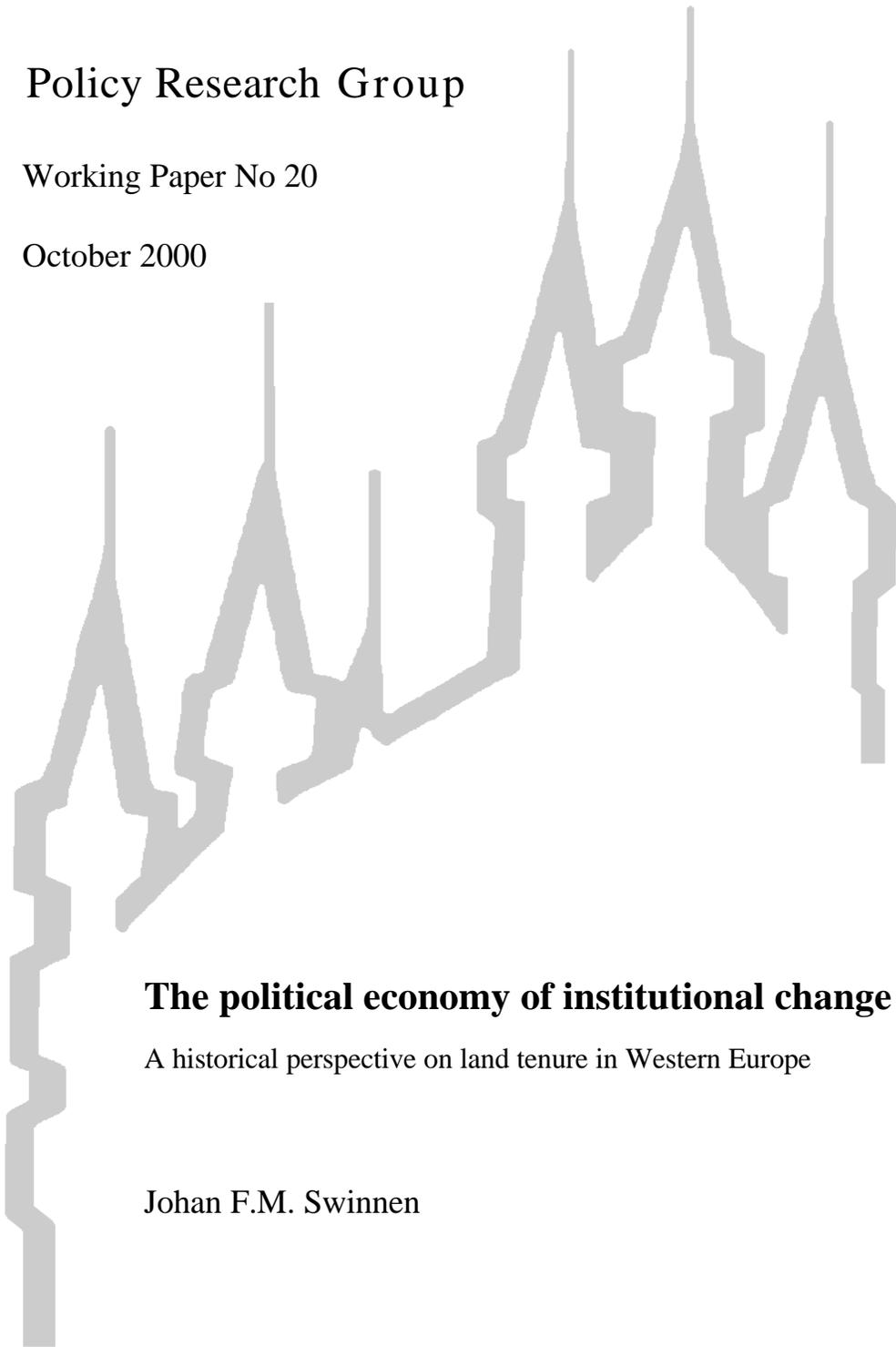


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The political economy of institutional change

A historical perspective on land tenure in Western Europe

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THE POLITICAL ECONOMY OF INSTITUTIONAL CHANGE :

A historical perspective on land tenure in Western Europe

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THE POLITICAL ECONOMY OF INSTITUTIONAL CHANGE :

A HISTORICAL PERSPECTIVE ON LAND TENURE IN WESTERN EUROPE

1. Introduction

Land reform and the creation of optimal land institutions has attracted renewed attention because of its importance in transition processes such as in China, Vietnam, South Africa, the former Soviet Union, and Central and Eastern Europe and because of new political pressure for land reforms in countries with highly unequal land distributions such as Zimbabwe and Brazil. Furthermore, new insights in the functioning of land markets and institutions have induced renewed attention to land access as a poverty reducing tool (de Janvry et al. 2000). A recent review concludes that “land markets have an essential role in the broader process of economic development” because land is not only a means for generating a livelihood but also to accumulate wealth and a transfer between generations, and because land property rights and exchange affect the emergence and efficiency of financial markets (Deininger and Feder, 2000). Because of this, land rights and institutions have a major impact on economic development, especially in agrarian societies, and continue to affect the efficiency of the rural economy when economies grow.

Given this importance of land rights and institutions, it is remarkable how much variation one observes in land rights and institutions even between countries which seem close in efficiency of land use and in rural development. For example, among the countries of the European Union, which are all part of the Common Agricultural Policy since 1967 (or since countries’ accession to the EU), huge variations in land tenure can be observed. An indicator of the variations in land tenure is the share of agricultural land leased by farmers (SLL). This indicator varies from less than 10% in Ireland to more than 70% in Belgium (table 1). Furthermore, also the historical evolution varies strongly between EU countries. For example, in Ireland the SLL decreased from 95% in 1875 to 5% by the Second World War. In contrast, the SLL in Belgium has remained almost constant over 150 years. In some countries the SLL has decreased since the Second World War (e.g. the Netherlands) while in others it has increased (e.g. France, England and Wales) (see figure 1 and table 2).

One part of the literature considers differences and changes in land institutions and tenure rights as an endogenous response to changes in the external environment. For example, the emergence of private property rights is seen as an endogenous response to increased

scarcity of land and the associated incentives for land-related investments (Boserup, 1965; Ostrom, 2000) or to reduced risk to income and consumption (Deininger and Feder, 1999).

However, others question the hypothesis that changes in land institutions are efficiency-driven and argue that there is no assurance that an institution will come into being simply because it is more efficient than existing alternatives (Baland and Platteau, 1998; Lipton, 1993; North, 1991; Platteau, 1992). Changes in land institutions also imply a redistribution of wealth and rents, and often of economic power and political influence (Binswanger et al. 1995). The emphasis on distributional aspects of institutional change underlies studies on the political economy of land reforms, e.g. in Latin America (de Janvry, 1981a,b), in Asia (Hayami, 1991), in Central and Eastern Europe (Swinnen, 1999) and in eighteenth-century England (Allen, 1982).

The inherent link between efficiency and distributional issues brings together Marxist and neoclassical thinking on institutions and institutional change: “[N]eoclassical institutional economists focus their attention on allocative efficiency-improving institutions, whereas Marxists often emphasize how institutions change or do not change depending on considerations of surplus appropriation of a dominant class. ... The emphasis on the effect of an institutional change on control of surplus by a particular class also suggests that the question of efficiency-improving institutional change cannot really be separated from that of redistributive institutional change” (Bardhan, 1989, p. 10-11).

Bardhan further stresses that it is important to understand the rationale of the formation of these institutions, how one was selected over another, and how in the historical-evolutionary process the underlying rationale changes and the institutional forms adapt and mutate in response to the changes circumstances.

This paper addresses this question by analyzing the origins and causes of the differences and changes in land tenure institutions over more than a century in several Western European countries: France, Belgium the Netherlands, Ireland, and the United Kingdom (U.K.).

The analysis will show that differences and changes in land tenure are caused by a combination of economic, institutional, and political factors. First, the French Revolution had a major impact on eighteenth century feudal tenure systems and inheritance laws in France, Belgium and the Netherlands, causing major differences with the U.K.. Second, over time, changes in agricultural profitability affected land tenure in all countries because it affected tenants’ capital constraints in purchasing land. Third, in all countries policy reforms increased small farmers property rights on land in the first part of the 20th century, either through

government regulations improving tenure security or through rising taxes on large landowners which led to land sales and increased small farmers' land ownership. Fourth, significant changes in taxes and tenure regulations only emerged after major political reforms which extended voting rights to tenants and small farmers and which resulted in a significant decrease in political influence of land owners. Fifth, initial conditions had a major impact on how political changes translated into tenure regulations and in the way tenants rights changed over time. Finally, excessive tenure security had perverse effects in some countries in the last part of the 20th century as it induced landowners to sell their land and as such reduced leasing despite improved tenure security.

The paper is organized as follows. The next section summarizes key observations and stylized facts on the evolution of land tenure in Western Europe. The sections thereafter analyze how various factors have affected of land tenure: the French Revolution, changes in agricultural profitability, voting rights reforms, etc. The last section draws conclusions and discusses policy implications for land reform and policies in other countries.

2. Observations

Using the share of land leased in total agricultural land (SLL) as an indicator, several observations on differences and changes in land tenure in Western Europe can be summarized as follows (see tables 1 and 2).

- In 1880, the SLL is high in England, Scotland and Ireland (more than 85%), lower in Belgium (64%), and substantially lower in France and the Netherlands (40%);
- Over the course of the next century, from 1880 to 1980, the evolution of SLL differs markedly between continental Europe and across the Channel: the SLL is relatively stable in Belgium, France, and the Netherlands, while the SLL decreased strongly between 1880 and 1980 in England, Scotland, and Ireland.
- The most dramatic change in SLL occurs in Ireland where it falls from 96% to less than 10%.
- The change in SLL occurs primarily between 1895 and 1920 in Ireland, and after 1920 in England and Scotland.
- The SLL is much higher in Belgium than in other countries after the Second World War.

- After the Second World War, the SLL evolution is opposite in France versus the Netherlands: while it increases from 44% to 57% in France, it decreases from 56% to 33% in the Netherlands.
- The SLL differences between the countries are still large in 1990: from 10% in Ireland to 67% in Belgium.

The rest of this paper analyzes the causes of these differences and changes in SLL.

3. The French Revolution, the Code Napoleon, and Land Tenure in 1880.

The main reason for the initial (1880) large difference in SLL between France, Belgium and the Netherlands compared to what is now the U.K. and Ireland is the 1789 French Revolution and the 1804 Code Civil/Code Napoleon because France and (what is now) Belgium and the Netherlands were subject to the French Revolution and the Code Napoleon. The French Revolution shifted power of the landed nobility and the church to the bourgeoisie. Feudalism was abolished and a large share of the land was given to the tenants who worked on it.

The reason why an important part of the land remained leased was because land owned by the Church and emigrated nobility (approximately 30% of total agricultural land (TAL) in France) was first nationalized and then sold. However, small farmers could not afford to purchase the land because it was sold in too large plots. Instead the buyers of this land were primarily the bourgeoisie and larger farmers (Tracy, 1989).

The 1804 Code Civil/Code Napoleon introduced compulsory equal division of the land with inheritance as well as strong property rights and freedom of landowners in contracting with tenants (Font-Reault, 1977). For example, in Belgium, for a period of 125 years, from the introduction of the Code Napoleon in 1804 to the first Tenure Law in 1929, contracting between tenants and landowners was based on the philosophy and regulations introduced by the French Revolution. Tenants and landowners were assumed equal and were to negotiate the contract between themselves without interference of the state.

The new inheritance rules caused a decline in concentration of land ownership (Agulhon, 1976). As a consequence, the share of land owned by the farmers increased, and hence the SLL decreased, after the French Revolution in France, Belgium and the Netherlands, in contrast to the U.K. and Ireland. Both in France and in the Netherlands SLL declined to 40%, while in Belgium SLL declined to 64% in 1880.

Additional factors also played a role.

In France, the Republicans gave small farmers and farm workers voting rights in 1848. However, in the next elections farmers voted overwhelmingly for the Republicans' opponent Louis Napoleon Bonaparte¹, who campaigned for further reduction of feudal rights, for giving land to the tillers, and for tax reductions for farmers (Agulhon, 1976). These policies, in combination with the reforms after the French Revolution, caused that in France the majority of the land was owned by farmers in 1880 (SLL 40%).

The 1880 situation (SLL 40%) was the same in the Netherlands. However, the pre-1880 dynamics differed somewhat. The French Revolution and the Code Napoleon were also applied to the Netherlands as the country was under French occupation until 1815. Still, in 1815 land ownership by farmers was rather exceptional. Land was either owned by a large landowner, or the farmer was part of so-called '*markegenootschappen*', communities which operated on commonly owned land (Jansma and Schroor, 1987). The main exception was the Northeast of the Netherlands (Groningen province) where tenant farmers had strong property rights on their land through the so-called '*beklemrecht*', a tenure system based on eternal lease without options for canceling or increasing rents. After 1830 many '*markegenootschappen*' were disbanded, either voluntarily or under pressure from the government, and the land was distributed among the members. This contributed to the strong increase in land ownership by farmers between 1815 and 1880 in the Netherlands. Furthermore, private land ownership also increased with the reclamation of "*woeste gronden*" (previously not utilized land), which resulted mainly from private initiatives.

Belgium had a considerably higher SLL (64%) than France and the Netherlands in 1880 despite the fact that all three countries were subject to the French Revolution and the Code Napoleon, and that, according to the land registration in 1808 a large share of the land was owner-occupied. Belgium was more industrialized than both France and the Netherlands in the middle and the end of the 19th century. For example, by 1880 the share of agriculture in total employment in Belgium (29%) is lower than in the Netherlands (35%), and much lower than in France (47%) (table 3). With the inheritance system which divided the land equally between all heirs, and many people working outside agriculture, farmers rented the land from their brothers and sisters who were no longer active in agriculture. The importance of this factor for

¹ He was elected president with 78% of the votes.

affecting SLL obviously depends on how many people were active outside agriculture -- which was more in Belgium than in France and the Netherlands.

4. Agricultural Profitability

Empirical observations

A consistently observed relationship in all countries (especially until 1950) is that SLL decreased during periods of increasing agricultural prices and profitability, while SLL increased when prices and profitability fell.

There is little data on pre-1875 SLL, but qualitative discussions indicate that SLL decreased in the 1850-1860 period when high prices for agricultural products allowed tenants to invest in land (the period of “high farming” in the UK). After the 1817-1835 decline in farm prices, the next decades were in general good for agricultural producers. Especially in the 1850s (Crimea War) and the 1860s (US Civil War) prices were high, as reduced supply in these war regions combined with improved transportation technology opened international markets for West European farmers. As a consequence tenant farmers were able to increase operation security by purchasing land they operated. Furthermore, high agricultural prices induced some landlords to start farming themselves.

SLL increased in the 1880-1895 period when dramatic declines in agricultural prices and farm incomes caused a widespread agricultural crisis throughout Western Europe (Tracy, 1989). The price declines caused major problems for farmers and especially for those who had invested in farm land (Grigg, 1966). In England, total farm incomes declined from 55 million £ in 1873 to 13 million £ in 1879 (Mitchell, 1988). Farmers were forced to sell their land all over Western Europe.

SLL decreased during the 1914-1927 period: high agricultural prices during and after the first World War (1914-1918) provided incentives and capital resources for farmers to invest in land.

SLL increased in the 1930s with declining agricultural prices and incomes at the end of the 1920s and in the 1930s. Figure 2 illustrates how after 1927 agricultural terms of trade worsened dramatically until the mid 1930s. Tenants could no longer afford to purchase land and some who purchased land in the 1920s could no longer pay their loans.

The story of the 1941 - 1960 period is similar to the 1914 - 1927 period: a strong increase in farm incomes during wartime with food shortages and reduced imports and in the first years after the war results in an increase in SLL.

Market imperfections and distress sales

This empirical correlation between SLL and profitability is consistent with the hypothesis that tenants wanted to purchase land but that they were constrained in doing so by land and capital market imperfections. The result of these market imperfections for small farmers were land purchases coinciding with high incomes and land distress sales when incomes fell.

Land market imperfections typically result from credit market imperfections, the underdevelopment of capital markets, the presence of considerable risks (production and price risks, as well as risks of loss of non-land assets) and the absence of insurance markets (Deininger and Feder, 2000; Platteau, 1992). Land is viewed as a portfolio investment with few alternatives, as inflation hedge, as a secure form of wealth in an uncertain environment or as a form of luxury consumption that provides social prestige and political influence to the holder reluctant to do part with their land (Ellis, 1988). Poorer members of society are concerned even more than the rich with holding a relative secure form of wealth and retaining their traditional source of livelihood. They are very reluctant to do part with their land unless they are forced to do so under distress sale conditions. Ownership of a small plot of land makes it, furthermore, possible to retreat to subsistence farming, for example, to escape unemployment in the cities or other economic hardship. As farmers need the land as collateral for working capital, they cannot use the same land as collateral for the loan for purchasing the land. As a result, land needs to be financed out of savings (Binswanger and Rozenzweig, 1986).

In summary, as a consequence of these market imperfections, land sales are mainly limited to distress sales. Such sales tend to foster accumulation in the hands of people with already highland ownership (Rosenzweig, Binswanger and McIntire, 1988). This is consistent with the increase in SLL in times of declining agricultural profitability. With land purchases financed out of savings and land sales determined by distress situations, shift in the profitability of farming have a much stronger influence on land transactions (and thus SLL) than would be the case with perfect land and credit markets.

For example, in France, as elsewhere, agricultural prices declined strongly between 1875 and 1895. At the same time alternative investment opportunities improved: the stock exchange increased 2.5 times between 1881 and 1895. With declining land rents and more attractive investments opportunities outside agriculture, landowners were interested in selling their land. Paradoxically, the SLL did not decline, but instead increased with 7% between 1882 (40%) and 1892 (47%). The main reason was that the decline of farm incomes in this period forced small farmers to sell their land. Because of the liquidity problems of small farmers, only larger/richer farmers could afford to purchase land (Appeltans, 1995).

After 1895 agricultural incomes improve somewhat. In addition, government regulations after 1908 provided credit subsidies for land purchasing. However, these credit subsidies had little effect because of overall liquidity constraints (Caziot, 1919). The main change in SLL came only after WWI when war savings, due to high prices during the war, of many tenants were used for purchasing land. Furthermore, the government subsidized land purchases by small farmers and tenants who were in the army during the war (upto 3/4 of the land value). As a result, land sales increased dramatically after the war (Augé Laribé 1923). The SLL decreased again to 40% by 1929.

However, the relationship between SLL and farm incomes was conditional on other factors and was structurally changed by changes in tenure laws. These changes, in turn, were importantly influenced by political reforms at the end of the 19th century and in the first part of the 20th century.

5. Political Reforms, Income Crises, and Tenure Rights Reforms.

During the two major agricultural crises (the first one in the last quarter of the 19th century and the second one in the 1930s) farmers were forced to sell their land, and tenants who could no longer pay their rent were forced to leave the land. In all countries, this caused much social upheaval and resulted in political actions and demands for adjustments in the tenure system to improve tenure security.

However, this had little effect on policy-making in the 19th century. Even in those countries where new policy changes followed small farmers' demands, the effective impact of these policies was limited. In general, as long as tenants, farm workers and small farmers had no voting rights their influence on government policies was limited. Important (and effective) policy-induced improvements in tenants' situation (e.g. regulation of rents, compensation for tenant investments, enhanced security of tenure, etc.) only emerged after tenants obtained

equal voting rights (see table 5A). This appears to have been a necessary condition for the improvement of tenure rights, although not a sufficient condition.

Even with increased political power, effective policy changes which significantly benefited tenants and small farmers only arrived after a crisis situation substantially worsened their living condition such as the agricultural price declines in the 1880s and the 1930s. Such crises induced strong pressure from the tenants and small farmers for changes in the property rights and tenure regime.

Hence, only the *combination* of both political reforms (which gave tenants sufficient influence in the political system through their votes) and a crisis situation (which triggered the necessary social and political pressure) induced policy changes with substantial effects on tenure relations in all countries. In the rest of this section I will illustrate this argument with details on reforms and policies for several countries.

England

Not only were farmers forced to sell their land, with dramatic falls in incomes after 1875, many tenants could no longer pay their rent and were forced to leave the land. This caused much social upheaval and resulted in political actions. Several associations emerged to defend tenants and small farmers' rights. The Farmers Alliance (1879) and the Society of the Land for the People (1883) demanded the "three F's": Fair rents, Fixity of tenure, and Free sale (Cannadine, 1992). In addition they demanded the elimination of the "Game Laws" which gave only landlords the right to kill animals that destroyed crops.

The 1885 Voting Reform Act extended voting rights to farm workers and caused a dramatic reduction in the influence of landlords in parliament (see table 5). The share of parliamentary seats occupied by large landowners declined from 60% to 30% - and continued to decline afterwards. This political reform and its dramatic impact on the distribution of parliamentary votes, in combination with the increased pressure from tenants due to the worsening economic conditions caused important policy changes on taxation and property rights on land benefiting tenants to the detriment of landlords in the following years (table 6).

First, taxes for landlords increased with (1) an increase in income taxes; (2) a shift of taxes from tenants to landowners in 1889; (3) the introduction of inheritance taxes on land in 1895. While the need for raising tax revenues was driven partly by macroeconomic considerations, the substantial redistribution of taxes from tenants to landlords reflected changes in political power. Afterwards, with the further reduction of landlords importance in

parliament, inheritance taxes increased further. In 1919 when landowners' share of parliamentary seats had fallen to 10%, land inheritance taxes were raised to 40%. Inheritance taxes further increased to 50% in 1930 and to 60% in 1939.

Second, a series of policies increasingly shifted property rights on the land to tenants. Before 1875 the landlord determined the crop rotation scheme and the purchases and sales of the farm. He could expell tenants from the land without remuneration. Already before the 1885 election some policy improvement for tenants had been voted during the crisis. The 1875 Agricultural Holding Act specified that tenants should receive compensation for certain land improvements, but the landlord could still terminate the contract. The 1883 Settled Lands Act gave more right to the tenants regarding sales, subtenancy, and other land transactions. The 1883 Agricultural Holdings Act and Agricultural Law Act increased compensation for land improvements.

After the elections of 1885, 1906, and 1919, when the power of landlords further erodes, policy reforms further benefit small farmers and tenants. The 1906 Agricultural Holdings Act gave tenant farmers the right to decide for themselves which crops to grow. In addition, they could now demand compensation for being asked to leave their farm "without a proper reason". Maximum land rents and minimum wages for tenants are introduced in the 1917 Corn Production Act. Government regulations also improved access to capital for farmers. The 1923 Agricultural Credits Act provided rescue mortgages facilities for farmers who invested in land under the system of minimum prices during the 1917 - 1921 Corn Production Act. With declining agricultural prices at the end of the 1920s, many farmers who purchased land in the 1920s had difficulties paying their loans. The government intervenes by creating the Agricultural Mortgage Corporation (A.M.C.) in 1928, a state institution which provided interest free loans to farmers.

The impact of these tax and tenure right reforms on land tenure was small until 1914, but increased significantly afterwards. The SLL decreased strongly during the 1914-1927 period: from 89% in 1914 over 85% in 1920 to 64% in 1927. The reasons were the policy reforms, but also high agricultural prices during and after WW-I and high interest rates on investments in industry, railroads and overseas investments (Cannadine, 1992). Regulations that improved property rights security for the tenants tend to have offsetting effects on the supply and on the demand for land sales. At the same time they increase the incentives for landlords to sell the land, and reduce incentives for tenant farmers to purchase the land. The strong decrease in SLL during this period therefore suggests that the key factors were the

improved income situation of tenants and better access to capital, and reduced benefits for large landowners to hold on to land because of increased land taxes.

However, the fact that the SLL started declining rapidly after 1919, when the inheritance tax increased strongly (to 40%) supports the hypothesis that this policy had a major influence on the decline of the large estates and thus on land ownership for small farmers (Lord Ernle, 1973).

After 1927 the SLL stabilized and even increased slightly: from 64% in 1927 to 66% in 1941. The main reason appears to be declining agricultural prices and incomes (at the end of the 1920s and in the 1930s). Tenants could no longer afford to purchase land and some who purchased land in the 1920s could no longer pay their loans.

The developments during the 1941 - 1960 period are very similar to the 1914 - 1927 period. A combination of improved tenure security, high land taxes, improved investment opportunities outside agriculture, and a strong increase in farm incomes during and in the first years after the war (with food shortages and reduced imports) resulted in a strong decrease in SLL: from 66% in 1941 over 62% in 1950 to 51% in 1960. New regulations which improved tenant security included the 1948 Agricultural Holdings Act² which regulated lease contracts, including long time tenure security, compensation payments and the creation of the Agricultural Land Tribunals for fast resolution of conflicts between landowners and tenants. Net income from land ownership declined through increased taxes and costs and reduced rents: the ratio of costs of land improvements, maintenance, and taxes over rents increased from 59% in 1938 to 85% in 1947 and 118% in 1951 (Easterbrook, 1965).

Scotland

The change of SLL in Scotland during the 20th century can be explained largely by the same factors as in England, although the Scottish system of land ownership differs because it is determined by Scots Law. This law defined all rights of the landlord including the “Law of hypothec in the soil”, which gave landowners the right to claim all debts of deceased tenants or of a tenant with unpaid debts. This law was the equivalent of the English “Law of Distress”, but with significant differences. For example, in England the landowner could not reclaim goods which had been sold already (Campbell, 1991). The “Law of Entail” (1685) specified

² This Act is the basis for the post-war land policy.

the land as “unalterable heritage” of the owner, which implied that the land could not be taken away from specific heirs, could not be claimed in case of an insolvency, and could not be altered.

While in 1707 the Union of Parliaments combined the parliaments of Scotland, England and Wales, a large part of Scots Law remained intact. The 1848 Rutherford Act gave the landowner certain rights which freed him from the “unalterable heritage” and in 1914 the creation of new entails was forbidden (Callander, 1987; Campell, 1991).

The decline of agricultural prices after 1875 induced strong tenant pressure for policy reform. Their demands included: the cancellation (1) of the entails; (2) of the “hypothec in the Soil” law; and (3) of the first birth right, as well as compensations for land improvements, reform of the Game Laws, and introduction of inheritable tenure and fair rents.

After political reforms in 1885 increased the political power of tenants, the government reacted to these demands with a series of policy changes. In 1886, the Crofters Holding Act increased tenure security for small tenants. In 1894 land taxes and inheritance taxes for land owners are introduced, and in 1907 the land tax is increased (Armstrong and Mather, 1983).

As in England, SLL decreased strongly in the first part of the 20th century due to the increase in land taxes, the improvement of property rights for tenants, and the improvement of agricultural incomes. During periods when agricultural incomes were high, SLL decreased most strongly, especially when land taxes were high.

The Netherlands

Political reforms giving equal voting rights to tenants occur later in the Netherlands (1917) and in Belgium (1919). As a result there are no significant changes in tenure rights during the 1875-1900 crisis, despite heavy pressure from tenants. For example, in the Netherlands, a proposal of a special government commission for tenure reform in 1886 (and again in 1912) was rejected by parliament.

Interestingly, the 1917 voting reforms which extended voting rights to small tenant farmers immediately resulted in political initiatives but in little effective change. In 1919, a new special commission to study the land tenure system is created, but no changes are recommended except for the shift of the costs of public land lease which up to then are charged to the landowner (1924 law) (de Hoogh, 1959).

The reason for this lack of policy reform is that the pressure from tenants is not strong enough, despite the gains in parliamentary representation. Both sufficient political

representation in parliament of tenants' interests and a severe economic crisis were required to bring sufficient pressure to the political balance in order to induce substantial and effective tenure reforms. While the political representation of tenants improved significantly with the 1917 political reforms, it was not until a crisis of sufficient dramatic impact developed that the pressure from tenants and/or the willingness of other interest groups changed sufficiently to allow significant reforms to occur.

When agricultural prices start declining at the end of the 1920s two law proposals are submitted: one to give tenants more tenure security, and one to give state commissions and the court authority to intervene in rent negotiations. Both are rejected in 1929 (de Haan, 1969). It is only after agricultural prices continue to decline in the 1930s, and when more and more tenants – especially those with long term leases and rents determined in the 1920s – get in financial troubles, that the tenure policy is reformed. In 1932 the government approves the “Crisis Tenure Law”, which gave tenants the right to go to court to have their rents adjusted when their rent contract was agreed prior to 1 February 1932. This law effectively induced adjustments in many tenure contracts,³ benefiting tenants.

Improvements in tenants' rights are consolidated in the 1937 Land Tenure Law which gave tenants more security by regulating both the maximum rents and the duration of the contract, and by the creation of regional courts for tenure disputes (Jansma and Schroor, 1987). Further, a 1940 government decree (“*pachtopdrivingsbesluit*”) specified that all tenure contracts should be sent for approval to a central office (“*grondkamer*”) and that the 1 September 1939 rent was imposed as maximum rent. This strict rent regulation induced many landowners to refuse the continuation of the current contract. In turn, this induced further regulation by the government: a 1941 Tenure Decree provided quasi unlimited rights to tenants to continue leasing their land after the contract had ended. In addition, tenants were given privileges to purchase the land they operated on.

One would expect that with improved prices in the second part of the 1930s and especially the 1940s the SLL would decrease again – as in most other counties. However, this did not occur. In fact the opposite happened: the SLL increased further. The reason is that the new government tenure regulations which imposed maximum rents and greatly improved

³ There was - implicit or explicit - compensation for landowners by the simultaneous Agricultural Crisis Law which raised agricultural prices through output market interventions (Minderhoud 1950).

tenant rights, induced a further increase in SLL even in times of high prices: with high tenure security and low rents, most farmers preferred renting their land (see also section 7).

Belgium

The developments in Belgium are similar to those in the Netherlands. The introduction of the one-man-one-vote system in the 1919 political reform immediately induced policy-makers to become more concerned about small farmers' interests and tenant rights (Swinnen et al. 2000). In 1919 a law is passed to adjust rents which were based on contracts agreed during the war. However the main reform which improved tenants rights does not occur until the agricultural crisis of the end of the 1920s causes terms of trade for farmers to decline by almost 100% (see figure 2). The crisis situation induces tenants to increase pressure on the government which leads to the approval of the 1929 Tenure Law which substantially improves tenants rights. It provides minimum guarantees for tenants regarding tenure security (9 years minimum duration and minimum warning period for contract change), freedom of crop choice, and compensation rights. A further worsening of the income situation leads to a 1930 decree imposing compulsory price adjustments in long term lease contracts, and a 1933 "crisis-law" which gave courts the rights to impose lower "fair rents", when the price declines continued (Rondou, J., 1946; Vander Vaeren, J., 1953).

Initial conditions and tenure reforms

This analysis suggests that the 1880 land tenure differences are not only important in themselves (as discussed in section 3), but also because they have affected what happened in the next century. More specifically, the initial land tenure situation in 1880 has affected both the process and the effect of land tenure changes in the years since.

In terms of effect, table 4 shows how the decline in SLL was much stronger over the next century in the countries with the highest SLL in 1880. In England, Scotland, and Ireland SLL declined by more than 50% over the 1880 – 1990 period. In contrast, the SLL reduced much less in the continental European countries: while in the Netherlands SLL declined by 7%, SLL increased in both Belgium (+7%) and France (+17%) over this period.

Concerning the process, in the countries with a substantial share of land owned by small farmers growing political influence of these small farmers and peasants focused primarily on *improving tenure security*. In contrast, in the UK and Ireland policy reforms induced by

growing political influence of small farmers also included a substantial *transfer of land ownership* (see further).

The reasons are differences in initial landownership (in the UK small farmers did not own any land when their political influence grew), and in the inheritance system. While in all countries much of the tenant demands were similar: fair rents, fixity of tenure, and free sale (the so-called 3Fs), the most effective government policy in the UK in terms of changing the land tenure structure was the strong increase in land taxes and inheritance taxes. As with improved tenure security regulations, in the continental European countries, these taxes were imposed only after political reforms gave substantial voting power to the tenants and reduced those of the landlords.

None of the small farmers were hurt by land taxes in the United Kingdom – unlike in continental Europe where they would have shared in the burden. More importantly, the increase in land and inheritance taxes had a more dramatic effect with the British inheritance system. With concentrated inheritance, many new landowners-heirs could not pay their inheritance taxes and were forced to sell part of their land.

An interesting result is that increased democratization, with an increase in political influence of small farmers and tenants, and consequent changes in land and tenure regulations (see section 5) induced a similar SLL in all countries, irrespective of the starting position (with the exception of Ireland where external factors played an overriding role - see section 6). The 1950 SLL was very similar: between 56% and 67% in all countries except Ireland (table 2). By 1970, England, Scotland, France and the Netherlands all have an SLL between 46% and 49%. Afterwards, evolutions differed due to other factors (see section 7).

6. Domestic Control over Resources and Land Reform: the Irish case

The most dramatic change in land tenure occurred in Ireland. SLL decreased from 97% in 1879 over 70% in 1905 to 42% in 1910. It further decreased to 36% in 1916 and 6% in 1933 (see tables 2 and 4).

The traditional property rights conflict between landowners and tenants was reinforced in Ireland by religious conflict and the struggle for independence. The combination of these conflicts made the land conflict more extreme and violent. Tenant farmers were Irish Catholics while landowners were typically absentee English Protestant landlords. In English investments in soil improvements and new agricultural technology were financed by landlords. This was very different from the situation in Ireland with absentee landlords where tenants were

responsible for these investments (Ward, 1958). English landlords showed less interest in their Irish domains and spent only 3% of rents on farm improvements in 1850 - 1875 (Bew, 1987). The demand for land tenure security was therefore linked to the “Home Rule”, i.e. demand for Irish self-government.

The demand for better tenure rights was further reinforced by a strong population increase. The Irish population increased from 4 to 8 million people between 1840 and 1880 reducing land parcels and farm sizes.

In 1867, the Second Reform Act extended voting rights in England mostly to industrial workers (see table 5B), contributing to the replacement of the Conservative Party government by Gladstone’s liberal government in 1868. This government introduced two land laws for Ireland. The *Irish Church Act* gave tenants the option to buy land which formerly belonged to the Episcopal Church, with the government providing loans for the sale. 6,057 tenants purchased land under this Act. Under pressure of continuing violence (see figure 2), the government approved the 1870 *Landlord and Tenant Act* which in addition provided for compensation payments. However, in general, the rules for tenants to become land owners were too complicated and inefficient such that little effective change resulted (Hooker, 1938).

The 1870 Act seems an example of what de Janvry (1981a) refers to as the “Conservative Model” of land reform. The ruling class, which opposes reforms, will concede to reform pressures only for the sake of legitimizing its dominance. When political crises occur, the ruling order will “allow” land reforms to take place to avoid a revolution. By allowing limited reforms, it is hoped that the pressure for more substantial reforms is reduced. Hence, in this perspective, land reform programs are expected to be as limited as possible while achieving their political purpose. A typical way of achieving such an objective is to deliberately choose a reform process with complex rules and insufficient means to execute it. De Janvry (1981b), Hayami (1991) and Swinnen (1999) give examples of such reforms and argue that it is one of the most important factors in explaining worldwide land reform failures.

The real change came after 1876 with the dramatic decline of farm incomes during the agrarian crisis. Many tenants were unable to pay rents and were driven off their farms. This resulted in a dramatic increase in violence and attacks on landowners, arson on farms and homesteads, and refusal to pay rents (O’Neill, 1933). The number of violent attacks increased dramatically in 1880 - 1882 (see figure 2). Collective resistance resulted in violence and secret

organizations, demanding lower rents, tenure security, and abolishment of taxes to Protestant Churches - resulting in the so-called "Tithe War".⁴

At the same time tenants organized themselves politically in the Irish National Land League, which captured a large amount of votes in the 1880 election and which turned the Land League into the dominant party in Irish Politics (Hooker, 1938). One year later, the 1881 *Fair Rent Act* was approved. The Irish Land Commission was given the power to intervene in rental contracts and to purchase land for selling to tenants under specific conditions (see table 6). The Act specified land tenure security for 15 years. However, the implementation of the law caused many problems - resulting in little effective land reform and the abolishment of the Land League.

The Third Reform Act in 1885 extended voting rights to tenants and farm workers. This extended the Irish electorate from 220,000 to 740,000 voters (Fostier, 1994). The result of this political shift was the 1885 *Purchase of Land Act* which reduced annuities below the land rents. Tables 7 and 8 show that this law resulted in large land purchases by tenants.

After the United Irish League (U.I.L.) - created in 1889 - gained almost all 103 seats of Irish Parliament in the 1900 elections, the 1903 and 1909 *Irish Land Acts* were approved. Both laws further improved the conditions for land purchasing by tenants by reducing the annuities, by lengthening the time for repaying the loans and by subsidizing the sale, resulting in dramatic effects in the land market. More than 30% of total agricultural land is sold under the 1903 land Act (table 7). After Ireland became independent in 1921, the 1923 Irish Land Act buys out the remaining landlords and sells land to the tenants, resulting in the decrease of SLL from 25% in 1923 to 6% in 1933.⁵

7. Perverse effects of strong tenure regulations

As explained above, land tenure security of tenants improved considerably in the period between the two World Wars (the so-called "interbellum") due to government regulations. However, in general, tenants still preferred ownership of land over leasing. In Belgium, the Netherlands and France, farmer' preferences on land leasing versus ownership changed after

⁴ The earlier exodus of Irish peasants to Australia and the New World during and after the Great Famine (1845 -1847) resulted in support from overseas for the Irish case. For example, Irish immigrants formed the "Irish Republican Brotherhood" in the United States in 1858 - supporting various actions for land reform and independence.

⁵ Six countries remained under British control and became Northern Ireland. But similar laws with similar effects were implemented there.

the second World War when tenure security became so strong under new tenure laws that farmers preferred lease contracts over land ownership. New lease regulations provided sufficient security of operation while allowing farmers to use their capital for investments e.g. in new technology. However at the same time the benefits of landowners to lease the land out declined and induced them to sell the land.

In France, a series of legal improvements of tenure rights were approved before and during the Second World War, including in 1939 the linking of land rents with producer prices, in 1942 compensation for improvements done by the tenant (“Droit d’Amélioration”), and in 1943 the Tenancy Act on contracting, pricing, and disputing rules. In 1946, after the war, these regulations are abolished, but the new government, headed by Socialists and Communists, introduced a new Land Tenure Law, providing substantial security for tenants.⁶ This forms the basis of the 1955 Code Rural (Von Gronefeld, 1963).

In Belgium, new tenure regulations in 1951 and 1969 reinforce tenant rights in security of leasing and management freedom. The 1951 Tenure Law Adjustment specified an automatic extension of another 9 years lease after the first 9 years which could only be denied under specific conditions. A 1952 decree imposed maximum land rents. The 1967 Tenure Law Adjustment guaranteed additional automatic extensions of land leases which could only be denied under specific conditions (Gotzen, 1991).

In the Netherlands, the 1958 Tenure Law (“*Pachtwet*”) further reinforced tenant rights by specifying land rents according to soil quality, and automatic continuation of leasing contracts unless the landowner formally objected (Walda 1990).

In all these countries, the increased tenure security increased the attractiveness of land leasing for the farmers and reduced its attractiveness for owners. In fact, after the second World War increased tenure security had a negative effect on land leasing. This perverse effect was strongest in the Netherlands where excessive rent control and tenure regulations made land ownership so unattractive that the SLL declines strongly: from 57% in 1945 to 49% in 1965 and to 33% in 1990. Table 9 illustrates how net land rents were around 70% lower in the early 1950s and 1960s compared to the 1937 – 39 period, while farm incomes almost doubled over the same period. As a result many owners preferred to sell their land.

⁶ Taxes (both on rental incomes and on land ownership) played a less important role in France than in the U.K. (Bergmann,1980; Font-Reaulx, 1977).

After the cancellation of land sales price controls in 1963 (which existed since 1941), the rent control reflected itself in a growing price gap between land under lease and other land (see figure 3). Since 1963 the decline in SLL has continued as net rents have increased hardly in real terms, while wealth taxes and inheritance taxes have increased (also with increased land prices) (Folmer 1986).

The decline in SLL was further enhanced by new laws in 1953 and 1963 which gave tenants the first right to buy the land when the owner wanted to sell the land (“*Wet Vervreemding van Landbouwgronden*”). This made it more likely that farmers would buy the land. Furthermore, even if the tenant farmer does not use his first-to-buy-right, he still has the right to continue working the land for 6 years before a new owner can use it.

Finally, the 1984 introduction of milk in the EU further stimulated the decrease in SLL. The milk production quota are linked to land and can only be transferred in combination with land. This provided an important incentive for dairy farmers - which make up a very important share of Dutch agriculture - to purchase land since extension of lease land is seriously constrained due to the lack of supply with the existing rent controls.

In France, there was no change in the SLL on aggregate, but there was important regional variation (Gervais, 1975; Bergmann, 1980). SLL increased in the South where tenancy was traditionally less important because successors increasingly lease part of the land from family members after inheritance splits up the land. However, in the North and the West where tenancy was traditionally more important, SLL decreased because of reduced profitability of land leasing for landowners. Land rents were legally linked to product prices since 1939. This law resulted in declining land values and owners no longer willing to rent. The gap between land (sales) prices and product prices increased strongly over the 1950-1975 period.

However, this evolution caused serious concerns among farmers. With strong tenure rights they preferred land leasing because it reduced capital requirements, especially a constraint for young farmers. They can use their capital for investments in modern technology rather than in land, inducing higher productivity on leased land-based farms. Therefore in the 1960s and 1970s, the government introduced a series of policy changes to encourage leasing. In particular, the government cancelled the 1939 law which fixed the lease: since 1975 lease prices can be negotiated again within certain limits (Houillier, 1982). Taxes on land rents were reduced and long term lease contracts (18-25 years) are no longer automatically extended. They still guarantee long term security for the tenant, but at the same time ensure the

landowners full rights on his land at the end of the lease. The creation of lease associations ("Groupements Fonciers Agricoles" GFAs) between landowners and tenant farmers was stimulated with tax reductions. The introduction of retirement payments in 1964 stimulated retired farmers to lease their land as an additional income source (Brun, 1979). These measures contributed to a reversal of the trend and a 9% aggregate growth of SLL in France between 1976 (48%) and 1990 (57%).

Finally, the importance of leasing differs strongly across farm sizes, reflecting both capital constraints and risk considerations. Table 10 illustrates that in Belgium SLL was higher for larger farms, and that the relationship between size and SLL had changed little between 1929 and 1950.

8. Conclusions and Implications

Land tenure in Western Europe in the eighteenth century was characterized by feudal landlords owning most of the lands with workers and small tenants operating it. The historical evolution of land tenure since then differs quite strongly between West European countries. In this paper I have analyzed what has caused differences in land tenure between countries, and changes in tenure over time. Several conclusions can be drawn.

The first conclusion is that changes in land ownership, especially for small farmers have been strongly affected by (changes in) their capital constraints. In fact, prior to the second World War the demand for land ownership was primarily determined by capital constraints of tenant farmers who were interested in purchasing land for security of operation. In periods of high agricultural prices (and thus farm incomes) tenant farmers used income to buy land; in periods of decreasing prices, farmers were forced to sell their land. This demand factor was most important, explaining the negative correlation between the share of land leased by farmers and agricultural profitability.

Second, this relationship between land ownership and agricultural profitability changed after the second World War, especially in continental Western Europe. In the Netherlands, France, and Belgium government regulations improved tenure rights and controlled land rents to the extent that tenants no longer wanted to purchase land even if they could. New lease regulations provided sufficient security while allowing farmers to use their capital for investments in new technology. At the same time, government regulations on lease contracts also induced a higher supply of land as landowners' net returns on land reduced with increased tenant protection and rent controls. In some countries, tenure security and rent control

became so tight that leasing actually decreased, despite improved tenure rights, because landowners no longer wanted to hold the land, and preferred to sell it.

Third, access to land ownership and/or tenure rights of small farmers improved in all West European countries since the eighteenth century. However the process and the form differed, due to institutional and political reasons.

The French Revolution in 1789 and the following Code Napoleon in 1804 not only abolished feudalism but also imposed different land inheritance rules (equal division among heirs) in (what is now) France, Belgium, and the Netherlands. These rules caused a significant increase in land ownership of smaller farmers in these countries compared to England, Scotland, and Ireland.

Fourth, despite these differences, in all countries the demand for improved tenure rights remained strong. This was reflected in the demand for the three F's: "Fair rents, Fixity of tenure, and Free Sales", since land owners had strong rights in terms of setting the length of tenure, the rent, and the use of the land (crop patterns), and in capturing land investments by tenants.

Effective government actions to address these concerns only emerged after two conditions were fulfilled. First, a necessary condition was that political reforms weakened the parliamentary strength of large landowners, and strengthened that of small farmers and tenants. However while this had some impact, the major changes only emerged when strong declines in agricultural terms of trade induced tenants and small landowners, faced with dramatic crisis situations, to increase pressure on the government.

In England and Scotland the combination of voting rights extension to farm workers and tenants in 1885, and the ongoing agricultural crisis resulted in several laws improving property rights for tenants and raising taxes on large estates. However the most effective reforms only came later when further political reforms further reduced the parliamentary importance of landlords. This led to large increases in taxes on estates and land inheritance. In combination with improved investment opportunities outside agriculture this caused a strong increase in land sales to small farmers.

In Ireland the debate for improved tenure security was interrelated with the independence struggle: it was a conflict between Catholic Irish tenants versus (mostly absentee) Protestant English landlords. This additional factor made the conflict more extreme and violent. Major reforms also only arrived after 1876 when the agricultural crisis induced a dramatic increase in violence. After the 1885 political reforms this resulted in several land laws

which caused a dramatic increase in land ownership of small farmers. After Ireland became independent in 1921, the share of leased land fell to 6%, by far the lowest anywhere.

Equal voting rights were not extended to farm workers and tenants in Belgium and the Netherlands until after the First World War. Then farm profitability was relatively good and the demand for tenure rights improvements was muted. Major reforms occurred only at the end of the 1920s and the 1930s when a new agricultural crisis dramatically affected tenant and farm incomes. In both countries (and in France) policy reforms focused primarily on improving tenant rights, rather than on taxing estates and land inheritance. The reason was that the French revolution had changed the inheritance system and abolished the largest estates. Hence, the French Revolution not only affected the differences in land tenure between countries in the 19th century, but also the policy reforms implemented in the 20th century to improve tenants' rights.

In summary, political and institutional factors play an important role in explaining differences in land tenure. In fact the increase in land taxes and the improvement of tenure security through government regulations reflects changes in the political equilibrium. In all countries land owners lost political influence resulting from institutional reforms, i.e. extension of voting rights to farmers and tenants. Significant changes in land tenure regulations only resulted from the combination of both improved political representation of tenants in parliament and a severe economic crisis increasing the pressure for reforms (and muting opposition against it).

Finally, the insights from this study have important implications for countries currently pursuing land and tenure rights reforms, such as countries in southern Africa, Latin America, Eastern Europe and Central Asia. The first implication is that a modern agricultural system can develop in a land tenure system which has a large part of the land used by farmers who do not own the land. Security of operation can be sufficiently secured by tenure regulations without having to rely on actual land sales or expropriations. This is very important for East European countries where much agricultural land has been restituted to pre-1948 land owners, many of whom are no longer active in agriculture and for other countries where expropriation causes major political problems. As in Western Europe in the beginning of this century there are both regulatory (restrictions in land sales market) and economic constraints (market imperfections) in land sales transactions. Regulations affecting land ownership have very important political motivations and are difficult to alter. Therefore, governments may want to

concentrate on the lease arrangements to ensure the basic conditions for successful farming to develop.

Second, the experience from Western Europe shows that enhanced access to land and secure operation for small farmers can be achieved by a variety of policies. In some countries increased land and/or inheritance taxes played a major role, while in others such taxes were not important. The best policies can only be decided taking into account the local institutional constraints and the political economy.

However the experience in Western Europe also confirms that major policy reforms leading to effective changes in tenure systems are politically difficult to achieve. Empowerment of small tenants and farm workers and increasing their access to and influence on policy-making appears to be an important pre-condition in order to improve their land tenure rights

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**Table 1. : Share of owned and leased land in Western Europe
(% of total agricultural land, 1977).**

	<i>Land owned by user</i>	<i>Land leased by user (SLL)</i>
Ireland	92	8
North-Ireland	92	8
Denmark	90	10
West-Germany	78	22
Italy	76	24
Luxembourg	67	33
Scotland	60	40
England + Wales	53	47
France	53	47
Netherlands	52	48
Belgium	29	71

Source: Dudry (1982)

Table 2. : Share of land leased by farmers (% of total agricultural land)

	<i>Belgium</i>	<i>England (*)</i>	<i>Scotland</i>	<i>France</i>	<i>Ireland</i>	<i>Netherlands</i>
1880	64	85 (a)	92	40	96 (b)	40
1895	69	-	92	47	-	-
1910	72	89	90	-	42	53
1920	-	85	87	-	25	48
1930	62	63	70	40	6	49
1940	-	66	69	-	-	54
1950	67	62	60	44	5	56
1960	68	51	49	50	7	52
1970	71	46	49	48	6	48
1980	71	47	40	51	8	41
1990	67	36	40	57	9	33

Source: National statistics

(*) England and Wales

(a) 1885

(b) 1870

Table 3. : Share of Agriculture in Total Employment (%)

	<i>Belgium</i>	<i>United Kingdom</i>	<i>France</i>	<i>Netherlands</i>
1860	42	19	51	35
1870	36	15	49	-
1880	29	13	47	35
1890	22	11	45	29
1900	21	9	42	28
1910	16	9	41	25
1920	15	7	41	21
1930	17	6	36	18
1940	14	5	36	17
1950	11	4	33	14
1960	8	3	24	10
1970	5	3	14	6
1980	3	3	9	5
1990	3	2	6	5

Source: Blomme (1988), Compennolle (1994), Mitchell (1980), Toutain (1963), Van Zanden (1985)

Table 4. : Change in share of leased land (SLL) between 1880 and 1990

	<i>1880 SLL</i>	<i>Change 1880-1980</i>	<i>Max.-Min. (1880-1980)</i>
Belgium	64	+3	9
France	40	+17	17
Netherlands	40	-7	21
England and Wales	85	-49	53
Scotland	92	-52	52
Ireland	96	-87	90

Source: own calculations based on data in table 2

Table 5. : Voting Rights Reforms and Tenure Reforms in Western Europe

A. Tenant voting right and tenure reform

	<i>Tenant voting rights</i>	<i>Important tenure rights reform</i>
England and Scotland	1885	1888-1895
Ireland	1885	1885
Netherlands	1917	1924-1932
Belgium	1919	1929
France	1848	1942-1946

B. England and Wales

	<i>Voting Reform Act</i>	<i>Main Beneficiaries</i>	<i>Share of parliamentary seats by large landowner (%)</i>
1832	I	Farm managers	
1867	II	Industrial workers	
1880			60%
1885	III	Farm workers and tenants	
1885-post election			30%
1906			20%
1918	IV	Women	
1919			10%

C. The Netherlands

Before 1887:	Census voting rights
1887:	Extension of voting rights to 27% of the population, including many larger (richer) farmers
1917:	General voting rights

D. Belgium

Before 1893:	Cijns Voting rights	Votes based on tax payments.
1893:	Plural general voting rights	All men over 25 years at least one vote, but number of votes depends on education and wealth (taxes) (*).
1919:	Singular general voting rights	One man, one vote.
1948:	Voting rights for women	One person, one vote

(*) As taxes on real estate were much higher (up to 10 times) than on other assets, land ownership was costly, but at the same time an important source of political power.

E. France

1814:	Voting rights restricted to large landowners (those who paid more than 300 FF taxes, equivalent to taxes on 50 hectares property); i.e.100,000 people out of 30 million total.
1831:	Reduction to 200 FF minimum tax: now 200,000 people can vote.
1848:	Voting rights for all men.
After WWII:	Voting rights for women

Table 6. : Land policy reforms in England and Wales 1888 – 1895

1888	County councils are created as local structures to reduce the large landowners influence over local education, roads, health care,...(<i>Local Government Act</i>)
1891	Tithes taxes are shifted from tenants to landowners
1892	Government support to finance land purchase by small farmers (<i>Small Holdings Act</i>)
1895	Tenant right for compensation for garden investments (<i>Market Gardener Compensation Act</i>)
1895	Introduction of inheritance tax

Table 7. : Change in land sales regulations under various Land Acts in Ireland (1870-1909)

<i>Land Act</i>	<i>Annuity</i>	<i>Term</i>	<i>Other conditions</i>
1870	5%	35 years	33% downpayment
1881	5%	35 years	25% downpayment
1885	4%	49 years	No downpayment
1896	4%	73 years	10 yearly reduction in annuity
1903	3.25%	68.5 years	12% subsidy on sales price for seller
1909	3.5%	65.5 years	gradual subsidy (0-18%)

Source: Hooker (1938), Bew (1982)

Table 8. : Land sales under various Land Acts in Ireland

<i>Act</i>	<i>Number</i>	<i>Area (ha)</i>	<i>% TAL</i>	<i>Price (£/ha)</i>
1870	877	21 418	0.2%	40.1
1881	731	12 411	0.1%	28.7
1885 – 88	25 367	381 621	4.6%	26.6
1891 – 96	46 834	600 290	7.2%	22.3
1903	204 341	2 642 190	31.8%	26.9
1909	18 658	253 190	3.1%	21.9
Total	296 808	3 911 051	47.0%	25.9

Source: Hooker (1938), Bew (1982)

Table 9. : Farm incomes and net rents in the Netherlands (1937 = 100)

<i>Period</i>	<i>Farm income</i>	<i>Net rents</i>
1937 – 39	100	100
1949 – 51	174	30
1961 – 63	195	33

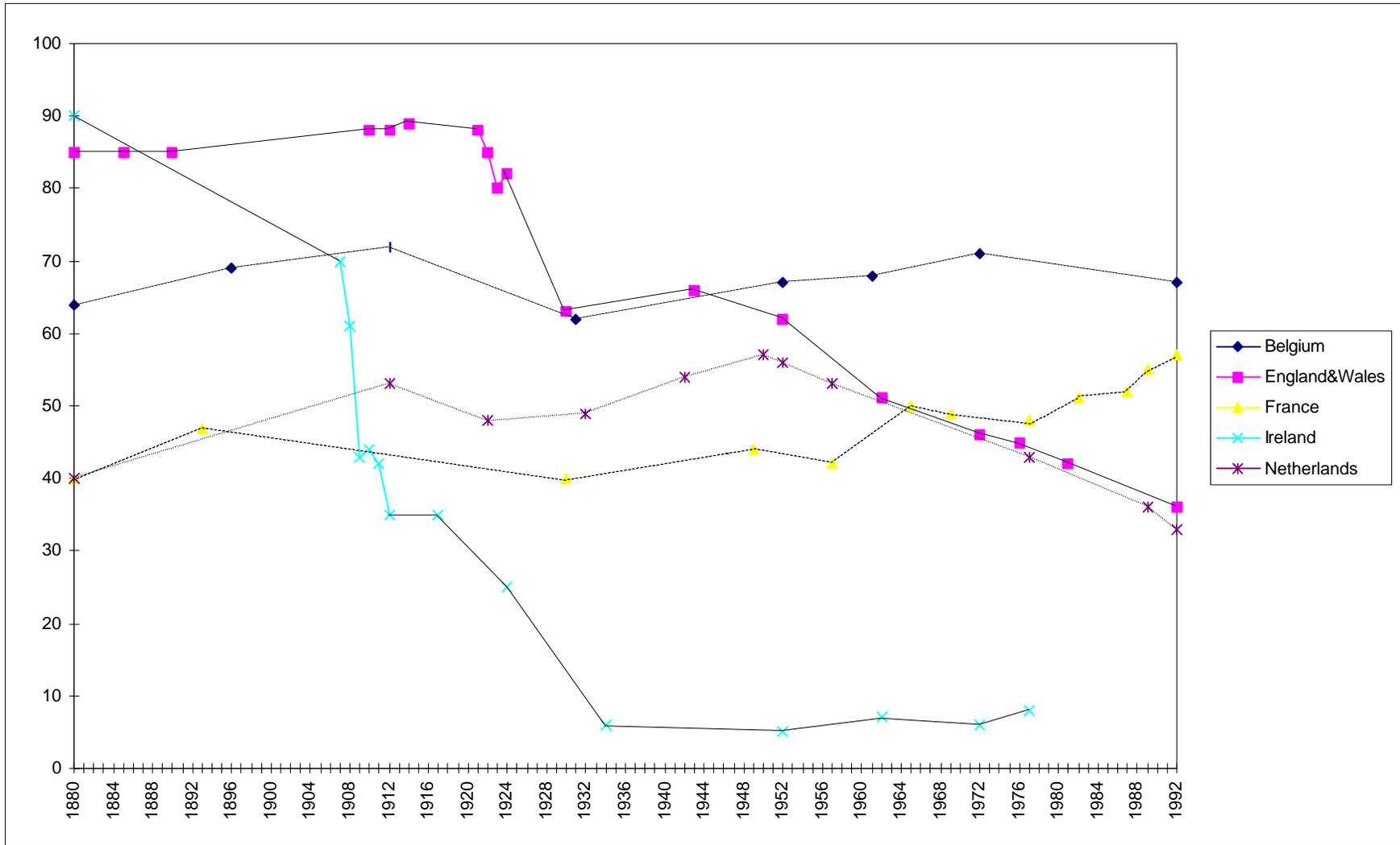
Source : Horring (1964).

Table 10. : SLL by farm size category (1929 - 1950) in Belgium

	<i>1929</i>	<i>1950</i>
Less than 1 ha	44,8	55,3
1 to 5 ha	41,7	40,3
5 to 10 ha	44,4	36,5
10 to 20 ha	40,8	33,0
20 to 30 ha	32,1	26,9
30 to 40 ha	25,5	21,2
50 to 100 ha	17,0	12,9
100 ha and more	25,9	17,5
Total	38,1	33,3

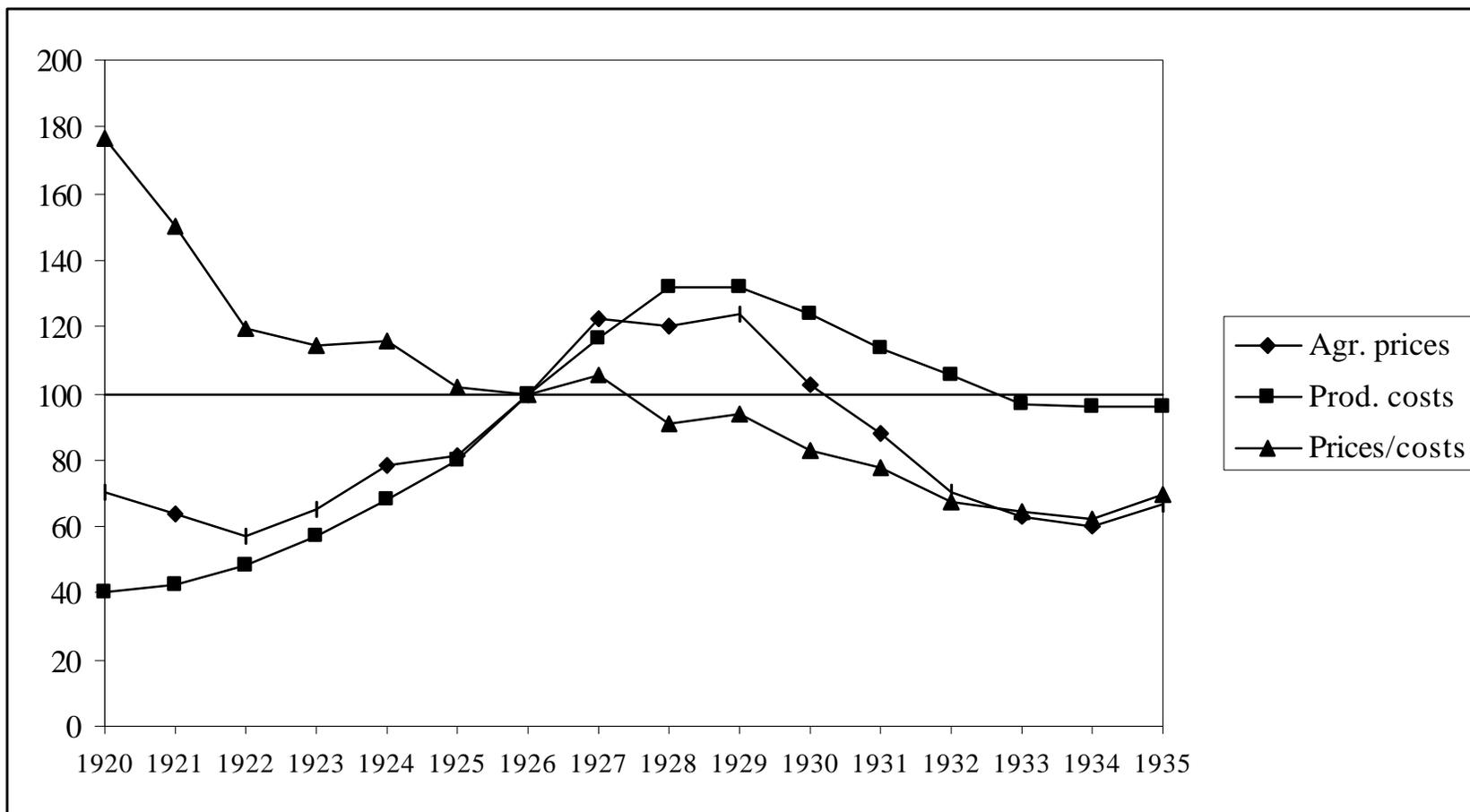
Source: Agricultural census

Figure 1: Share of agricultural land leased by farmers (% of total agricultural land)



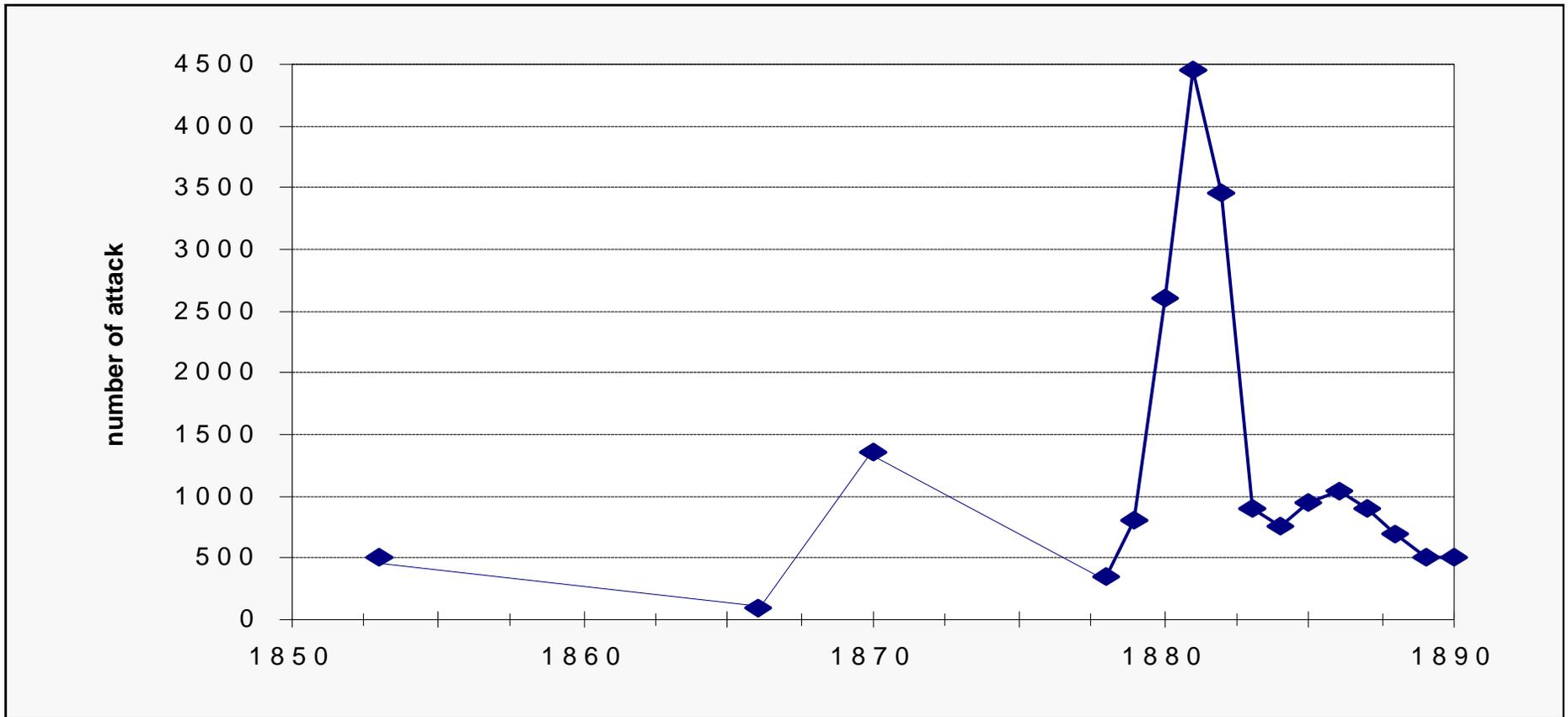
Sources: National statistics; Bergmann (1980); Callander (1987); European Commission (1981, 1982); Graphagri (1994), Hooker (1938); Martens (1915); Van Zanden (1985); Viau(1963); Ward (1958).

Figure 2: Index of agricultural prices/costs in Belgium 1920-1935



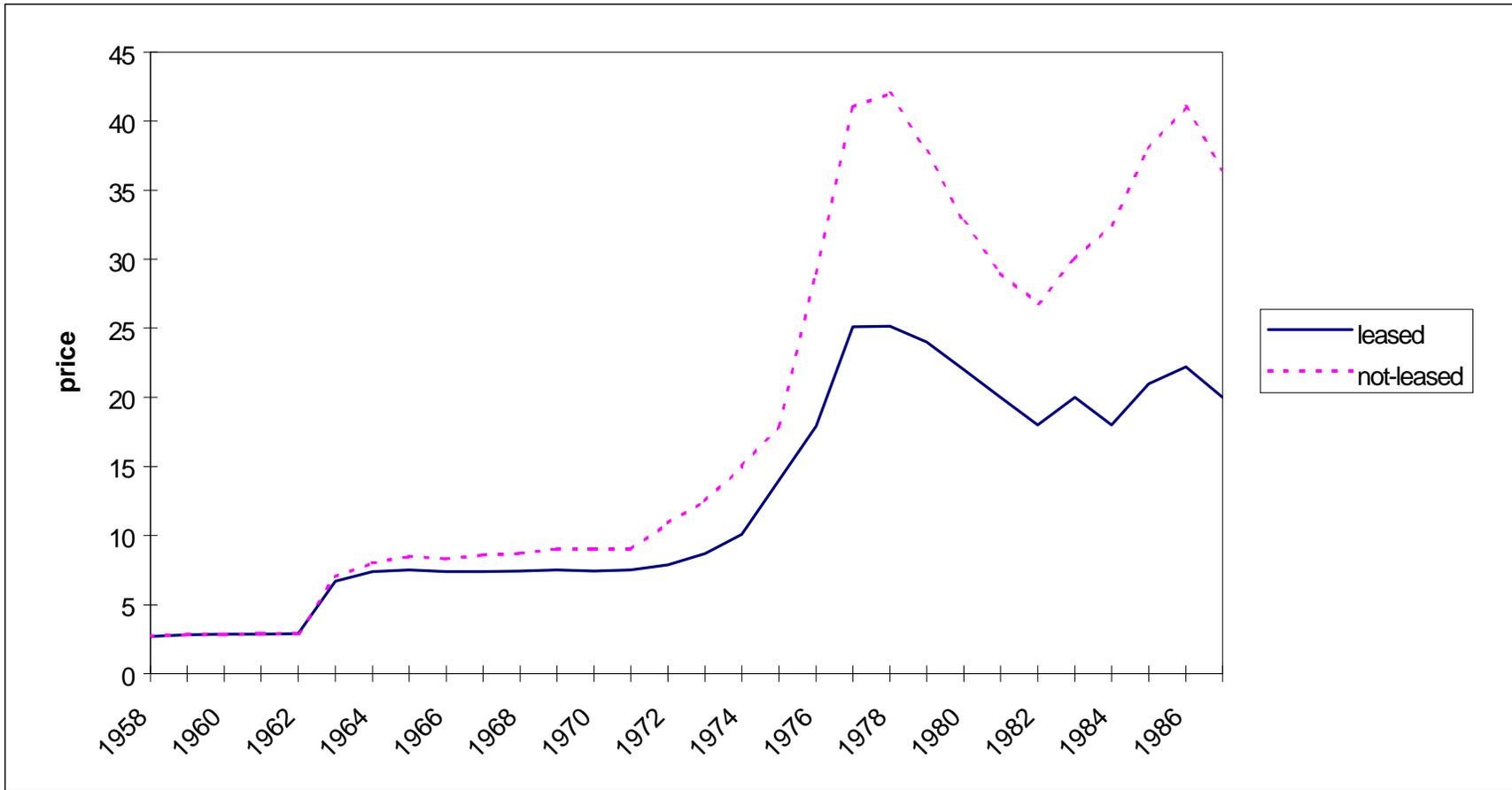
Source: Bublot (1956)

Figure 3: Number of “agrarian attacks” in Ireland (1854 - 1890)



Sources: Bew (1982); Geary (1980).

Figure 4: Sales prices of agricultural land with and without lease contract in the Netherlands



Source: Heijman et al (1990)

