The Early United States Land System

by Jon Dotson
Old World Auctions

The signing of the Treaty of Paris in 1783 was clearly significant for Britain's recognition of United States' independence, but the new boundaries negotiated within the treaty were also quite remarkable. The terms gave the United States over 270 million acres of lands with the new boundary extended west from the Appalachian Mountains to the Mississippi River and north to Lake of the Woods and the Great Lakes region. The victory and favorable terms in the treaty, however, came with significant financial consequences. The country was faced with staggering debt levels and at the same time had no authority to tax its constituents in order to repay its debts (this power would come with the ratification of the Constitution in 1788). Given the United States' limited funds, the sale of federal lands became an important mechanism for reducing debt. Payson Treat stated that "the lands were considered primarily as a source of revenue, and Congress was expected to so provide that the lands would serve to relieve the financial burdens of the struggling nation" (Treat, p. 15).

Land Ordinance of 1785

The Land Ordinance of 1785 further clarified Thomas Jefferson's 1784 ordinance establishing the new states that would be added to the Union from the huge Northwest Territory (Ohio, Indiana, Illinois, Michigan, Wisconsin and Minnesota). The ordinance

A map showing part of the newly acquired Public Domain.
A Map of the North Western Territory, by Jedidiah Morse, c. 1796.
called for a systematic, community-based approach for releasing these lands for sale. In order for these lands to go to market, however, the vast tracts had to be properly surveyed. Unlike the original thirteen colonies which used the British method of metes and bounds, a system that measures and describes a location using physical features, the Northwest Territory used the Rectangular Survey System. The basis of this system, which became known as the Public Land Survey System, "lies in the fact that the subdivision of the square can be readily located and described when divided into halves and quarters...on the cardinal points of the compass, north, south, east and west" (Higgins, p. 5). The square in this instance was called a township and measured 6 square miles. The townships were then divided into 36 sections of 640 acres, which could also be divided into smaller quarters as needed. The process of selling land was simplified by designating each unit by a number, which eliminated the need for a physical description of each parcel. This data-based approach also benefited settlers down the road by curtailing litigation related to land ownership disputes commonly experienced in the original thirteen states. Within each township, the central region corresponded to parcel numbers 15, 16, 21 and 22, with lot number 16 dedicated specifically to public education. The Land Ordinance states: "There shall be reserved the lot No. 16, of every township, for the maintenance of public schools within the said township." Clearly the ordinance had aspirations beyond just the sale of land, and was designed to build communities of yeoman farmers with education at its core.

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The township diagram of the Public Land Survey System. Image courtesy of Wikimedia Commons.
Seven Ranges - Design in Practice
The Public Land Survey System (PLSS) began on a tract of land in eastern Ohio bordering the Ohio River called the Seven Ranges. The surveying work was headed by Thomas Hutchins, geographer to the United States, who assembled a team with membership from every state, as stipulated by the ordinance. Work began on September 3rd, 1785. Surveying took much longer to complete than anticipated, and was frequently interrupted by clashes with local Indians. In 1787, with only four of the seven ranges complete, Congress initiated a sale of lands. Between September 21st - October 9th of that year, a total of only 108,431 acres for $176,000 were sold at auction in New York. This was due in part to the large parcels being too expensive for most to purchase without credit, coupled with the constant threat of Indian attack on new settlements.

The first region to use the PLSS - Hutchins’ Seven Ranges in Ohio.  
*Plat of the Seven Ranges of Townships Being Part of the Territory of the United States N. W. of the River Ohio…*, Capt. Thomas Hutchins, published 1814.

At the same time as the Seven Ranges were being surveyed, a group led by Rufus Putnam of Massachusetts approached Congress regarding a possible sale of a large tract of land in Ohio. Under normal circumstances such a proposal would have been rejected, for it essentially called for a suspension of the Land Ordinance, but the
country’s financial situation was dire. Therefore on October 27, 1787, the Ohio Company completed the purchase of 1.5 million acres for $1 million (later to be settled at $750,000) and formed the first permanent settlement in Marietta, Ohio. Despite the deviation from the prescribed method, the principles laid out in the 1785 ordinance were present: "section 16 was to be reserved for education, and sections 8, 11 and 26, for the future disposition of Congress, and in addition section twenty-nine was to be given perpetually for religion - this was a New England feature which had failed of passage in the Land Ordinance" (Treat, p. 51). With finances in mind in the short-term, Congress would approve a few other large private sales in Ohio to the Scioto Company and the Symmes Purchase.

**Subsequent Land Acts: 1800-1820**
Disappointing results in early land sales brought about changes to the design of the program over the following decades. The most important of these changes were related to size of the tract and upfront cost. The parcel size was first reduced from 640 to 320 acres as part of the Harrison Land Act in 1800. The act fixed the price at $2.00 per acre, but allowed for half the purchase price to be paid over a period of 4 years. These two factors made a land purchase much more affordable and settlement accelerated.

Congress would continue to fine-tune the mechanisms of the program with the minimum parcel size further reduced to 160 acres in 1804 and 80 acres in 1820. Due in part to fraud as well as credit overextension, the credit component was phased out in 1820. However, Congress mitigated this policy change with a substantial price reduction from $2.00 to $1.25 per acre. The net effect of the various land acts was dramatic, as seen in the following United States Census population table:

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<thead>
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<th>1800</th>
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<td>Ohio</td>
<td>45,365</td>
<td>230,760</td>
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<td>Indiana</td>
<td>5,641</td>
<td>24,520</td>
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<td>Illinois</td>
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<td>Michigan</td>
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**Complicating Factors to the Land System**
It is important to point out that a substantial portion of westward expansion was occurring outside of the official territorial land sales by the U.S. government. Squatters were often found occupying some of the best tracts of unsurveyed land. These squatters were described by Colonel Josiah Hannar as “banditti who entered and claimed their undoubted right to pass into every vacant country, and there to form their own constitution.” (Hughes, p. 21). While squatters hindered the speed of sale of many tracts of land, the government could at least impose a minimum price to the squatters to guarantee their claims. The silent condoning of squatters was later formalized in the Preemption Act of 1841, which gave squatters a method for legally acquiring the lands they occupied. This act was widely utilized by settlers in both Kansas Territory and Nebraska Territory in the early 1850s.
In addition to illegal claims, other complicating factors to the PLSS were the numerous preexisting legal claims and authorized settlements in the public domain. In Ohio, for example, this included the Virginia and the Continental bounty lands, the Connecticut Reserve, private claims at the French settlements, and various smaller grants. Preexisting claims were equally complicated in the Southwest Territory, which consisted of present-day Mississippi, Alabama, and Tennessee. This region was blanketed with old French claims, Spanish claims, numerous Revolutionary War bounty grants, and the fallout from the infamous Yahoo land scandal. These sometimes competing and intertwined claims made administrating a new land system complicated and time consuming, often delaying public sale of these lands.

**Framework for Westward Expansion**

While land maps produced during this time period are not decorative like those from the 17th and early 18th century, they do capture an important episode in American history. John Fiske, an American philosopher and historian said "questions about public lands are often regarded as the driest of historical deadwood. Discussions about them in newspapers and magazines belong to the class of articles which the general reader
usually skips. Yet there is a great deal of philosophy wrapped up in the subject.” Treat echoes these comments, “a transaction with the land office was a very unromantic performance, and yet it was of great importance in the life of the settler” (Treat, ii). The land ordinances of the late 18th/early 19th century facilitated the movement of millions of people across the country in stages through a calculated, meticulous process. And in the span of about a century, Americans "surveyed and settled an empty continent, dividing it into small pieces of private property, peaceably, with few exceptions" (Hughes, p. 5).

Bibliography:


Higgins, Jerome, *Subdivisions of the Public Lands, Described and Illustrated, with Diagrams and Maps*, Higgins & Company, St. Louis, 1887.


"Public Education In Land Grants," Simone Greenbaum's American Legal History website. <http://moglen.law.columbia.edu/twiki/bin/view/AmLegalHist/PublicEducationInLandGrantsSGrenbaum>

Ohio History Central, <http://www.ohiohistorycentral.org/w/Welcome_To_Ohio_History_Central>