WILEY

Back to the Land

Author(s): Will C. Smith

Source: *The Economic Journal*, Vol. 18, No. 70 (Jun., 1908), pp. 242-253

Published by: Wiley on behalf of the Royal Economic Society

Stable URL: <http://www.jstor.org/stable/2220703>

Accessed: 27-06-2016 02:55 UTC

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at
<http://about.jstor.org/terms>

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.

Royal Economic Society, *Wiley* are collaborating with JSTOR to digitize, preserve and extend access to
The Economic Journal

BACK TO THE LAND.

THE State has, no doubt, an interest in securing the largest possible economic product from the national soil, and also in maintaining an adequate proportion of the population living in rural districts, for the supply of fresh blood, health and strength to the City population. But from the most intelligent and sympathetic descriptions available of rural depopulation it is obvious that the migration from country to town is due not so much to want of employment or unsatisfactory conditions of employment at home, as to the superior attractions of the town. The stream of migration flows where the money agricultural wage is high, as well as where it is much lower than in towns. If people deliberately prefer town to country because the one is lively and the other dull, it is difficult to see how their inclinations can be altered or controlled by Act of Parliament. But the subject is too important to be dismissed in this way. What is the extent of rural depopulation? What are the general economic conditions under which it takes place? Is it the case that in Scotland, to use the phrase of M. Jules Méline, "the equilibrium between agriculture and manufactures has been upset," and can the State do anything to restore it? For the period 1871-1901 the town population of Scotland increased on the average about 38,000 a year, while in the villages and rural districts there was a net decrease of about 2,000 a year, the villages gaining largely, and the purely rural districts losing heavily. The largest decrease was in the class of agricultural labourers, while there was a substantial increase in the number of male relatives assisting farmers and graziers, also in the number of foremen, and of gardeners, nurserymen, and florists, and miscellaneous employees. There was a diminution of 1,000 in the number of shepherds. About 40 per cent. of the decrease in agricultural labourers consists in a decrease of women so employed. Upon the whole, the progressive decrease in the number of women and very young children employed in agriculture is matter for congratulation, as

evidence of a higher standard of humanity and morality. The bothy house of Scotland and the evils against which the English Agricultural Gangs Act of 1867 was directed were not pleasing features of our national economy. But there are many departments of farm-work, especially on dairy-farms, for which women are well adapted, and in which, indeed, they excel. If the statistical inquiry be carried back to the period 1851-81, long before the agricultural depression set in, you find the total number of servants engaged in agriculture in Scotland sinking by nearly the same average of about 2,000 in the year, there being, however, during that period a large increase in the number of shepherds. These figures are serious, and in some parts of the country there is undoubtedly a scarcity of agricultural labour.

But is it certain that this is not the natural and normal relation between the urban and agricultural population in Scotland, and that the causes are such as may be removed by legislation? That relation must shift and change with the expansion of manufactures, on the one hand, and the depression of agriculture on the other. It must depend not on the mere inclination and desire of people in this country, but on the position of the country as a producer and buyer in the markets of the world, including the market for food-stuffs. The outstanding features of British economic history during the period in question have been the rapid increase in manufactures from 1840 to 1880, and the depression of agriculture from 1870 onwards. If there has been a long-continued and rapid development of manufactures, and a retrograde or even stationary condition of agriculture, one would expect a considerable transfer of population from the country to the town. It is an illustration of the mobility of labour, and does not necessarily suggest something wrong in the circumstances or conditions of agriculture. Nobody would desire to stop or hinder the development of manufactures, even for the sake of improving the position of agriculture. Agriculture is the largest and most ancient of our industries, but it cannot be withdrawn from the operation of any general economic tendency. In Major Craigie's address to the Royal Statistical Society it is pointed out that this migration from country to town is almost universal in Europe. It occurs in countries which protect their agriculture, as well as in free importing countries. It occurs under every variety of land tenure and social and political organisation. Nowhere is it more marked than in France, a country, to a large extent, of small-holders, where it has been described with much pathos by such writers as René

Bazin in his *La Terre qui Meurt*. Such things happen because in these countries manufactures grow more quickly than any possible development of agriculture. The additional food supply comes from distant parts of the world. The case of Great Britain is somewhat special. Professor Shield Nicholson, in his recent Gilbey Lectures at Cambridge, observed that for the most part the rent paid for agricultural land in England can hardly be described as a payment for the natural fertility of the soil, but, in general, is not more than a fair return on the capital spent by generations of landlords in the necessary buildings, fencing, and drainage of the soil. Then, by a faulty system of local taxation, and by the inclusion in it of charges that equitably fall on the Imperial Exchequer, agriculture is unduly taxed to an extent exceeding 2s. a quarter upon wheat. The Duke of Argyll lately made public the case of a Highland county where, during the last twenty-five years, the rental went down 44 per cent., and the local taxation increased 240 per cent. In these circumstances, naturally, every effort has been made to reduce the amount of labour in agriculture. The self-binder and the potato-lifter have been introduced, but no modern Jack Cade would suggest the destruction of these useful implements in order to stem the tide of rural depopulation. Nor is it wonderful that in some cases small farms have been merged in larger ones. Foreign or colonial competition must be faced, and the large farmer has the advantage of obtaining better results from better machinery; he deals in bulk, and has easier access to the best markets; he has the working capital required for the modern system of expensive manures. What is found in other trades is that when prices fall the output must be increased, and the on-cost charges diminished. It would be a dangerous responsibility to place legislative obstacles in the way of such economic changes as these, which recommend themselves to both landlord and tenant. Is it wonderful that some land has been converted into permanent pasture? According to a well-known calculation, comparing the period 1872-7 with 1892-7, there has been in the United Kingdom a loss of farmers' capital of £101,000,000, or 22½ per cent. In the former period the gross produce was £249,000,000, of which £65,000,000 may have been spent in wages. The annual profit of the earlier period, viz., £43,000,000, was, in the latter period, converted into an annual loss of more than £1,500,000. These figures would explain a greater conversion of arable land to pasture than has actually taken place. Long ago Bishop Latimer, in his sermon to King Edward VI., denounced the graziers for

turning out the householders, so that "there is now but a shepherd and his dogge." But if 1827 and 1901 be compared, in 1901 there were a million more acres under arable cultivation and in gardens than in 1827. It is absurd to talk of England once more becoming a deer-park as in the time of the Tudors. The eminent preacher and fervid socialist who is now Bishop of Birmingham would hardly repeat to King Edward VII. the sermon of Bishop Latimer—at least if he had read the recent report of the Board of Agriculture on the wool production of Great Britain, and the course of wool prices for twenty years. The production of wool last year was £133,000,000. The rise in the price of British wool has surpassed in rapidity and extent any change in agricultural values which has occurred during the whole period since the agricultural depression set in. Why, by legislation, directly or indirectly, check this active and thriving industry, which, in the meantime at all events, is justified by its success?

Such are some of the economic causes that have accentuated in Great Britain the general migration from country to town going on in all progressive European countries, and also in the United States. It must also be remembered that the development of the factory system has inevitably destroyed many local rural industries and distributing centres related to agriculture. The local market and the local mill have been abolished by the railway, the village dyke has been superseded by the general use of wire fencing, home spinning and weaving by the women have also largely disappeared. It may be suggested also that it is a little difficult to define what, in any given country at a particular time, is the proper and natural extent of its agricultural population? Nothing is more certain than that, prior to the Reform of the Poor Law in England, there were far too many agricultural labourers on the land. They received a wretched pay, eked out by parochial allowances. It was this state of things, certainly not the existence of big farms, that degraded the English hind and his wife and children. This should stand as a perpetual warning against legislative proposals that might permit or encourage an excessive population in the rural districts, such as formerly existed in many places in England, and still exists in the congested districts of Ireland and the north-west of the Scottish Highlands.

Will the land carry a much larger population than that now engaged in the business of agriculture with a fair amount of success in spite of uncertain weather and low prices? It is

No. 70.—VOL. XVIII.

S

suggested that the whole production of cereals, or as large a part of it as possible, should be turned over from the present landlords and tenants to a new population of small-holders, and that this would largely decrease the rural depopulation. Notwithstanding the very large number of small-holders in the country, and the considerable increase in their number that has been recently secured by voluntary arrangements in certain favourable districts, it may be possible by prudent measures still further to encourage their multiplication in the neighbourhood of towns. But the main production of cereals cannot possibly be undertaken by small-holders. It seems probable that the present system of mixed farms is the best in the interest of the State and of the agriculturists themselves; it is certain that a conversion of the landlord and tenant system into one of small-holders would not be followed by any large increase of rural population, and there is reason to suppose that an injudicious scheme for forcing small holdings would result in serious injury to the national agriculture.

From the returns obtained last summer it appears that in Scotland in 1906, out of a total of 79,027 holdings, 18,553 were above one acre and not over five; 34,645 were above five and not over fifty acres; 23,123 were above fifty and not over 300 acres; and only 2,706 were above 300 acres. Thus the small holdings below fifty acres constituted 67 per cent. of the total holdings, and those between fifty and 300 29 per cent., leaving only 3·5 per cent. for the large farms. Possibly these proportions are not ideally perfect, but they strike one as presenting a wholesome variety in the character of the holdings, and as presenting opportunities for the rise of the successful crofter. No one would condemn the national agriculture to a single type of farm. There are in Scotland a large number of these valuable and interesting farms which are managed by the labour (no doubt severe and exacting) of a single family. But what has all this to do with rural depopulation? Mr. Munro Ferguson, M.P., a landlord of exceptional experience in Lowland Fife and in Highland Ross-shire, has declared: "Small farms do not add to the numbers on the soil, for a big farm maintains as full a complement as the land can carry under high farming, and by displacing them you cannot multiply the numbers maintained by the same land." The truth of this declaration is supported by the fact that a considerable section of the Scottish ploughmen, with their steady wage, cottage, and "gains," view the small holdings movement with disfavour, since, if completely successful,

it would put an end to the trade of a hired ploughman. If the change to small holdings did not accommodate a larger population, there is reason to believe that, except where co-operation was established, the production of the soil would be diminished. If machinery were dispensed with, no doubt a larger population would be required to produce the same amount of corn, thus adding to its cost.

During the last sixteen years there has been a slow but steady growth in the number of small holdings in Scotland, and a diminution equally steady in the rural population. This is especially marked in the crofting counties, and it is noticeable that the Crofters' Act of 1886, and the administration of the Congested Districts Board subsequently created, have had no effect in stemming the tide of emigration. The figures are remarkable :—

POPULATION OF CROFTING PARISHES.

1871-1881.	Loss of population,	3,400.
1881-1891.	„	6,300.
1891-1906.	„	6,400.

Thus the creation of small holdings, even when stimulated by two public boards, commanding a considerable amount of public money, cannot overtake the process of rural depopulation. The crofters had their security of tenure and their chance of financial assistance, and yet in a period of twenty years, when there was no potato disease, no cattle disease, no corn blight, they have given up their crofts and gone to Canada faster than ever. The depopulation in the crofting parishes has been greater since the Crofters' Act of 1886 than before it. And this leads to the observation that, whatever might have been the merits or possibilities of any legislative scheme, dealing with the land question as a purely domestic question, on the assumption that the people cannot go elsewhere, the situation is wholly changed, when the State has colonies with enormous tracts of virgin fertile soil which can be obtained on easy terms both as regards price and access. It would be idle for Westminster to enter upon a competition with Winnipeg, and in the impossible event of that competition being successful, is it clear that it would be for the advantage of the Empire, as a whole, to encourage the somewhat doubtful experiment of adding to the agricultural population at home, while discouraging the settlement of these great territories which are waiting for the exploitation of their natural advantages? Why should the British people not move from the worse to the better lands of the

Empire, and assist in making Canada the granary of the Empire? Many of the crofters seem to think that "the star of Empire glitters in the West." Are they economically wrong?

The Crofters' Act, 1886, has been appealed to in support of the proposals lately submitted to Parliament for the increase of small holdings in Scotland. It has been shown that that Act did not prevent an increase of emigration, and, if so, probably the whole *raison d'être* of this class of legislation disappears. Apart from rural depopulation, no one would urge the statutory increase of small holdings as a mere improvement in agriculture likely to add to the national wealth. No doubt the Crofters' Act, by giving security of tenure, improved the position of a number of crofters who were able, by their character and savings, to take advantage of it. The others, of course, did not benefit. But the observation of most impartial people will support the conclusion of the Charles Douglas Commission, viz., that the Act has not made any general improvement in the standard or results of Highland agriculture, which remains far beneath those of the Lowlands. The majority of the crofts are not self-supporting; the men are fishers, or have other occupations, or draw upon the wages of children who have left; and in a great many cases the crofts sink back into cultivation by the women of the family.

The truth about the Crofters' Act calls for great caution in examining the grounds on which new legislation of a much more extensive character is proposed. No less eminent and well-informed a politician than the late Prime Minister, Sir Henry Campbell-Bannerman, M.P., in speaking on the Scottish Small Holders' Bill, said that he would put the whole case for that Bill on the experience of Aberdeenshire, Flint, and Anglesea. Aberdeenshire has certainly an exceptionally large proportion of small holdings between five and fifty acres, and also a very large number up to 300. In general, these go well, because the Aberdonian is a hard-headed and extremely industrious man. But during the last thirty years the rural population of Aberdeenshire has sunk by 13,000. The reference by Sir Henry to the cases of Flint and Anglesea is a striking illustration of the danger of dealing with statistics not collated with facts. The argument was that these two counties, having a high proportion of small holdings, had also increased in population by 100 per cent. But, as was pointed out by Mr. D. A. Thomas, M.P., in two interesting letters in the *Times*, while in 1881-1901 there had been an increase in the number of farmers and graziers in these

counties, there had been a large decrease in rural population. What had been done was to confuse the registration with the political county, the populations of these different districts differing by the 100 per cent. which had caught the eye of Sir Henry. Mr. Thomas also pointed out another strange inconsistency in the manner in which these large questions of land tenure are dealt with. Lord Carrington's Royal Commission of 1893 reported that in the history and actual condition of its agriculture, Wales resembled the Scottish Highlands, and, therefore, that there should be a Land Court and a statutory crofting tenure. The Napier Commission of 1884, on the other hand, while recommending the crofter tenure for the Scottish Highlands (or, at least, for seven counties in the Highlands), had by the plainest reasoning declared that it should not be applied to the Lowlands. But now, contrary to the recommendation of both Royal Commissions, Wales has been left under the same law as England, while it is proposed to establish crofter tenure in the Lowlands of Scotland. Since the Napier Commission there has been no inquiry into the subject of land tenure in Scotland, and at no time has any public inquiry (such as was thought necessary for the Highlands and Wales) been instituted into the conditions of the much larger and more successful districts in Scotland which have hitherto remained outside the Crofter Acts.

It may be suggested that no case exists for any general attack upon the present system of landlord and tenant, on which the country must depend for an indefinite period for the main part of the home supply of cereals. Now that changes in the law have secured the tenant's right to equitable compensation for improvements, and have even conferred on him a vague new right to compensation for capricious eviction, it is not desirable that the present system should be discontinued. Under it, as Mr. Gladstone was fond of pointing out, the tenant borrows at easy rates the greater part of his necessary capital in the form of land and landlord's improvements, and is thus enabled to devote more of his own capital to the purchase of seed, stock, and manures. Again, the agricultural labourer, with his Trades Union, his free education, his inalienable right to compensation for accident, his Parliamentary and parish council franchise, is in no danger of sinking back into the apathy and degradation of former times. The danger of any hostile movement against the present free trade in land is shown by the fact that, to a very large extent, landlords' improvements in Scotland were stopped

by the introduction of the recent Bill. Whatever opinion one may entertain of the landlord class, it is not reasonable to expect that they will continue to sink money in the soil if they have no voice in fixing the return they are to obtain for their expenditure, or if the distribution of the land with the necessary buildings were liable to be disturbed by the external authority of a Land Commission. Accordingly, against any problematic advantages in the way of increasing rural population must be set the certain loss and injury accruing to agriculture from this source.

As regards small holdings generally (apart altogether from the disturbing element of crofter tenure, which has no connection with it), in 1892 some powers were given to the County Councils of Great Britain, but these have been little used, probably because the Councils were afraid of loss falling on the rates. During that period, however, a vast number of experiments have been made by voluntary action in many counties, such as Worcester, Devon, Stafford, Gloucester, Hants, Cheshire, Cambridge, Norfolk, Brecknock, Lincoln, Perth. Some of these experiments have failed: the late Lord Wantage (one of the noblest characters that ever lived in peace or war; he gained the V.C. in the Crimea, and was decorated with a blue ribbon for his philanthropy) lost about £40,000. But many of the experiments succeeded, and they did so because the proprietors interested followed the principles laid down in Miss Pratt's book, *How Landlords can create Small Holdings*, written with admirable sense and fine public spirit. Miss Pratt, who has visited almost every experiment of the kind, describes two kinds of small holding possible. On one the ordinary rotation of crops is followed, supported by the possession of some stock and an outrun on common pasture. In this case the small-holder generally follows some other occupation. As Sir Robert Wilson has pointed out, while the enclosure of the old common arable fields was an unqualified benefit to national agriculture, some of the later enclosures of common pasture may have been of more doubtful propriety. Certainly, had more of these common pastures survived, it would have been easier in certain parts of the country to start some small holdings. But the second type of small holding is much more important, the market garden type, where intensive cultivation is followed, preferably near a town, or at least within easy access to market, where crops and vegetables, fruit and flowers, are produced, as well as poultry, eggs, and honey. Apart from this, there is a great field for

co-operation among the smaller dairy farmers on the lines pursued by Sir Horace Plunkett in his co-operative creameries in Ireland. As regards all these, Miss Jebb mentions three points which must be considered :—

1. The actual local demand for small holdings.
2. The type of holding required in the particular district.
3. The facilities on the particular estate for meeting the demand on the lines required.

Miss Jebb properly ridicules the false economy of putting up expensive structures to last for all eternity, when a wooden shed with a brick foundation and a galvanised roof is all that is required. This is very important, because the expense of buildings has been the main obstacle to many experiments. She also points out that where a local authority or an association becomes the immediate tenant, the landlord can have no difficulty or expense in collecting rent. The importance of local conditions, to which Miss Pratt calls attention, is well illustrated by the most striking example of successful experiment yet recorded. That is the case of Wrexham Hall, West Norfolk, where Mr. Keeble has converted 12,700 acres of derelict land into a thriving colony of holdings of 20 acres, 42 acres, and 250 acres, each supplied with its appropriate size of building, and each communicating with a private railway six miles long from the Dereham Abbey Station on the Great Eastern, from which they run special trucks into the London market. The striking fact is that the soil can be cheaply manured with lime or chalk at 10s. per ton, instead of basic slag at two guineas a ton, or sulphate of ammonia at £12 per ton. It is of interest that Mr. Keeble condemns the compulsory clauses of the Small Holdings Act. "You cannot take the land to the likely tenant, but the likely tenant will always come to the land." This may not have been an altogether profitable speculation for Mr. Keeble, and not many landlords, or even local authorities, are likely to build railways for this purpose. But it shows what can be done without an Act of Parliament, and it suggests that if you must invoke some official aid, the local knowledge of a local authority is likely to be of greater assistance than that of any central board. The essential thing is to get the right land and the right people in the right place.

This whole subject was inquired into by Lord Onslow's Departmental Committee, which reported on December 10th, 1906, and the evidence then taken shows that there is a considerable

demand, not completely satisfied, not only for small labourers' allotments or garden-patches, but also for the two types of small holding above mentioned; that there is a good deal of land in the market; that in a really suitable case the small holder could pay a rent in excess of the rent paid for the same land as part of a big farm: a rent that, at all events in the case of holdings from twenty to fifty acres (not in any smaller holding), would recoup the reasonable cost of buildings at a very moderate rate of interest: but that in all cases there is much need of discrimination as regards the quality of the soil, the experience of the applicant, and the general environment. The report warns Government against provoking the hostility of landowners and large farmers by giving the authorities a power of compulsory hiring, as this would tend to destroy the sense of responsibility which should accompany ownership, and would also raise disputes between landlords and tenants. In the view of the committee, the safest and most rapid development of small holdings would have been under a system of State loans to landlords who desire to construct the necessary buildings. This idea is not new, because in 1846 the national interest in agriculture was held to justify a large system of advances to landlords for necessary drainage. The Government have preferred the system of giving certain powers to the County Councils, which may be trusted to use their new powers with moderation and public spirit. It is perhaps surprising that there has not been a larger number of applications under the statute, but that must be because so many have recently been provided by voluntary agreement, notably on the estates of Lord Carrington himself. Lord Rosebery pointed out last year that at one time small holdings were the universal rule in Scotland, but that to a considerable extent they had disappeared in obedience to economic law. It would be strange if in these enlightened days the old order should be artificially re-established by bounties and endowments. The County Councils have received power to charge loss on the rates, and there is undoubtedly some risk of creating a serious liability and incurring a heavy loss.

In this way, by gradual processes, differing in character and extent, in different parts of the kingdom, and not by any sudden legislative cataclysm, abolishing landlordism or hostile to the large tenant farmers, we may see a fair number of industrious and thrifty men coming "back to the land." They would have probably come without any legislation, looking to the growth of public interest in the question. In certain localities

a larger variety of produce may be extracted from the soil, and the patriotic citizen may less frequently be subjected to the indignity of eating Danish butter or French eggs. The change will not make any sensible impression on the congestion of the cities, for the inhabitants of the slums are of all persons the least capable of undertaking the duties of a small-holder. But, at all events, the new class of small-holder will no doubt stand firm against the Socialistic propaganda with which we are threatened.

WILL. C. SMITH