

ON
THE ECONOMIC CAUSES
OF THE
PRESENT STATE OF AGRICULTURE
IN IRELAND :

Part VI.

A PAPER READ BEFORE
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BY

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On the Economic Causes of the present state of Agriculture in Ireland, (Part VI.)—Legal Impediments to Mining Industry, and a Notice of the Theory that the State of Agriculture arises from the Want of Industrial Knowledge. By W. Neilson Hancock, LL.B. M.R.I.A., Archbishop Whately's Professor of Political Economy in the University of Dublin.

GENTLEMEN—In this paper I propose, in the first place, to direct your attention to the special impediments to the application of capital to mining operations in Ireland, which arise from the state of the law with regard to mines. And I do so for the purpose of showing how groundlessly the case of mines has been brought forward, to prove that the state of Ireland arises from the perverse character of the people. I shall, then, conclude this series of papers, by noticing the theory that the state of agriculture in Ireland arises from a want of industrial knowledge, which is very commonly relied on as opposing the conclusions at which I have arrived.

The law of waste, which I noticed in my last paper, when speaking of waste lands and trees, comes into operation with regard to mines; and, according to this principle of the common law, it is waste for a tenant or for a proprietor for a life interest, unless made dispunishable for waste, to open and work mines. Again, mines of gold and silver, if found on the land of a subject, immediately cease to be his property, and become the exclusive property of the Crown. And under the common law, if gold or silver were discovered in combination with ore of the baser metals, the whole produce of the mine was considered liable to the royal prerogative. This prerogative was found so injurious that it had to be limited, and an Irish statute (4th Anne, c. 12) enacted that the owners of mines should enjoy them, though claimed to be royal mines, giving the king a right of pre-emption to the ore at certain prices. The price of lead ore was fixed at £9 per ton by this Act. But, as its price ranged up to near £15 per ton, even this right would have been destructive to the lead mines. It was further restrained by raising the price of pre-emption to £25 per ton, by 55th Geo. III., c. 134.

This right of pre-emption in the Crown is a species of taxation, and when tested by the principles of taxation, it must be condemned as unequal and extremely burdensome, if it be enforced. When not enforced, its existence produces no revenue to the state,

but still burdens all those engaged in mining speculations, by exposing them to the risk of having their property confiscated. Should the fertility of lead mines decrease, and the demand for lead increase, the price might rise above £25 per ton, and the cost of raising the lead might also rise above £25. In such a case, by this right of pre-emption, the entire profit of the Company would be confiscated by the tax. This is no imaginary case; for although it happens that the right of pre-emption of lead mines has not been exercised, the right of claiming gold mines was exercised in 1796, and part of Lord Carysfort's estate near Arklow was taken possession of by the government, because some quartzose and ferruginous sand was discovered, containing particles of pure gold.

All the impediments, as to the transfer and application of capital to land, which I enumerated, (except the law of agricultural fixtures,) impede the working of mines. An attempt was made in the Irish Parliament to remove some of these impediments, by enabling tenants for life and others, under disabilities, to grant leases of coal mines on certain terms, and other mines under other limitations. But these terms and limitations were so strict, as to restrain the benefits conferred to a few of the most fertile mines, as none others could be profitably worked on the terms. Thus the leases of coal mines were not to exceed 41 years, and the rent was not to be less than two-pence for every ton of coal. For other mines the leases were not to exceed 31 years, and the rent not to be less than one-tenth of the part of the ore to be raised out of the mines, without regard to the expense of laying the ore on the bank.

The scientific prediction that such a state of the law must impede the operation of mining industry, is fully corroborated by evidence on the subject. Thus Mr. Purdy, the Secretary of the Mining Company of Ireland, states: "That the limit of rent, namely, one-tenth of the gross produce of the mine, clear of all expenses attending the raising of ores and preparing them for smelting, is more than *double* the average amount of rent payable at the copper mines of Cornwall." Thus presenting a complete barrier to the Irish mines entering into competition with mines of equal fertility in Cornwall; and accordingly he states: "This limit, as regards the amount of rent, has, in many instances, prevented the working of mines in Ireland, and, in others, has occasioned unhappy differences between landlord and tenant, which may be remedied without injustice to any interest, by providing that, in lieu of one-tenth of the gross produce, there shall be substituted the improved value." You are aware that one of the greatest objections to the old system of tithes, as a species of taxation, was the impediment they presented to all improvement, by being a tenth of the gross produce. They were accordingly commuted into a certain annual sum; and yet the principle condemned in the case of tithes was allowed to paralyse mining indus-

try. The mining leases are subject to another restriction not noticed by Mr. Purdy, namely, that if not worked within one year after the lease being granted, or if, at any time during the lease, six men are not employed for one hundred and fifty days, the lease is forfeited. This risk of forfeiture is an additional disadvantage attending mining speculations; because the circumstances of the market may be such as to render it unprofitable to work the mines continuously. It must also have operated most injuriously in disputes between the lessees and the landlords—as once the lessees had laid out a large capital in the mines, the landlord was directly interested in enforcing every condition most strictly against them; since, if he could, by so doing, only succeed in making the mine unprofitable to them, the works must fall into his hands.

A recent writer, contrasting the opportunities of mining speculation in Cork and Cornwall, asks—“What has the Cornishman, by nature, and under government, that the Cork man has not? He has a poorer and more sterile country from nature than the Corkman; and the government taxes his dogs, his horses, his windows, his servants, his carriages, his armorial bearings, his income, and lets the Corkman off scot-free in all these respects, to keep cur-dogs to hunt, when he had better be working, and permits the gentry to assume an appearance of wealth which they have not, free from all taxation.”* He then ridicules the absurdity of the difference arising from the state of the law, and describes the productiveness of the Cork mines as being of the most extraordinary description. “Veins of the richest copper mines in the world openly show themselves.” Now, if this account of the Cork mines be correct, why do not some of the enterprising Cornishmen come over and take advantage of them? English capital has been sent to Mexico and Peru to establish mines? Why not to Cork, if mining there be really so profitable? The Cornishman would escape all the burdensome taxes so graphically described, if he came to Cork. His not doing so cannot arise from indolence, or from want of industrial knowledge. It must arise, therefore, from the state of the law which has been pointed out. Mr. Purdy, accordingly, instead of waiting for a change in the knowledge or character of the Irish people, persevered in his efforts to get the law altered; and his view of the causes of the present state of mining in Ireland has received the sanction of the Legislature. By the Act of last year, the power of leasing is extended from 31 years to 41 years, and the unwise restriction of rent to one-tenth of the produce is repealed.

I cannot conclude this series of papers on the state of agriculture, without noticing again a theory alluded to in my first paper, which has received the support of some of the most distinguished writers on Ireland, and is, indeed, very generally received amongst

* “Letters on the Condition of the People of Ireland.”—By T. Campbell Foster, p. 427.

even the most enlightened thinkers, namely, that the state of agriculture is mainly caused by a want of industrial knowledge. Sir Robert Kane has given especial encouragement to this theory, in his celebrated work, "The Industrial Resources of Ireland." Thus, he commences with taking as his motto the saying of a distinguished foreign writer, Briavionne: "*Qu' est ce que fait la différence entre l'Agleterre riche et florissant et l'Irlande pauvre et imbecile? Le savoir industriel*"—and, in his last chapter, he states the result of his investigations: "The fault is not in the country but in ourselves. The absence of successful enterprise is owing to the fact, that we do not know how to succeed. We do not want activity—we are not deficient in mental power—but we want special industrial knowledge." Let us test this opinion by considering the successive investigations on which it is based. Sir Robert Kane commences his work by explaining the importance of fuel in the industrial arts. Let us take the three classes of fuel, wood, coal, and turf. We have seen that the scarcity of wood in Ireland arises from the law with regard to trees. Now, no amount of knowledge with regard to the use of wood will lead to trees being planted, until the law allows them to be grown with profit to the cultivator. And a few instances of a tenant losing largely, by his expenditure in planting, from the operation of the law, like the one I brought forward, will effectually paralyze exertion in this useful and essential branch of national enterprise, in spite of any amount of industrial knowledge. As to coals, we have seen that the laws as to leasing coal-mines had to be altered the last session of Parliament—a palpable admission that the law, and not the want of knowledge, stood in the way of this kind of enterprise. And lastly, as to turf, we have seen that the law prevented the experiment, of driving a flax spinning-mill by turf, from being tried in the North of Ireland. Had that mill been established, its progress would have done more to prove the truth of the speculations as to the utility of turf as fuel for industrial operations, than fifty treatises. Had it succeeded, and prospered, as the calculations with regard to turf lead us to expect it would have done, the example of such success would have taught the people the value of turf more effectually than any system of education that could be devised. Until the law allows mills to be built in turf bogs, no amount of industrial knowledge can lead to an extensive use of turf in mills.

The next subject noticed in the "Industrial Resources" is water-power. The neglect of water-power in Ireland arises, partly from the want of demand for the products of the machinery it could drive, and partly from the defective state of the law, which impedes the erection of mills.

The next subject noticed is minerals and mines. But we have seen that the state of the law respecting mining leases was the impediment to this branch of industry. The Act of the last Session, although not removing all the defects, will so far improve the law, as to free mining operations from the most injurious restric-

tions imposed upon them. But, indeed, on the subject of mines, Sir Robert Kane has himself refuted the Want of Industrial Knowledge Theory; for, in the page preceding the one in which he ascribes the state of Ireland to our want of industrial knowledge—adding, that England is far above us in industrial knowledge—he has the following observations respecting mines: “Numerous companies have been, from time to time, formed in England, for the purpose of developing some branch of the industrial resources of Ireland, especially our mines. They have been almost universally failures, and Ireland, as a field of enterprise, has hence been at a discount in the English market.” Where is the evidence of want of industrial knowledge in this statement? If the failures in Irish mines are failures of English capitalists, the fault cannot be in us, or in our want of industrial knowledge.

The subject, however, to which Sir Robert Kane has, with great truth, attached paramount importance, is the state of agriculture. He has ascribed its present disgraceful state to want of industrial knowledge, and he has especially recommended industrial instruction as the remedy. Let us test the value of this recommendation by taking the three most important lessons in agricultural improvement—namely, the theory of rotation of crops, the theory of thorough drainage, and the theory of farm buildings. These may be summed up in a few words: that a two years’ rotation of oats and potatoes is not so profitable to the farmer as the six years’ rotation recommended in agricultural treatises; that thorough drainage will repay the occupier in fourteen years at farthest; that farm buildings are an exceedingly profitable investment for the farmers (repaying in some forty or fifty years). The whole of agricultural instruction must resolve itself into propositions similar to those I have stated; for the test of every new mode of cultivation is its profit to the person who adopts it. If more profitable to him, it is more advantageous than the old method; if less profitable, its adoption must be injurious. But the truth of these propositions depends on the state of the law. Thus, a two years’ rotation may be more profitable than a six years’ rotation, for yearly tenants, who have no legal security against their rent being raised, or their being ejected before the end of the six years; for, should either of these events happen, the profit that would accrue to a leasehold tenant is not received by a yearly tenant. In the same way, thorough drainage will not repay a tenant in fourteen years, unless he is sure of not having his rent raised, and of not being ejected without compensation before the end of the time. Farm buildings require still greater security, to make it prudent for a tenant to invest any capital in them. Now, when we consider that the majority of Irish tenants are yearly tenants, and the majority of the landlords are tenants for life under strict settlement; and when we know that all improvements, whether in rotation of crops, in thorough drainage, or in buildings, by law belong not to the improver, whether landlord or tenant, but become part of the freehold, and subject to all the

limitations of ownership that it is subject to, it follows that, with regard to the majority of those connected with land in Ireland, whether as proprietors or occupiers, the propositions that long rotation of crops, thorough drainage, and farm buildings, are profitable to the improver, are not, in legal strictness, true. Such undertakings never can be profitable to the majority of improvers, unless some person over whom they have no control consents to forego a legal right for their advantage.

A few instances of parties refusing to forego their legal rights, and so preventing improvers from reaping the full profit of their labour and capital, effectually paralyzes exertion, and stops the progress of improved agriculture. Agricultural instruction depends for its success—indeed, I may say, for its truth—on the state of the law.

So that the proposition which I stated in my first paper is fully established. The state of agriculture in Ireland arises neither from the ignorance, nor from the perverse disposition of the people, but from the state of the law. This conclusion, deduced from careful scientific reasoning and analysis, is identical with that arrived at by a benevolent Englishman, who recently travelled through Connaught, to inquire into the effects of the relief distributed there under the Relief Committee of the Society of Friends, from the liberal contributions of himself, his fellow-countrymen, and the citizens of the United States:—

“Sir Richard O’Donnell has brought several considerable farms upon his estate, which are let to good tenants, under very fair cultivation; but the difficulty which usually exists on these embarrassed estates, of giving adequate leases for the investment of capital for considerable improvements, is a great barrier to this course of proceeding; and I believe that a great portion of the wretched cultivation which prevails throughout Ireland may be traced to this circumstance. If lands in Mayo were as secure to the farmers as they are on the banks of the Mississippi, I see no reason why they should not be settled and cultivated by the men who are crossing the Atlantic, to extend the cultivation and increase the resources of the United States. Nor have I been able, after the most careful inquiries, to find in the conduct of the men of Connaught a justification of the opinion that they would be less industrious in the glens and on the mountain-sides of their own loved Erin, than they are found to be in the land of strangers. I have asked the emigrant Irish farmer, in America, why he did not toil at home, ‘from sunrise to sundown,’ as he does there? and I have asked the emigrant, about to leave his native shore for the unknown West, why he did not employ his little capital and labour in improving the land of Ireland? The answer invariably has been, ‘That they would much prefer toiling and expending their little capital at home, if they had land at a fair rent, and leases that would enable them to enjoy with certainty the fruits of their labour.’”*

* “A Visit to Connaught in 1847.”—By James H. Tuke.