THE ECONOMICS OF SMALL HOLDINGS
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A STUDY BASED ON A SURVEY OF SMALL SCALE FARMING IN CARMARTHENSHIRE

by

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WITH PREFACE BY

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PREFACE

In the multitude of proposals for the better organisation of rural Britain there is none which has received more general assent than that which is directed towards the closer settlement of the land. The older political parties of the State have this plank common to their platforms; many serious students of rural reform are advocates of the multiplication of small holdings; whilst the town dweller, if ever he thinks of agricultural problems, has generally the re-creation of the “peasant” in his mind. In these circumstances it is the more surprising that action has preceded investigation, and that whilst much has been attempted by the legislature in this direction, still more is demanded of it notwithstanding that evidence upon the relative economic and social values of holdings of different sizes is almost entirely lacking. This is not to say that the subject has not engaged the attention of agricultural students. On the contrary, a voluminous literature upon it exists, but very little has been based upon statistical investigation. ‘Damnable iteration’ takes the place of evidence, and that which anybody may assert is assumed to be true.

It is probable that the demand for the subdivision of farms in this country arises—apart from purely political considerations—from the prevalence of small-scale farming in extensive areas of continental Europe. Travellers see the family farmer at work everywhere upon his small holding. They note his obvious industry, his seeming content and the high standard of cultivation to which so frequently he attains. From this they argue that the
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re-population of the English countryside, and the increased productivity of its broad acres, can be achieved at one stroke by the subdivision of the larger holdings which are a prominent feature of its farming systems. They do not stop to observe the long hours of labour involved in peasant farming, the heavy toll on the family from which not even the smallest toddler is exempt, nor the low standard of living with which their work may be so often rewarded. They do not realise the complete absence, in many cases, of alternative forms of employment, which, on the other hand, are so abundant in our own country with its highly developed industrial system and its almost boundless colonial empire. Nor do they study economic history to the point of learning that England began more than a hundred years ago to emerge from a condition of things similar to that which excites their admiration abroad, and that the evolution of her larger units of production cannot be regarded as a retrograde movement without more careful investigation.

These observations must not be construed as a prejudgment of the small holdings question in the opposite sense. They are put forward only to show the need for more thorough study of the subject with a view to the determination of the economic unit of cultivation under various conditions, and the organisation of the tenure of land best calculated to secure the social well-being of those engaged in agricultural industry. The fact is that very little research directed to these ends has been undertaken. The most important study of the general problem made in this country is that carried out by Mr A. W. Ashby in the years 1913 and 1914 and published in 1917, though, owing to a title which conveys the impression of a merely local application, his work has not received that degree of
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publicity to which it is entitled. Prior to this, the economics of large and small holdings in England had been investigated by a German economist, Dr Hermann Levy, of the University of Heidelberg. The English version of his study was published in 1911 and attracted a good deal of attention. His conclusions are drawn mainly from observation, statistical data being almost entirely absent, and while his reasoning brings him often to a sound conclusion as, for example, when he indicates the superiority of the large unit for most purposes of arable farming, his deductions in many important matters are entirely fallacious. Some of his errors are due to a lack of knowledge of local agricultural history, as when he assumes that the large farms created after the inclosure of Exmoor Forest were the result of engrossment, the facts being that they were evolved by an enthusiastic land reclaimer, at enormous cost to himself, out of the wild to which they speedily returned. Others, and these are more serious, are merely mis-statements, as when Dr Levy asserts that the farmer “has to be constantly on the watch” lest the labourer’s dislike of milking should find expression “in some careless or unkind handling of the beasts,” which he contrasts with “the loving attention” of the smallholder; or when he asserts that after decreasing in number for a century or more small homesteads are again on the increase, and that English landlords, “after a century of contrary practice, endeavour to divide their farms and to reduce them to the size which was the rule in the England of the past.”

1 A. W. Ashby, Allotments and Small Holdings in Oxfordshire, pp. vi + 198 (Oxford University Press). This work consists of a survey of the general problem illustrated by reference to examples from the county named.
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But most serious of all are the mistakes which occur owing to his failure to appreciate the implications of his own observations and conclusions:

They (i.e. hired workers) want to have their Sundays free for enjoyment and for their best clothes, and not to be obliged to be at the cow-sheds at certain hours to milk or feed the cows.

A dairy farmer producing on a large scale...has very important disadvantages as compared with a small farmer who does the work himself with the aid of his family and employs little or no outside labour.

The first question in regard to poultry-keeping is whether the wife of the occupier is prepared to take part in the work of the farm, not merely with her head, but with her hands. Poultry will only pay where the farmer's wife and daughters will themselves look after them.

These are but a few examples of statements leading only to one possible conclusion—of which Dr Levy gives no indication—namely that, in the cases cited, the apparent advantage of the small farmer is achieved only at the cost of his standard of living.

There is no disparagement of Dr Levy's work intended by these criticisms, which are made merely to indicate once more the need for more accurate data upon which to form opinions and by which to formulate agricultural policy. The account of the investigations of Mr Edgar Thomas, contained in the following pages, is a contribution to this need. Himself a member of a farming family, he has taken a district containing a high proportion of small farms, with which he has a life-long acquaintance, for the purpose of an intensive study of the economic position of the small cultivator, particularly in contrast with that of the wage-labourer. Never before has any

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attempt been made to compare the financial position of the two by taking account of the market value of his own long hours of work and of the unpaid labour given to the family-farmer by his wife and children, and the results deserve the closest consideration. That the financial test is not the only one, not, possibly, even the most important one, must not be overlooked, but in a country where so much alternative employment is available to the youth of both sexes it becomes a serious consideration whether work under the conditions disclosed can compete with that which is remunerated with a larger shilling, and whether more discrimination may not be needed between the types of farming most suited to development in small units.

Mr Thomas’ study was made, primarily, for the purpose of the research degree of B.Litt.; it was extended to the consideration of certain conditions of small cultivation in some continental countries, the results of which are contained in Appendix C to this volume.

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