

THEY have been described as one of Europe's last remaining wildernesses. They cover 15,000 square miles of United Kingdom territory not 500 miles from London. They are environmentally impoverished, ecologically degraded and, since most of the original inhabitants were forced out, largely depopulated. They are now known mainly for their grouse moors, their deer forests and their Army testing ranges. They are the Highlands of Scotland.

The Highlands to-day exhibit all the classic symptoms of under-developed uplands remote from the centres of population. Their twin basic problems – of under-population and of under-use and mis-use of natural resources – have been little affected by over a century of bureaucratic tinkering by successive governments.

Yet up to the 18th century the Highlands supported a remarkably large population and a basic but reasonably integrated subsistence economy based on the rearing of livestock. But the rout of the Jacobites and their allied clans at the Battle of Culloden in 1745 was the signal for a dramatic transformation. At its root was a far-reaching change in the system of land tenure.

Before Culloden, land in Scotland had been held in common by all members of each clan community and administered by the titular head (the clan chief) for the benefit of the whole clan. After the battle, the Gaelic communal-feudal society was destroyed and a new form of land tenure was imposed. Virtually overnight, the clan chiefs became the outright legal owners of the clan lands they had hitherto simply held in trust. From then on they were obliged to manage the lands on a commercial basis.

*The result was predictable. A succession of *nouveau riches*, mainly from the south, moved in to establish a string of property empires and, in the 240 years that have elapsed since, the Highlands have progressively suffered the economic and social consequences of being held by a comparatively small number of wealthy and powerful landowners.*

The concentration of land ownership is, in fact, greater than anywhere else in Britain. In the five main crofting counties a mere 250 landowners own almost two-thirds of the total land area while the 500 largest control around three-quarters. The largest estates are vast by any standards, covering anything up to 200,000 acres each.

These facts mean that, in the planning of overall land use, the landowners enjoy a virtual free hand. In the remoter areas this can extend to a monopoly over housing, employment and occasionally even basic services such as roads, power and water supplies.

The practical problem arises from the fact that most proprietors have only a limited or even incidental interest in their land's productivity. The purchase of Highland estates has always attracted wealthy individuals interested in the sport (deer stalking, grouse shooting and angling), a holiday home and perhaps a prestigious baronial mansion. Estate sales brochures continue to stress the recreation, seclusion, exclusiveness and romanticism of owning a remote and historical piece of Scottish glen. So it is not surprising that an estimated 55 per cent of lairds are absentees visiting their estates for probably no more than a few weeks in the year. Since the luxury of an estate is often subsidised (in 73 per cent of cases) from wealth or income generated elsewhere, most feel no pressing economic need to utilise their land effectively. Indeed, any development is often considered damaging to the deer forests and grouse moors, both of which thrive on extensive, "unspoilt" wideopen spaces. In any case, the steady

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long-term rise in land prices means that, whether it is developed or not, the purchase of an estate will always be a sound investment.

In recent years, these attractions have encouraged speculators to move into Highland land in a big way. Overseas investors, offshore companies, financial institutions and forestry investment groups have figured prominently, buying estates for a variety of speculative, tax shelter, investment and short-term exploitation ends.

Of the minority of owners (about 20 per cent) who do have an interest in the productivity of their land (and seek to get a livelihood from their estates), many simply lack the capital to undertake worth-while investment. Most become progressively impoverished. While the capital value of their properties may make them paper millionaires, they jib taking the drastic step of turning part of it into funds for development.



By ALLEN ARMSTRONG

● This article is based on Dr. Armstrong's Ph.D. thesis *Rural land ownership, use and management on Scottish Highland estates*, which was written at Dundee University.

It is against this background that the tragedy of the Highlands has to be considered. For, despite its limited resources, the area fulfils nothing approaching its real potential. Agricultural land goes unused; land which could be useful as woodland is reserved as sporting ground – probably producing no more than a few pounds of dead game weight per acre.

It is true that some government action has been taken. There is a series of official carrots and sticks, principally grants and subsidies backed by favourable tax concessions and assisted by advisory services and voluntary agreements. This loose package of policies which goes under the heading of "land use planning," however, is nothing more than an uncoordinated hotch-potch – inadequate, unsuitable and confusing.

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Despite the landowners' often considerable personal wealth, little contribution towards the cost of these measures is made by the estates. Obviously, little income tax is incurred, while capital tax is regarded as "voluntary" – to be paid only by owners who die prematurely or who cannot afford a good tax accountant. Since agriculture and forestry are de-rated, even the biggest estates may make only minor contributions to the hard-pressed local communities they often claim to subsidise. Nor can most estates offer much in the way of employment. On average, one job is offered per 1,500 acres, and even this is declining rapidly.

The hard fact is that no government has yet acknowledged, let alone tackled, the root of the Highland problems from which most of these evils stem. Tory governments simply seek to preserve the established vested interests and, perhaps, throw in a few more financial incentives. Labour governments favour increased planning, public sector landowning and punitive taxation. So the basic problem persists. There still exists no effective mechanism to ensure that the land is put to any useful economic purpose. Essentially, it is another facet of the same underlying problem which results in the comparable dereliction and waste of Britain's inner cities and industrial heartlands.

What ought to be done? Isolated demands to institute an annual land tax – made since the beginning of the century – are perhaps listened to with slightly more sympathy these days. Certainly, in the face of continued blatant misuse or under-use of land resources and the failure of official policy to influence landowners, the simple concept of paying a regular ground rent on land to the ailing Highland communities appears an increasingly attractive solution. Properly operated, it could not only deter speculation and abuse of resources but serve as an instrument for land development and economic regeneration. After 240 years of economic decline it will take a radical solution such as this to offer any real hope of resuscitation.

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- Educational work;
- Achieving the aims of the Union;
- Journals and literature of the Georgist movement; and
- International work and the Third World.