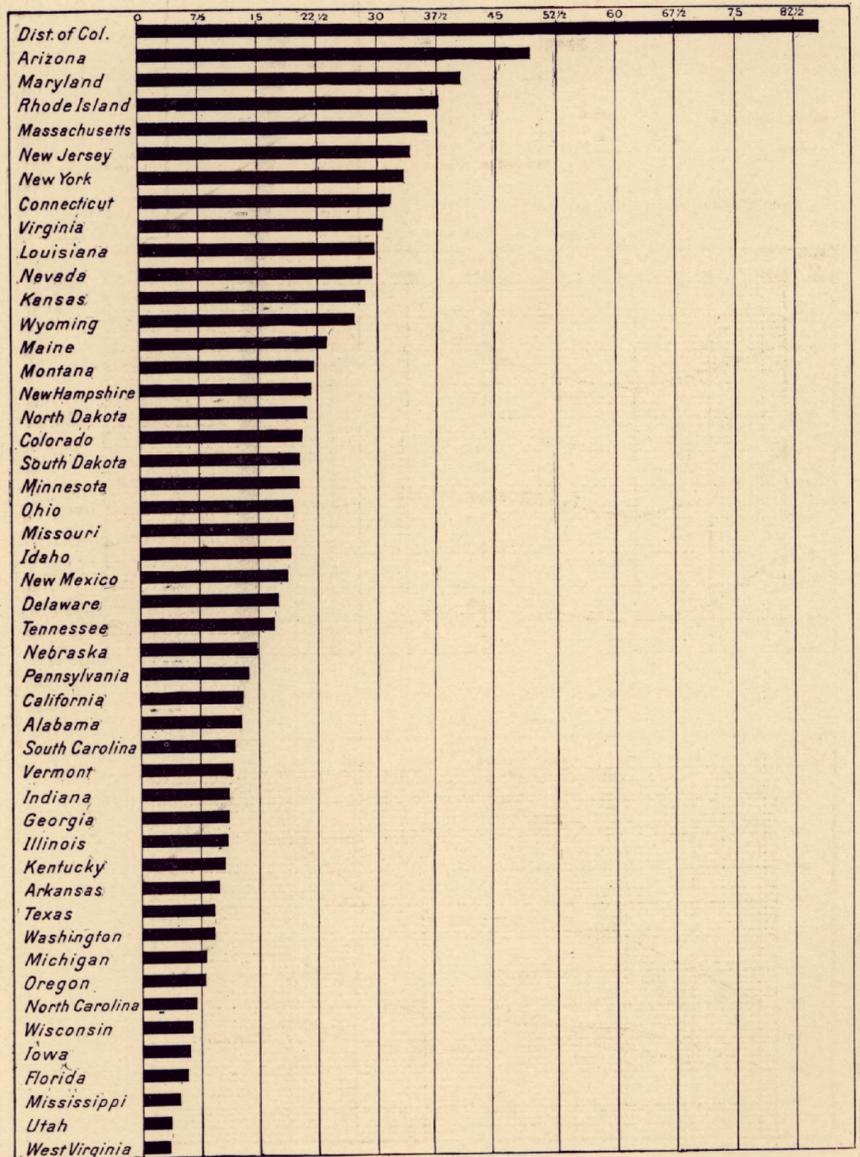
396. INDEBTEDNESS OF STATES—COMBINED DEBT LESS SINKING FUND: 1890.

[Millions of dollars.]



397. COMBINED STATE DEBT, LESS SINKING FUND, PER CAPITA: 1890.

[Dollars.]



The debt of the District of Columbia, incurred largely on account of the general government, is assumed in equal parts by the general government and by the District. The next largest debt is Arizona, then Maryland and a succession of northern states.

Map 398, plate 63, shows the distribution of county, municipal, and school district indebtedness over the country. The heaviest indebtedness of this local character was in the western states and territories, and the lightest in the southern states.

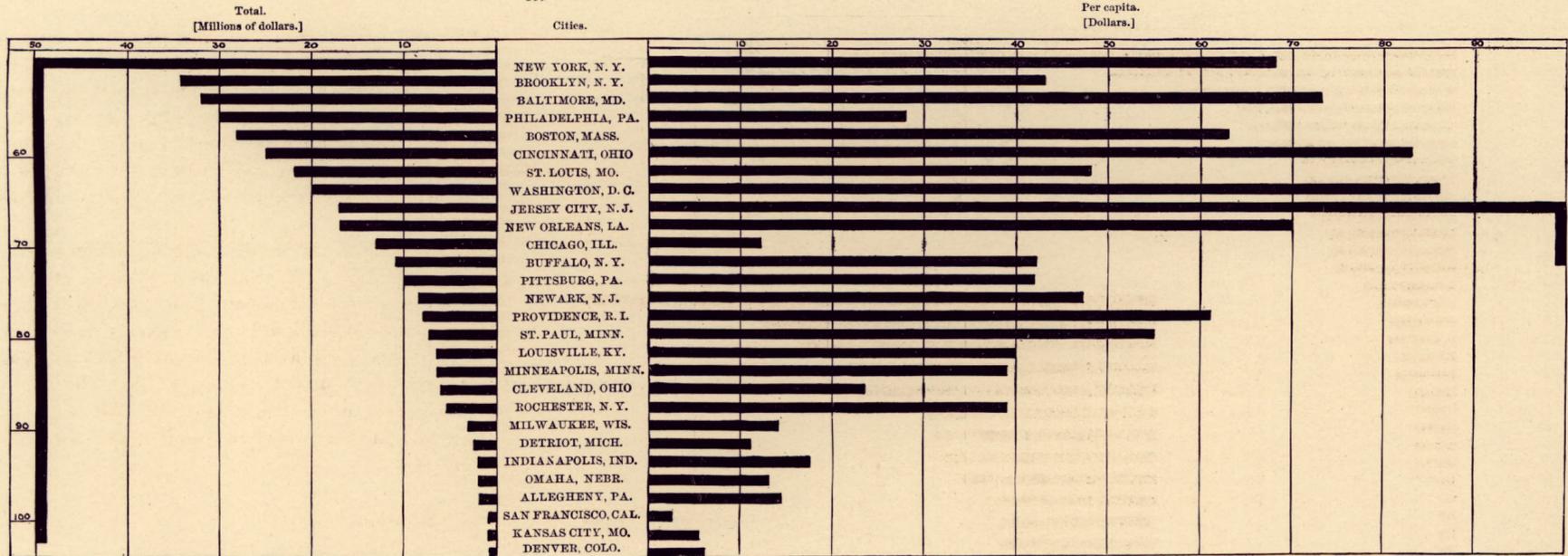
The following diagram, 399, shows two things; first, the municipal debts of the 28 largest cities of the country, and second, the municipal debt per capita of the population of those cities. New York, which had by far the largest debt, its amount exceeding \$100,000,000, had not by any means the largest per capita debt, being exceeded in the latter regard by Baltimore, Cincinnati, the District of Columbia, Jersey city, and New Orleans. Western cities, as a rule, had small debts, both in total amount and in per capita of the population; Chicago, for instance, our second city, having a debt of but \$13,000,000, or \$12 per capita of the population, while the debts of Denver, Kansas city, and San Francisco are of trifling amount.

REAL ESTATE MORTGAGE INDEBTEDNESS.

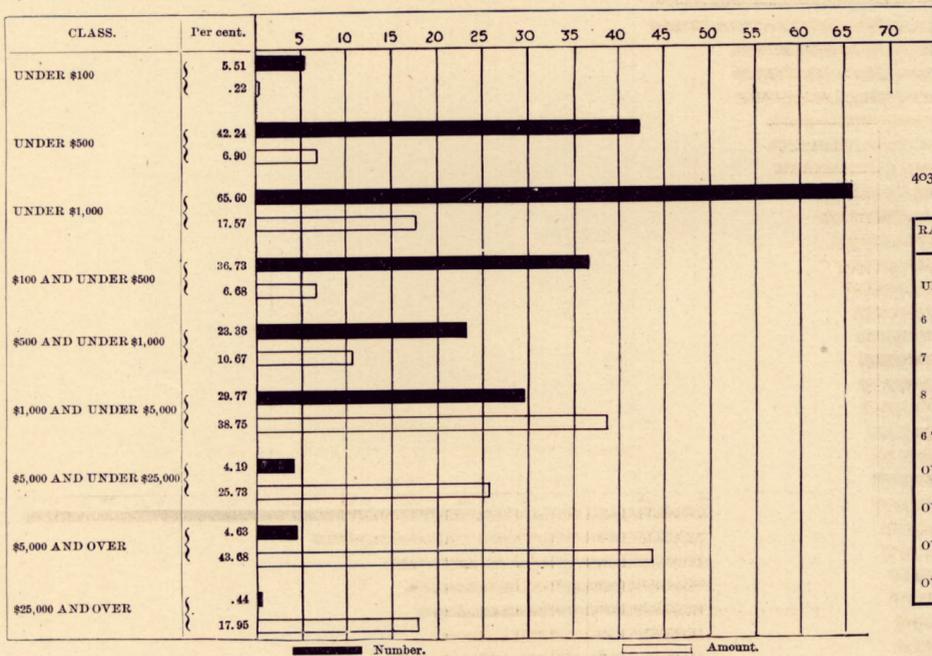
The total amount of real estate mortgage indebtedness contracted between the years 1880 and 1889 was little over \$12,000,000,000. In 1880 the amount contracted was \$711,000,000, and in 1889, \$1,752,000,000, about two and one-half times as much, showing a rate of increase in this class of indebtedness several times as great as in the increase in population and as the increase in wealth.

The amount of real estate mortgage indebtedness in existence on January 1, 1890, was a little in excess of \$6,000,000,000, of which amount \$2,200,000,000, or 37 per cent, was upon acres and \$3,810,000,000, or 63 per cent, was upon lots. The average amount of each mortgage upon acres was \$959, and upon lots \$1,540. The percentage of the debt to the true value of all taxed real estate was 16.67. In other words, the equities in all taxed real

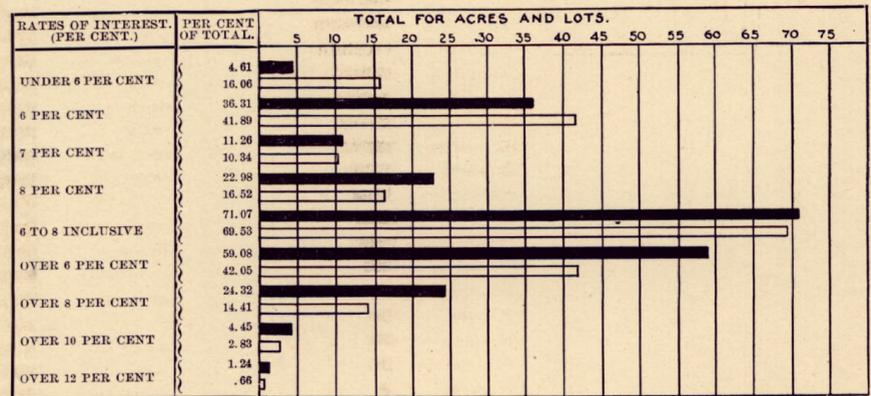
399. MUNICIPAL DEBT, TOTAL AND PER CAPITA, OF THE GREAT CITIES: 1890.



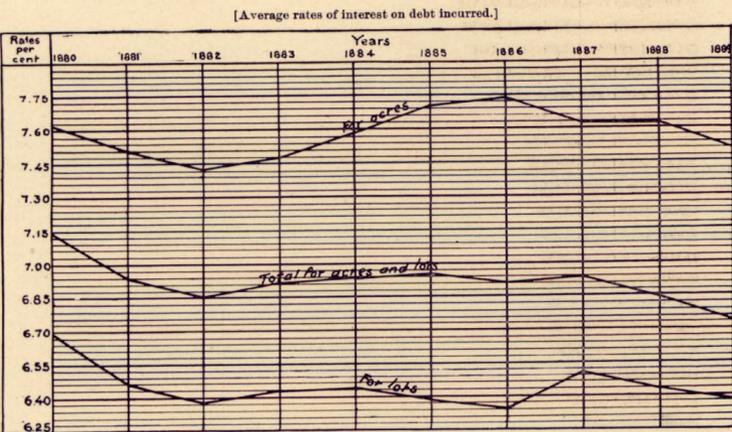
400. PER CENT OF NUMBER AND AMOUNT OF REAL ESTATE MORTGAGES MADE DURING 1889, BY CLASSES OF AMOUNTS.



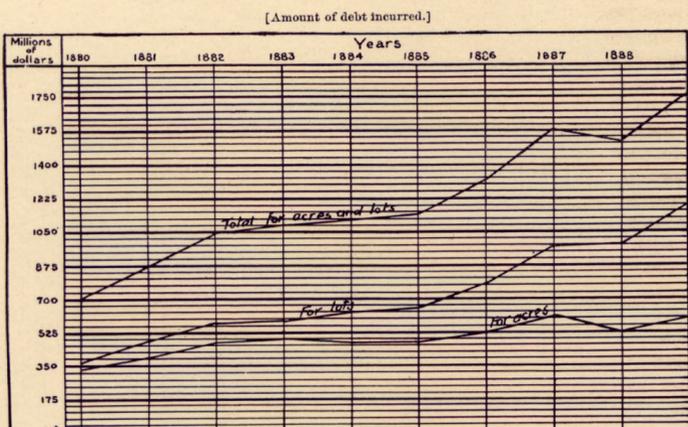
403. PER CENT OF NUMBER AND AMOUNT OF REAL ESTATE MORTGAGES MADE DURING 1889 BEARING SPECIFIED RATES OF INTEREST.



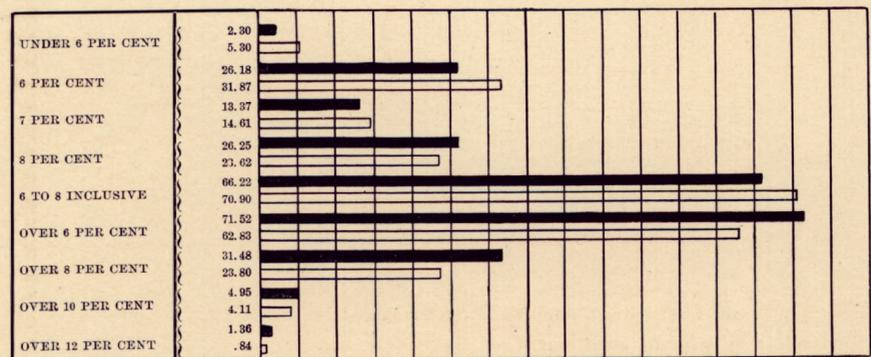
401. MOVEMENT OF RATE OF INTEREST ON REAL ESTATE MORTGAGES: 1880 TO 1889.



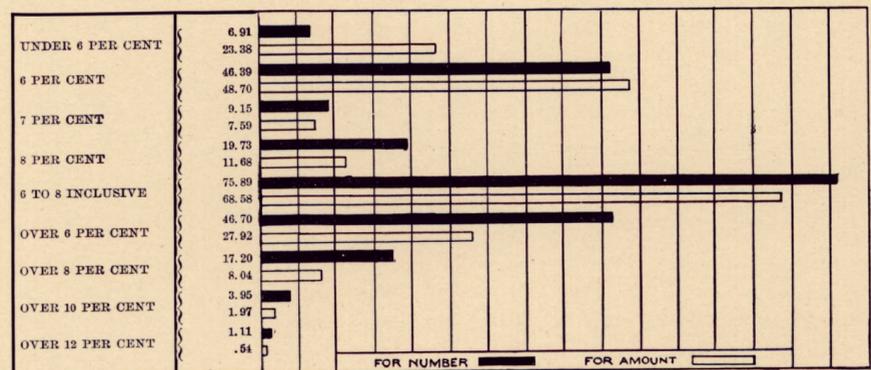
402. REAL ESTATE MORTGAGE MOVEMENT: 1880 TO 1889.



FOR ACRES.



FOR LOTS.





and Nebraska. In short, an examination of the list shows that the mortgage indebtedness of the southern states is, as a rule, comparatively light; that the mortgage indebtedness of the states and territories of the far west was the lightest of all, while those states which were most heavily in debt are those in which speculation was at that time, or shortly before, most active, or in which the business activities were the most intense.

407. PER CENT OF TAXED ACRES COVERED BY MORTGAGES IN FORCE ON JANUARY 1, 1890: BY STATES AND TERRITORIES.

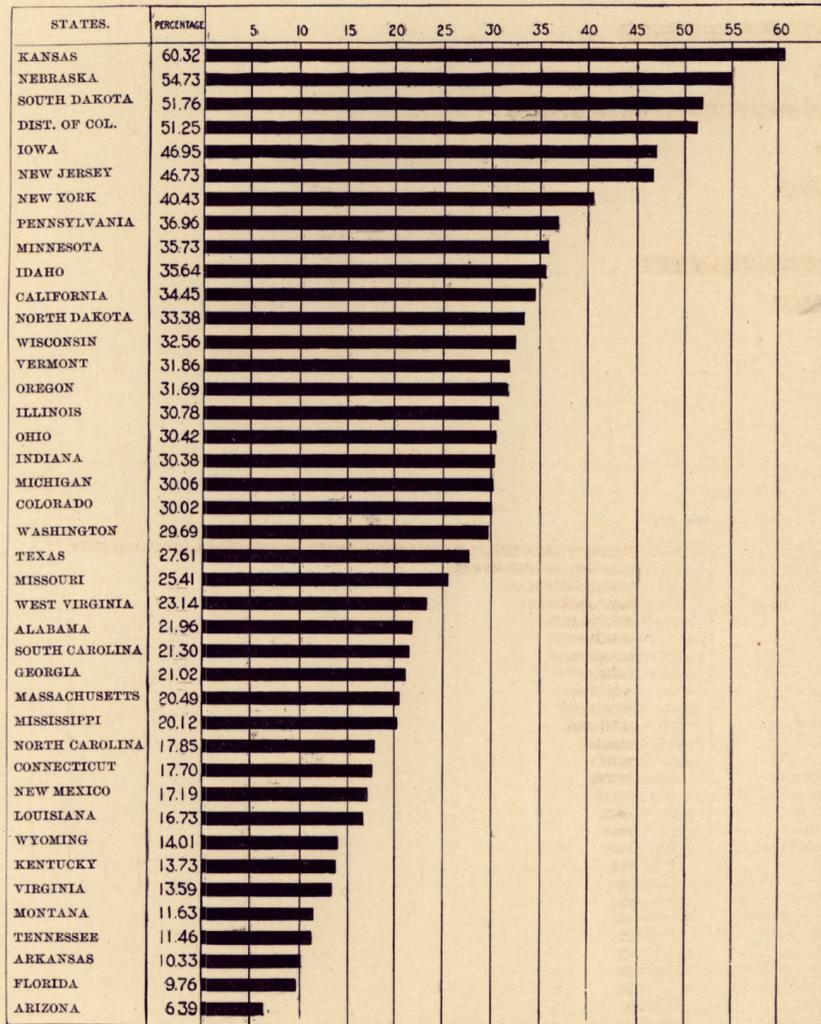
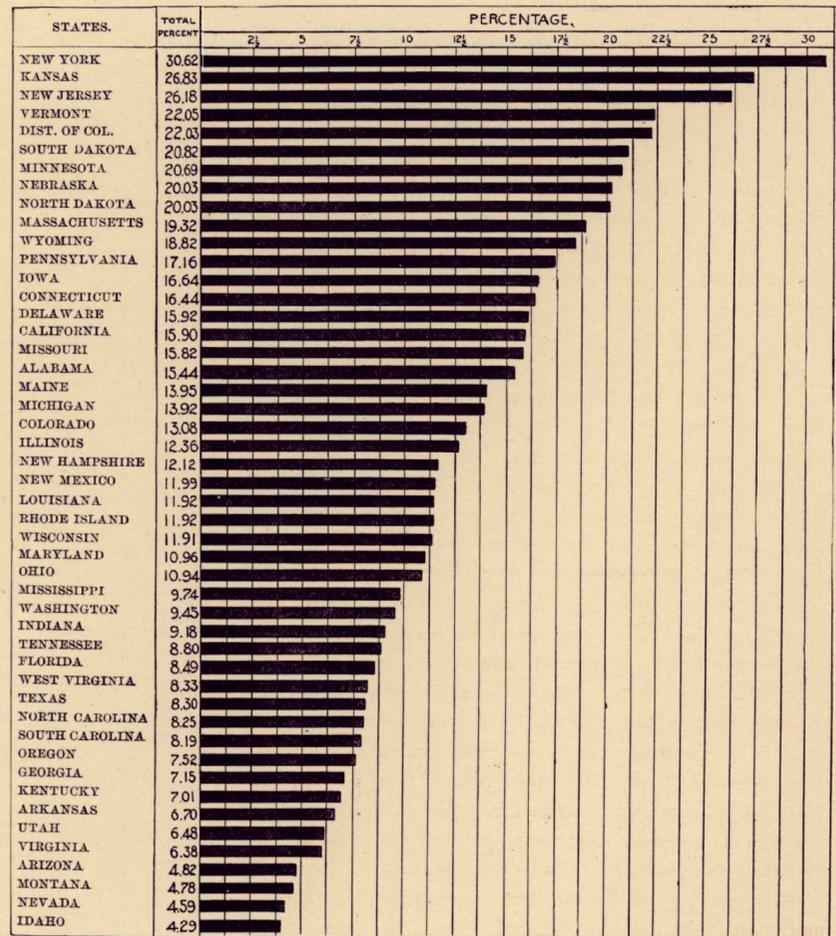


Diagram 409 shows the average rate of interest, by states and territories. The rates of Arizona, Montana, Idaho, and Wyoming were more than 10 per cent, and in other of the western states and the states upon the Great Plains, together with several southern states, the rate exceeded 8 per cent. In most of the eastern states the rate was less than 6 per cent.

408. PERCENTAGE WHICH THE REAL ESTATE MORTGAGE DEBT IN FORCE JANUARY 1, 1890, BEARS TO THE TRUE VALUE OF ALL TAXED REAL ESTATE: BY STATES AND TERRITORIES.



409. AVERAGE RATE OF INTEREST ON THE REAL ESTATE MORTGAGE DEBT IN FORCE JANUARY 1, 1890: BY STATES AND TERRITORIES.

