

BELFAST SOCIAL INQUIRY SOCIETY.

WHAT ARE THE
CAUSES
OF THE
DISTRESSED STATE
OF THE
HIGHLANDS OF SCOTLAND?

A PAPER READ BEFORE THE SOCIETY ON THE 10TH FEBRUARY, 1852.

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BELFAST:
PUBLISHED FOR THE SOCIETY BY HENRY GREER.

1852.

No. 2.]

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What are the Causes of the Distressed State of the Highlands of Scotland? By W. Neilson Hancock, LL.D.

GENTLEMEN,

FOR the purpose of the inquiry which I propose to make in this paper, it will not be necessary for me to occupy much of your time in adducing evidence of the nature and extent of the distressed state of the poorer classes in the Highlands of Scotland. I shall therefore quote only one authority.

Doctor Alison, who has been long distinguished for the attention he has given to the subject of pauperism and poor laws in Scotland, in a pamphlet,* published in 1850, says:—"Any one, whose duties have frequently brought him into contact with the mass of destitution, disease, and suffering continually flowing into all the great towns of this country, of late years, from Ireland, must be strongly impressed with the importance of means being taken to correct that evil at its source."

He then adds this important passage:—"And any one who has attended to the state of the lower orders in the greater part of the Highlands, must be aware that it is hardly better than in Ireland, and that the evils which have been only averted there by the large fund raised by voluntary subscription, and now nearly expended, are again nearly as imminent as before."

To account for this distress, many of the theories put forward with respect to Ireland have been urged with more or less favour in Scotland; such as, the Celtic race, the potato, absenteeism, overpopulation, and want of capital.

As, however, the Highlanders are an agricultural population, before adopting any of these solutions of the question, it seems natural to inquire what is the state of agriculture in the districts where this distress prevails. This inquiry is the more important, as in other parts of Scotland prosperous agriculture is attended, as we might expect, by a total absence of general distress.

In going from the well cultivated districts of Scotland to the Highlands, the most striking difference, respecting the agriculture, that arrests attention, is the inferiority of the farm build-

* *Observations on the Reclamation of Waste Land by Croft Husbandry.* 1850.

ings. There is a prevalence of weeds, and the crops have a slovenly and irregular appearance. On inquiring as to the mode of cultivation adopted, it turns out that rotation of crops is irregularly pursued, that economizing of manure is generally neglected, and that thorough drainage, until the recent crisis, was almost unknown.

In looking for the causes of this state of agriculture, one remarkable distinction between the Highlands and the rest of Scotland must be borne in mind. I refer to the difference in the average amount of rent paid for each holding in the two districts. In the improved districts the holdings are all large, consisting of several hundred acres, and the acreable rent being high, the amount of rent paid for each holding is considerable. In the Highlands there are three classes of tenants; the grazing farmers, the large tillage farmers, and the crofters. The holdings of the grazing farmers extend to thousands of acres, and their rent, amounting often to £1,000 or £2,000, is not determined by the number of acres they hold, which is often unknown, but by the number of cattle and sheep on each farm. These grazing farms are generally in mountainous districts, naturally adapted for grazing and planting, and not for agriculture. The large tillage farms situated in the fertile districts near the mountains, or in the vicinity of the mansions of the great proprietors, are held either in conjunction with grazing farms, or by the factors and under-officials of the proprietors.—These farms are held on the same terms, and exhibit nearly the same results as the improved farming in the other districts of Scotland.

But both the grazing and the large farmers, with the labourers and servants supported by them, form a very small proportion of the population of the Highlands.

The greater bulk of the Highland population belongs to the class called crofters, the characteristic of which class may be taken to be that they pay a small amount of rent; for although their holdings frequently extend over a considerable surface, they are of little value, partly on account of the want of natural fertility in the soil, and still more from the great distance of the farms from markets; so that the cost of carriage—always great in a mountainous country—causes a serious diminution in the value of any produce that has to be sold at a distance. This distinction, as to the great value of the holdings in the improved districts, and the small value of the crofter holdings, is of great importance in the investigation I purpose to make, as it is with respect to the distress of the crofters, and the state of agriculture amongst that class, that the whole question arises. How does it happen that the state of agriculture amongst these crofters is so bad?

In looking for the solution of this question, two inquiries at once suggest themselves.

First—Do the proprietors erect the buildings and make other permanent improvements on the crofter holdings? Secondly—Are crofter leases as universal as leases of large farms?

As to the farm buildings, I may state that, with a few exceptions, they are erected by the crofters themselves; and that, in like manner, all other permanent improvements are either entirely neglected or are made by the crofters.

This state of affairs has given rise to a claim for compensation for such improvements precisely similar to the claim for tenant-right founded on the same cause in Ireland. The name by which such claims are generally known is, “comprizements.” They are sometimes called “meliorations.” On the estates of some of the large proprietors, such as the Duke of Sutherland, there is a good understanding between landlord and tenant, by which the crofters interest is a saleable commodity, but under much greater restrictions than amongst us in Ulster. In Caithness, the extreme northern county of Scotland, the claim for comprizements, as far as the timber used in building is concerned, is completely established as part of the common law, and is recognised in the courts. In the rest of the Highlands, the law respecting the claims of the tenant for compensation for the farm buildings, such as they are, is in the same unsettled and unsatisfactory state as with us.

As to crofter leases, I may state that they hardly exist, and that to this want the bad agriculture, and consequent prevalent distress have been chiefly ascribed by those Scotchmen most competent to form an opinion on the subject.

On this point I shall refer to two authorities.

The Edinburgh section of the Central Relief Board for the Highlands, after one or two years' experience, adopted the plan of employing the people on their own crofts; but the terms which they invariably insisted on from the proprietors, as a condition for this mode of relief being adopted, was a promise to grant crofter leases; and they state, as their reason for doing so, that without such leases they could have no security that the benefit of their improvements, executed in a great part with public charitable funds, would not be taken by the proprietors, instead of going to the proper objects of relief—the crofters. They state, as another reason, that the granting of such leases is essential to prevent the future recurrence of calamities such as they were called on to relieve.

But this point, about the connexion between crofter leases and the condition of the Highlands, is put very clearly and strongly by Captain Elliot, the Inspector-General of the Relief Operations in the Highlands. In reporting to the Edinburgh section of the Central Board, in November, he says:—

"I cannot close this last Report, or conclude my official connexion with the Highlands, without expressing my humble belief, based on three years' experience and consideration, that there is no sufficient ground for the despair too often manifested and expressed, of being able to improve the condition of the Highlands without having recourse to a general and sweeping emigration.

"I hold opinions entirely different; and I confidently point to the raw material, to the staple elements of waste land in abundance fit to grow food, and of available labour to be had at a cheap rate capable of cultivating it; and I ask for the encouragement, in intelligence, exertions, and perseverance, that will effect the happy union, and produce results that will gradually equalize the condition of the Highlander with his brethren in other parts of Scotland.

"I am bold enough to inquire further, would any farmers, any men, anywhere, with similar treatment, be expected to behave better?

"But what is the treatment I allude to? It is not a tyrannical harshness or abuse of power that agitators complain of, for that I have been spared being the witness of in the districts under my charge. On the contrary, in spite of what may be said to the reverse, I fearlessly declare that, generally speaking, with an extensive knowledge of mankind, I know no greater instance of kindly feeling between rich and poor, than subsists reciprocally amongst Highland proprietors and their tenantry. But I do find fault with the Highland proprietors generally (there are honourable exceptions) for their conservatism of bad habits at least, for their apathy, for their Highland lack of energy to establish a new and better state of things.

"They cling with mistaken tenacity to the shadow of a feudal power, and paralyse all efforts in the refusal of a security of tenure to the cultivator.

"It is, therefore, both the interest and the duty of the proprietors of the soil to arouse themselves, if they would continue such, to the duties that are imposed on them. There is a scope for energy and exertion, and some will ever be in advance of others; but there is one keystone to every exertion on the part of the crofter open to all, and that is, granting security of tenure by leases.

"I affirm that the wish for leases is general and strong, and I venture my deliberate opinion, that of all the plans and projects that have been thought of for the improvement of the Highlands, and for the benefit of the Highland population, there is none calculated to draw out the energies of the people, and promote their independence so much as affording a security of tenure in the land, after a sensible adjustment of it by the granting well-considered improving croft leases."

He then concludes his Report with this most important passage:—

"I cannot expect those with less experience of Highland destitution, its causes and effects, or less consideration of the subject, to be equally impressed as myself with the importance of this question. But when I consider the abuses of the old system, the balance of advantage exclusively on the side of the new one, the imperious necessity that exists for a change (if the existence of the Highlander is to be continued), I anxiously call on the kind-hearted proprietors of the North to remove every obstacle; to divest themselves of the responsibility of those who refuse to do anything; and, in a sensible, liberal spirit, to cede this act of justice to their dependants; as well for their own and their posterity's advantage, as to prevent the miserable and fatal consequences of an adhesion to present plans for the growth of food in the Highlands. I am satisfied there is nothing in either soil, climate, or inhabitants, to prevent a comfortable self-sustenance to the people, and improvement of the property by the appliance of the proper means; but this I venture to predict, whether they listen to me or not as to the all-important question of tenure, from the attention the subject is now claiming, with justice on its side, humanity for a motive, and expediency for a reason, that in ten years at farthest Highland croft leases will be inevitable and perhaps general."

The causes of distress in the Highlands being thus clearly traced back to the want of tenure, two questions arise which have no doubt ere this suggested themselves to your minds. When the wise system of laws to which I directed your attention in my last paper* are in full operation in the Highlands, enabling the proprietors to charge the inheritance for permanent improvements, and to grant leases, how does it happen that they have not erected the crofter buildings, and how does it happen that they have not granted crofter leases? These questions carry the investigation much further than Captain Elliot has done. In his remarks he assumes that there are no natural or legal impediments to the proprietors adopting the course he recommends. As he did not look for such causes of their conduct, it is very natural that he did not find them. But, until an investigation has been made, to ascertain whether any such causes exist, to acquiesce in the statement that it arises from the Highland character of the proprietors, is in fact to fall back on the fallacy of accounting for every social phenomenon by the theory of race.

On investigating into the causes of the permanent improvements not being made by the proprietors in the Highlands, the following at once appear to be in operation. In the first place, the small value of each holding, and the great number of holdings,

* *What are the Causes of the Prosperous Agriculture in the Lothians of Scotland?* Greer, Belfast. 1852.

render the number of distinct buildings to be erected, and the number of separate pieces of drainage to be executed, very great in proportion to the sum to be expended. Hence the cost, trouble, and risk in superintending the expenditure of £1,000 on one hundred crofter holdings, is infinitely greater than the cost of similar superintendence in the expenditure of the same sum in the erection of one farm-stead. It is also much more difficult for a proprietor to watch that these one hundred buildings are kept in repair, than to watch the state of the one large structure.

In the second place, from the rugged character of the Highlands, the crofter holdings must be scattered along valleys and mountain sides, and must be at a great distance from each other; and, on account of the difficulty of communication, the hills to be climbed, and the lakes and rivers to be crossed, they are necessarily inaccessible. Hence, the natural parties to effect improvements on such holdings are not a staff of labourers employed by the landlord to go from holding to holding, but the occupiers themselves. This view is corroborated by the fact, that the system of peasant proprietorship is peculiarly successful in mountainous countries like Switzerland. In truth, the division of labour cannot be carried to the same degree in such districts as in those countries where the great extent of arable surface allows of the existence of large capitalist farmers, with labourers collected in towns and villages. These physical considerations, as well as the number of the holdings, increase the expense of supervision on the part of the proprietor.

In the third place, the nature of the buildings and improvements required on these Highland farms are of a ruder, simpler, and less uniform description than the improvements in very fertile lowland districts. The small value of the land, when cultivated to its best, would not repay any very great outlay in costly buildings.

In the last place, the cost and trouble of proving an expenditure in such numerous small improvements, so as to establish a charge on the inheritance, would be much greater than the expense of similar proof in the case of a few large holdings, when the whole work could be done by contract. The teachings of Adam Smith, that improvements are more likely to be made by tenants than by landlords, is strictly true with respect to small holdings; and hence it happens that the power to charge the inheritance for permanent improvements, which, as we have seen, works extremely well in the large farm districts of Scotland, entirely fails when applied to crofter holdings.

We have next to consider why the Highland proprietors do not grant leases to the crofters. In answer to this question, I may observe, that the success of the leasing system is intimately connected with the practice of the landlords making all the per-

manent improvements. Indeed, to understand the impediments to the granting of crofter leases, it is necessary to consider carefully the economic conditions on which the success of the Lowland farming system depends. They are the following:—

First, the return for that part of the capital which is necessary to be expended in improvements which do not repay in nineteen years, is fully secured to the landlord (the party who expends it) by the power of charging the inheritance.

Secondly, the return for the capital expended in improvements that repay in a shorter time, is fully secured to the tenant (the party who expends that portion of capital) by the terms of the lease.

Thirdly, the cost of making the lease is insignificant in comparison with the value of the farm.

And, fourthly, the cost of enforcing the covenants in the lease never practically interferes with their enforcement, so that these covenants afford perfect security to the proprietor against any deterioration of his land or of his improvements, and against any failure in the payment of his rent.

Now, in the case of the crofter holdings, the proprietors do not, as we have seen, make the permanent improvements. The short leases would not afford the tenants security for reaping a full return for making them, so that the economic condition necessary to secure the expenditure of capital in such improvements would be wanting, even if these leases were granted. This circumstance, again, would interfere with the fulfilment of the second condition; for the capital expended on a farm, in order to produce an adequate return, must be, if I may use such an expression, symmetrically expended; that is, part must be laid out in the more permanent, and part in the more evanescent improvements. And if the former part of such expenditure be wanting, the latter part cannot be as profitable as it would otherwise be, so that insecurity as to the return for any important part of the expenditure on a farm, really operates as a cause of diminishing the return on the rest of the capital employed.

But the most influential impediments to the granting of crofter leases arise from the third and fourth conditions not being fulfilled with respect to crofter holdings. In corroboration of this view, I may mention that the managers of the M'Kenzie estate at Gairloch, where the proprietor has done more to improve croft cultivation than has been effected in any other part of Scotland, have given two reasons for not granting crofter leases. The first of these is the cost of the leases, and the second is the cost, delay, and difficulty, under the Scotch law, of enforcing the covenants where the holdings are of small value.

As to the first of these causes, it is obvious that, in the case of the large and valuable holdings in the Lothians and other im-

proved districts, the cost of making the lease, which, I may observe, is, from the nature of the Scotch title and the statutable leasing powers, much less than with us, could never prevent, and as a matter of fact never does prevent a capitalist farmer from having the security of a lease or of an agreement for a lease. But when we come to the small crofters, paying £1, £2, and £3 annual rent, then the cost of a lease comes to be a serious item. A cost of £2 will often amount to more than a whole year's rent. It becomes important to see, then, in what this cost consists, and whether it admits of removal.

The cost of a lease consists of two parts, the stamp and the legal expenses. The lowest stamp, until 1850, was £1 on the lease and £1 on the counterpart. Now the scale of duties on leases is fixed, by the 13th and 14th Vic., c. 97, at £1 for leases where the rent does not exceed £200, and at a graduated scale for leases at a lower rent, giving 6d. as the lowest duty for leases where the rent is under £5. What a grave censure on our system of taxation it is, to find a public officer, engaged in distributing large grants for the relief of distress, reporting that the want of leases was the main cause of that distress; and to find a proprietor enabled with truth to allege, that the stamp on the lease was one of the causes that prevented their being granted!

The second part of the cost of crofter leases also admits of a very effectual remedy. The real expense of preparing a lease is the necessity of inserting in it a number of covenants and conditions; and although the common forms or printed forms are used, still the trouble of copying them or filling them, and of comparing them to guard against mistakes, is very considerable. A plan for obviating this difficulty has been suggested by Mr. Robert Longfield, in his recent very able Report* to the Social Inquiry Society of Ireland; and his plan is as applicable to crofter leases in Scotland as to leases of small holdings in Ireland. "I would," he says, "recommend that the common clauses inserted in every lease, covenant to pay rent, clause of distress and re-entry, to keep and deliver up in repair, should be legal obligations flowing from the mere contract of tenancy, and not from express stipulation; and thus the following form:—

A B agrees to let, and C D to take the lands of Blackacre for the term of forty years, from the 1st of May, 1851, at the rent of £100 per annum, payable half-yearly, on the 1st of November and 1st of May.

(Witness,)

I A,
O P,

A B,
C D,

would comprehend and import all that is now contained in the ordinary printed leases."—p. 20.

* *Report on the Legislative Measures requisite to Facilitate the Adoption of Commercial Contracts respecting the Occupation of Land in Ireland.* Dublin: Hodges & Smith. 1851.

Were this wise suggestion adopted, the cost of taking out leases would be reduced to a minimum amount, and this cause would no longer operate to prevent their adoption, and would cease to be one of the sources of Highland distress.

But the cost, delay, and difficulty placed in the landlord's way in enforcing covenants, is likely to have as much effect in preventing him from granting leases as the cost of the leases themselves; for unless the legal arrangements are such that the enforcement of covenants is so prompt and easy that they are rarely broken, the proprietors lose all the security for their rent, and for the value of the holdings which the lease was intended to secure to them. Now the Scotch law, which is worthy of our imitation in many respects, is in this nearly on a par with our own. The legal proceedings for the enforcement of covenants and obligations respecting land are fettered with technicalities of feudal origin, which make the proceedings expensive, complicated, and difficult, and which leave it in the power of a pauper-tenant to resist the assertion of the landlord's rights on some technical ground. The injurious effect of a similar difficulty in our own country has been ably pointed out by Mr. Robert Longfield, in the Report to which I have referred. The same point is noticed as an impediment to the granting of leases in Ireland by Messrs. Ferguson and Vance,* in the treatise which I quoted in my last paper.

It is a very mistaken notion that legal impediments to the enforcement of a punctual performance of express engagements can be beneficial to the tenants. On the contrary, nothing can be more really injurious to them, as a class, than any such defects in the law as those I am referring to, which almost, I may say, tempt them to disregard their engagements. The result is, as we see both in Scotland and in Ireland, to prevent the granting of leases of very small holdings, and thus honest tenants are deprived of security, because the law holds out inducements to dishonest tenants to violate their engagements.

The suggestions that have been so wisely made in this country for codifying the law respecting the relations of landlord and tenant, and simplifying the proceedings incident to that relation, apply to a considerable extent to Scotland. Indeed, it would be very desirable if an assimilation of the law on this subject were made throughout the three kingdoms. Such an assimilation would lead to a much more complete and perfect code than is likely to be formed for any part of the kingdom. The necessity of considering all the different modes of cultivation and systems

* *The Tenure and Improvement of Land in Ireland considered with reference to the Relation of Landlord and Tenant and Tenant-right.* By William Dwyer Ferguson and Andrew Vance. Milliken, Dublin, 1851.

of management, which the preparation of such a code would impose, would give to its provisions that character of generality and comprehensiveness in which our existing legislation on this subject is sadly deficient.

There can be little doubt, however, that the defects in the Scotch law respecting the cost of leases, and the cost of enforcing covenants, and the natural impediments to landlords undertaking improvements, arising from the small holdings and the mountainous nature of the country, are adequate causes to account for the non-extension to the Highlands of the Lowland system of farming. Of these causes, the two first, the cost of leases and the cost of law proceedings, can be in a great degree removed. If that were done, it could then be ascertained with certainty, whether the natural obstacles I have pointed out would prevent the landlords making the necessary permanent improvements. Should it turn out, as I believe it would, that such improvements can only be beneficially made by the occupiers, then there are only two kinds of tenure suited to such a mode of improvement. Either the tenants should have tenant-right clauses in their leases, or else they should be allowed to become, by purchase, the owners in fee of their holdings.

In the meantime, it is interesting to inquire why neither of these arrangements has as yet been tried in Scotland, even on a small scale. Why are there no tenant-right or improvement clauses in Scotch leases, and why are there no peasant-proprietors?

The absence of tenant-right clauses arises from the nature of the Scotch leasing powers; they are all framed on the one plan of securing the capital expended in those improvements only that repay within the period of the lease. Throughout the greater part of Scotland, the proprietors have consequently no power to grant such improvement leases, and hence their non-adoption arises from the limited nature of Scotch law respecting leasing power. That law which works so admirably in the Lowland districts is not comprehensive enough; it supposes only one system of estate management, and when, from legal or natural causes, that system is not adopted, or becomes impossible, the Scotch law entirely fails to provide a remedy. This difficulty arising from property being so settled that the proprietors cannot make tenant-right contracts, is as great in this country as in Scotland, and the recent suggestions for legislation on this subject, that have emanated from the authors I have already quoted, all contemplate giving the proprietors power to make such agreements.

Those who are opposed to the recognition of the tenant's claim for compensation for improvements, think it a very forcible argument to point out the difficulties of making any contract on the subject, and of estimating the value of such improvements.

But this argument, if valid, leads to a conclusion which those who use it would be slow to admit. It proves that the system of territorial aristocracy cannot be maintained in any district where the proprietors do not make all the permanent improvements; for, as I have already suggested, there are only three possible arrangements on this subject. If improvements are to be made, the full value of them must be secured to the improver, and the three ways of doing this are :—

First, for the landlord, who has the ownership in the soil, to make all the permanent improvements ; and, of course, to retain the property in them.

Secondly, for the tenants to purchase out the landlord's interest, and become peasant-proprietors ; and,

Thirdly, for the landlord to secure to the tenant, by contract, full compensation for all the improvements that are unexhausted at the expiration of the term.

Now, if the last plan be, as many endeavour to prove, impracticable, one or other of the former plans becomes inevitable ; so that, if we cannot have tenant-right agreements, we must have either improving landlords or peasant-proprietors. My own impression is, that tenant-right agreements are perfectly feasible, if the Scotch and Irish proprietors could only be brought to see their real position, and the absolute necessity that lies upon them to adopt this prudent course.

But if the proprietors generally fail to discharge the first duty incident to property in land ; if they fail to secure the production of human food, by adopting wise arrangements for either making the permanent improvements themselves, or enabling the tenants to make them ; then the system of peasant proprietorship becomes inevitable, as the only means to provide for progress in agriculture, and to guard against Highland destitution and Irish famine.

This brings me to the last question. How does it happen that there are no peasant proprietors in the Highlands?

The absence of peasant proprietors arises from the strict entails, and the cost of selling land. Until the passing of the recent disentailing Act for Scotland, similar to the disentailing Acts in force in England and Ireland, the greater part of Scotland was under strict entail, and was consequently perfectly inalienable.

In the next place, the cost of selling land in Scotland is very considerable. I made the most careful inquiries on this point, and, without troubling you with the results in detail, I may state generally, that all the impediments to the cheap sale of land which exist in this country exist in Scotland, only in each case in a less degree. The result is, that the cost of making out perfect title to land is less in Scotland than here, but is still so great as to operate as an effectual barrier to the sale of land in small

enough parcels to admit of the creation of peasant properties. The system of registration in Scotland is better than our old system here, but far inferior to the improved system of map-registration provided for by Sir John Romilly's Act. Then there are incumbered estates under the control of the Scotch Courts, exhibiting, only in a less degree, the evil effects of attempting to manage estates under Courts of law. There is, however, no Incumbered Estates Commission, and no parliamentary title.

And here I must notice a very common error respecting the legislative changes necessary to allow of the existence of peasant proprietors in these kingdoms, which has led to the formation of the Freehold Land Societies, Building Societies, and Farmers' Estates Societies.

The error to which I allude, is that of supposing that the whole difficulty of creating peasant properties is the single act by which they are first purchased; and that if this difficulty be got over by the system of sales with parliamentary title, or by the system of association, then all will be well. But the real impediment to the existence of peasant properties is not so much in their creation as in their continuance. What is the value of a peasant property to a man, if he cannot mortgage it to raise capital without ruinous expense; if he cannot sell it, if he cannot divide it amongst his children, without the risk of an equity suit to administer assets or for partition. Now it is against the profitable use of small properties, when in existence, that our present system of laws respecting property in land operates. On the Continent, where peasant properties prevail, there is a totally different system of laws respecting the mortgaging, sale, and disposition of property in land. All is done there by the prompt, cheap, and effectual system of transfer on a public register. Until our system of registration be modified, so as to admit of the adoption of that mode of dealing with small properties, the permanent existence of small properties will be impossible. They may be created in a moment of political excitement, as by the Freehold Land Societies in England; they may be created through the feeling of alienation and want of confidence between landlord and tenant, as in Ireland; but, until our laws respecting the mortgaging, sale, and transmission of landed property, be framed with the object and purpose of allowing of the existence of peasant properties, their permanent existence is impossible. The forces arising from the causes I have pointed out, making the proprietorship of land in small parcels less profitable than the proprietorship of land in large territories, will lead to the gradual absorption of the small estates. This effect has actually taken place in England to a very large extent during the past two centuries.

In this empire, although we have nominally equal laws, yet,

from the structure of our system making so many transactions artificially costly and expensive, it comes to pass that there is practically one law for the rich and another for the poor. And there are no changes in our laws which would contribute more to our prosperity, and to the stability of our institutions, than those which, by cheapening the cost of the various legal transactions connected with the assertion of rights and the use of property, would extend to the poorest subject the practical enjoyment of the security and freedom of action which our law has long afforded to the wealthier classes throughout the empire.

As long, however, as the various causes I have pointed out are allowed to remain in operation ; as long as the law of Scotland practically prohibits the creation of peasant properties, however necessary they be in particular districts ; as long as that law prevents the adoption of tenant-right, or improvement contracts ; and as long as it makes the expense of granting or enforcing the obligations arising from leases so great that crofter leases are almost unknown ; so long will the absence of all security for the investment of capital prevent the improvement of agriculture in the Highlands ; and so long will the wretched state of agriculture, the chief employment of the people, produce periodical famine and permanent distress. The defects in the Scotch law are the real causes of Highland distress. In other words, they are the causes which the ruling classes in the community are responsible for, and which they, and they alone, can remove. Whilst these causes are allowed to remain in full operation, it is in vain to avoid the responsibility attached to their existence, by ascribing the effects really produced by them to any of the exploded theories of over-population, Celtic character, or want of capital.

This investigation into the causes of Highland distress teaches precisely the same lesson as the inquiry into the causes of the prosperous agriculture in the Lothians. It teaches that there are certain economic conditions necessary to successful agriculture. These conditions are satisfied in the Lothians, and are not fulfilled in the Highlands. These conditions are all comprised in one of the simplest of economic truths, namely, that capital will not be employed in any occupation, unless the profit arising from its employment be secured to the capitalist.

We learn, too, that the system of laws, which works so satisfactorily in the Lothians, is not of universal application ; at least, whilst the present expensive system of leasing and enforcing contracts continues ; and that its success seems to be certain in those districts only, which are adapted for the improvements to be made by the landlords, and the holdings to be of a large size. Of such a character, however, is a considerable part of Ireland.

But the last lesson to be learned from this investigation is not the least important. We learn the folly of any conclusive infe-

rence as to the relative productiveness of large and small farms from the case of Scotland. As far as Scotland is concerned, the question of large and small farms remains to be tested; for all that the facts really warrant us in saying is, that large farmers, with perfect security for all the capital employed, are more successful than small crofters without any security at all. And yet, how many farms have been consolidated, how many tenants cleared off, on the belief that large farms must necessarily, under all circumstances, be more productive than small holdings?

This question of large and small cultivation is one on which public writers and scientific economists have spent a great deal of time, without arriving at any very profitable results; a circumstance which, I believe, arises mainly from the very shallow investigation of the exact circumstances of each district where the different systems prevail.

Were the subject investigated with care, the results would, I believe, establish that each system has advantages peculiar to itself, which, in a perfectly free system, will always lead to its adoption in those districts and in those stages of social progress where its peculiar advantages make it more profitable than the opposite system. The true business of political economists is not to exhibit any partiality on the one side or the other. Neither to think that a strict and strong-minded adherence to principle can be shown by defending large capitalist farmers; nor, on the other hand, to attempt to gain credit for sentimental benevolence by praising cottier tenants and peasant proprietors. What political economy teaches on the subject is, that it was intended by the all-wise Creator of the universe that there should always be producers on a small scale and producers on a large scale, each class having a special province assigned to them by those laws of competition which, when emancipated from human interference, completely regulate production throughout the world. And that the only force necessary to prevent the undue extension of either system, to prevent too great a subdivision, or too great an aggregation of land, is the force of free competition.