



What crofters and lairds have in common: location (and value) matter most ...

DEBATES about land are bedevilled by the belief that it is the large size of holdings that gives owners special powers of exclusion. This assumption underpins current thinking in the Scottish Office, which associates concentration of power with large estates. In Scotland, most of the land is owned by 1,500 private estates (*Identifying the Problems*, Edinburgh: Scottish Office, Para. 3.1). The Scottish Office declares: "The existence in many parts of the country of what are in effect local monopolies may on occasion stifle local development".

Power to exclude users and disrupt communities is within the grasp of every person who holds possessory right, no matter how large or small the site. The crofting community illustrates this. Of the 17,685 crofts, 40%

are either unworked or under-worked. And yet, "demand for crofts is well in excess of the available supply". Potential users - and the communities which they would enrich by their presence - are excluded by crofters whose interests are modest in size and value; but whose power of exclusion is as absolute as a laird's.

The need to take into account value (which implies location) as well as size is illustrated by the two tables below. The data is hypothetical but based on a lifetime's observation of the land, constructed by California professor of economics Mason Gaffney.

□ The value of land per acre is much higher in some places than others. Owners with the most acres are not necessarily the wealthiest.

□ The concentration of wealth when measured by value may be just as great as the concentration when measured by area. A common way to trivialise or understate concentration of ownership is to take the top bracket of the owners when ranked by area and point out how much less of the value they possess than they do of the area. In Table I owners number 1 and 2 have 60% of the area but only 25% of the value.

Table II re-ranks the owners by their wealth. The top two are now owners numbers 4 and 2, who collectively have 70% of the value with 31% of the area. This alerts us to the fallacy of assuming that the concentration of wealth is less than the concentration of area. In this example the concentration of wealth is greater.

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anyone with big money. The economics of sporting estates was challenged when recent figures were quoted to show that sport shooting produces only a fraction of the revenue yielded by hill walking.

Remarkably, when the subject of land value taxation was raised, Mr Dingwall-Fordyce appeared sympathetic to the idea so long as it was applied across the board and not targeted at specific landowners.

This was an extraordinary meeting by any standards. Covered by radio and TV, it formed part of a BBC2 Newsnight feature on landownership shown on the "Glorious" 12th August. Predictably noisy at times, the meeting was competently chaired by the broadcaster Lesley Riddoch. As a public outpouring of anger and frustration, it showed that land reform is not going to be forgotten, even though there is much work to be done to get the arguments into focus. The fact that the meeting aroused so much interest in Govan demonstrated that the Government must revise its view that land reform is primarily a rural issue.

In winding up, Alastair McIntosh warned the Labour Government that, if they do not deliver satisfactorily on land reform, they will be attacked as mercilessly as were the Tories before them.

Land Owners Ranked by Area and by Value

Table I: Ranked by Area per Owner

Owner #	Area (000s acres)	Value/Acres	Value (£000)	% of Area	% of Value
1	40	162.5	6,500	40	5
2	20	1,300	26,000	20	20
3	19	684	13,000	19	10
4	11	5,909	65,000	11	50
5	3	1,733	5,200	3	4
6	3	434	1,300	3	1
7	2	1,365	2,730	2	2.1
8	1	4,030	4,030	1	3.1
9	0.6	4,117	2,470	0.6	1.9
10	0.4	9,425	3,770	0.4	2.9
TOTAL	100	1,300	130,000	100	100

Table II: Ranked by Value per Owner

Owner #	Area (000s acres)	Value/Acres	Value (£000)	% of Area	% of Value
4	11	5,909	65,000	11	50
2	20	1,300	26,000	20	20
3	19	684	13,000	19	10
1	40	162.5	6,500	40	5
5	3	1,733	5,200	3	4
8	1	4,030	4,030	1	3.1
10	0.4	9,425	3,770	0.4	2.9
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