

The Origin of Rent
by J. Anderson
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Extract from an Inquiry into the Corn Laws; with a view to the
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I foresee here a popular objection. It will be said, that the price to the farmer is so high only on account of the high rents and avaricious extortions of proprietors. "Lower (say they) your rents, and the farmer will be able to afford his grain cheaper to the consumer." But if the avarice alone of the proprietors was the cause of the dearth of corn, whence comes it, I may ask, that the price of grain is always higher on the west than on the east coast of Scotland? Are the proprietors in the Lothians more tender-hearted and less avaricious than those of Clyddesdale? The truth is, nothing can be more groundless than these clamours against men of landed property. There is no doubt, but that they, as well as every other class of men, will be willing to augment their revenue as much as they can, and therefore will always accept of as high a rent for their land as is offered to them. Would merchants or manufactures do otherwise? Would either the one or the other of these refuse, for the goods he offers to sale in a fair open way, as high a price as the purchaser is inclined to give? If they would not, it is surely with a bad grace that they blame gentlemen for accepting such a rent for their land as farmers, who are supposed always to understand the value of it, shall chuse to offer them.

It is not, however, the rent of the land that determines the price of its produce, but it is the price of that produce which determines the rent of the land; although the price of that produce is often highest in those countries where the rent of land is lowest. This seems to be a paradox that deserves to be explained.

In every country there is a demand for as much grain as is sufficient to maintain all its inhabitants; and as that grain cannot be brought from other countries but at a considerable expence, on some occasions at a most exorbitant charge, it usually happens, that the inhabitants find it most for their interest to be fed by the produce of their own soil. But the price at which that produce can be afforded by the farmer varies considerably in different circumstances.

In every country there is a variety of soils, differing considerably from one another in point of fertility. These we shall at present suppose arranged into different classes, which we shall denote by the letters A, B, C, D, E, F, &c. the class A comprehending the soils of the greatest fertility, and the other letters expressing different classes of soils, gradually decreasing in fertility as you recede from the first. Now, as the expence of cultivating the least fertile soil is as great, or greater than that of the most fertile field; it necessarily follows, that if an equal quantity of corn, the produce of each field, can be sold at the same price, the profit on cultivating the most fertile soil must be much greater than that of cultivating the others; and as this continues to decrease as the sterility encreases, it must at length happen, that the expence

of cultivating some of the inferior classes will equal the value of the whole produce.

This being premised, let us suppose, that the class F includes all those fields whose produce in oat-meal, if sold at fourteen shillings per boll, would be just sufficient to pay the expence of cultivating them, without affording any rent at all. That the class E comprehended those fields, whose produce, if sold at thirteen shillings per boll, would free the charges, without affording any rent; and that in like manner the classes D, C, B, and A, consisted of fields, whose produce, if sold respectively at twelve, eleven, ten, and nine shillings per boll, would exactly pay the charge of culture, without any rent.

Let us now suppose that all the inhabitants of the country, where such fields are placed, could be sustained by the produce of the first four classes, viz. A, B, C, and D. It is plain, that if the average selling price of oatmeal in that country was twelve shillings per boll, those who possessed the fields D, could just afford to cultivate them, without paying any rent at all; so that if there were no other produce of the fields that could be reared at a smaller expence than corn, the farmer could afford no rent whatever to the proprietor for them. And if so, no rents could be afforded for the fields E and F nor could, the utmost avarice of the proprietor in this case extort a rent for them. In these circumstances, however, it is obvious, that the farmer who possessed the fields in the class C could pay the expence of cultivating them, and also afford to the proprietor a rent equal to one shilling for every boll of their produce; and in like manner the possessors of the fields B and A could afford a rent equal to two and three shillings per boll of their produce respectively. Nor would the proprietors of these fields find any difficulty in obtaining these rents; because farmers, finding they could live equally well upon such soils, though paying these rents, as they could do upon the fields D without any rent at all, would be equally willing to take the one as the other.

But let us again suppose, that the whole produce of the fields A, B, C and D, was not sufficient to maintain the whole of the inhabitants. If the average gelling price should continue at twelve shillings per boll, as none of the fields E or F could admit of being cultivated, the inhabitants would be under the necessity of bringing grain from some other country, to supply their wants. But if it should be found, that grain could not be brought from that other country, at an average, under thirteen shillings per boll, the price in the home-market would rise to that rate; so that the fields E could then be brought into culture, and those of the class D could afford a rent to the proprietor equal to what was formerly yielded by C, and so on of others; the rents of every class rising in the same proportion. If these fields were sufficient to maintain the whole of the inhabitants, the price would remain permanently at thirteen shillings; but if there was still a deficiency, and if that could not be made up for less than fourteen shillings per boll, the price would rise in the market to that rate; in which case the field F might also be brought into culture, and the rents of all the others would rise in proportion.

To apply this reasoning to the present case, it appears, that the people in the Lothians can be maintained by the produce of the fields A, B, C, D, and E, but the inhabitants of Clyddesdale require also the produce of the fields F so that the one is under the necessity of giving, at an average, one shilling per boll more for meal than the other.

Let us now suppose, that the gentlemen of Clyddesdale, from an extraordinary exertion of patriotism, and an inordinate desire to encourage manufactures, should resolve to lower their rents, so as to demand nothing from those who possessed the fields E, as well as those of the class F, and should allow the rents of all the others to sink in proportion; would the prices of grain fall in consequence of this? By no means. The inhabitants are still in need of the whole produce of the fields F as before, and are under the necessity of paying the farmer of these fields, such a price as to enable him to cultivate them. He must therefore still receive fourteen shillings per boll as formerly. And as the grain from the fields E, D, C, B, and A, are at least equally good, the occupiers of such of these fields would receive the same price for their produce. The only consequence, then, that would result from this quixotic scheme, would be the enriching one class of farmers at the expence of their proprietors, without producing the smallest benefit to the consumers of grain perhaps the reverse, as the industry of these farmers might be slackened by this measure.

If, on the other hand, by any political arrangement, the price of oat-meal should be there reduced from fourteen to thirteen shillings per boll, it would necessarily follow, that all the fields of the class F would be abandoned by the plough, and the rents of the others would fall of course: but with that fall of rent, the quantity of grain produced would be diminished, and the inhabitants would be reduced to the necessity of depending on others for their daily bread, Thus it appears, that rents are not at all arbitrary, but depend on the market-price of grain; which, in its turn, depends upon the effective demand that is for it, and the fertility of the soil in the district where it is raised: so that lowering of rents alone could never have the effect of rendering grain cheaper.