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Scotland's land barons and their connections to global capitalism

Please note that gaining information on who owns what in Scotland, and their wider business interests, is notoriously difficult. What we have written here is, to the best of our knowledge, accurate and is fully referenced but is only what we were able to find in the public domain.

Background

- Scotland's land ownership is notoriously unequal. Professor James Hunter, former chair of Highlands and Islands Enterprise, calls it "the most concentrated, most inequitable, most unreformed and most undemocratic land ownership system in the entire developed world".¹
- However, the system is not simply a 'feudal relic'. While many landowners inherited their titles, many other of Scotland's land barons bought their way into the system. This is particularly true in the Highlands, but applies across Scotland;
- Scotland's landowners are therefore fully adapted to the current phase of capitalism. There are billionaire oilmen and Emirati princes, mineral conglomerates, London property speculators, online clothing retailers, Swiss bankers, and financiers of every sort. The scions of Stella Artois and Lego are included in the ranks of Scottish landowners alongside the Dukes of Buccleuch and Argyll;
- Equally, Scottish landowners with traditional titles have maintained their wealth by adapting. Their secretive investments are often registered through tax havens, some of which were revealed in the Panama Papers;
- Identifying who owns Scottish land is often nearly impossible. For example, Police Scotland recently failed to bring a case for known wildlife crimes because they could not identify who owned the Kildrummy Estate in Aberdeenshire, which is held through an opaque series of offshore companies. 750,000 acres of Scotland is estimated to be held offshore in this manner;²
- However, the secrecy surrounding Scottish land ownership is arguably dwarfed by the secrecy surrounding business activity in general;
- We were only able to study those cases where a Scottish landowner's investment is clearly registered in public and where other activities connected to that investment have been investigated already. The case studies that we give here may well just be the tip of the iceberg.

Private Ownership and responsibility

¹ <https://www.theguardian.com/uk-news/2013/aug/10/scotland-land-rights>

² <https://www.commonspace.scot/articles/2964/offshore-land-ownership-secrecy-blocks-police-investigation-into-wildlife-crime>

- The ideology of private landownership says that individual proprietors care more for the asset than a public or community ownership model;
- Scotland’s landowners, however, are complicit in abusive practices the world over;
- This arguably reflects a long legacy of Scottish involvement in colonialism, and, internally, the Highland Clearances. However, this report focuses on recent cases where owners of land in Scotland have abused land and human rights in the global south;
- Many people purchasing land in Scotland claim they are responsible “conservationists”. This is the usual justification for hunting estates;
- However, this report will show that owners of Scottish land have recently used similar “conservation” rhetoric to justify emptying African land of indigenous people to make it look more attractive to tourists;
- This model, “biodiversity for billionaires”, has been widely criticised. There are connections between owners of Scottish land and abuses of indigenous rights and animal welfare in Africa;
- Scotland’s landowners have also invested in unregulated fracking and the much-criticised biofuels trade in Africa;
- Oil traders buying up Scottish land have also benefitted from strong family and business connections with abusive regimes;
- Some Scottish landowners are businesspeople with a notorious history of union-busting and poor working practices;
- Finally, Rio Tinto Alcan, currently trying to pull out of its Scottish responsibilities, has a longstanding record of human rights abuses, including direct involvement in genocides in Papua New Guinea and West Papua;

Case studies

1. Lovat estate, 7,000 acres near Beaully in Invernesshire

Owned by Scottish registered investment company Lovat Investments Ltd

Lovat Investments Ltd and Highlands and Islands Investments Ltd invested in controversial African fracking firm Kalahari Energy. The firm worked on Coal Bed Methane extraction in Botswana, with industrial operations known to have been sited close to areas important for nature conservation, such as the Khama Rhino Sanctuary. Environmental campaigners say the gas extraction techniques used by Kalahari posed, ‘inherent and unacceptably high environmental and health risks’.³

2. Pitmain estate, 12,000 acres near Kingussie in Invernesshire

Owned by Majid Jafar, CEO of Crescent Petroleum, the Middle East’s oldest private oil and gas company;⁴

Crescent Oil made much of its money by its close association with Saddam Hussein.⁵ The company has been a key investor in post-2003 Iraq and is the biggest oil investor in Iraqi Kurdistan. Jafar

³ <https://theferret.scot/highland-estate-owners-invested-fracking-firm/>

⁴ <http://www.campdenfb.com/article/jafar-brothers-oil-gas-and-governance>

⁵ <http://www.parliament.uk/edm/1992-93/1562>

helped finance a campaign to stop a windfarm near his Scottish estate due to his concerns about it affecting grouse shooting there.⁶

3. Letterewe estate, 85,000 acres at Wester Ross in Ross-shire

Owned by the Van Vlissingen family, owners of conglomerate SHV Holdings, the largest privately owned trading company in Europe.⁷

The late Paul van Vlissingen originally bought the family's Wester Ross estate. He founded what is now known as the African Parks Network (APN).⁸ The APN manages 10 national parks in seven African countries.⁹ The APN has been criticised by scholars and researchers as biodiversity for billionaires¹⁰ and colonial nostalgia".¹¹ APN pulled out of Ethiopia when the government failed to fulfil plans to remove indigenous people from its land. An Ethiopian government minister criticised APN as exploiting poverty in Africa and being part of a drive to privatize national parks.¹²

4. Assynt estate, 55,000 acres near Lochinver in south west Sutherland¹³

Owned by the Vestey family, one Britain's richest families with diverse business interests including shipping and ranching.

In Australia, the Vestey family was historically at the centre of a long-running battle over land rights with the indigenous Gurindji people.¹⁴ This started with protests over Vestey paying aboriginal workers a quarter of the wage of white workers. It later became a battle over ownership of traditional aboriginal land, and led to the Aboriginal Rights Act.¹⁵ In 2005, Chavez's Venezuelan government confiscated 3,000 hectares of Vestey land to allow indigenous people to move around freely. It was reported that the Vestey Group had fenced in 200 Yaruro people who could not leave the property without the company's permission.¹⁶

5. Altnafeadh estate, 22,000 acres near Ballachulish in West Highlands

Owned by the billionaire De Spoelberch family who are controlling shareholders of AB InBev, the largest brewery chain in the world.

AB Inbev is notorious worldwide for large scale union-busting and job cuts. For example, in Mexico a subsidiary dismissed 220 workers for forming an independent trade union. It has since sacked

⁶ http://www.thesundaytimes.co.uk/sto/news/uk_news/scotland/article1117613.ece

⁷ <http://www.independent.co.uk/news/obituaries/paul-van-vlissingen-413408.html>

⁸ https://api.african-parks.org/ckeditor_assets/attachments/3/apn_annualreport_2014.pdf p78

⁹ <https://www.african-parks.org/african-parks/our-story>

¹⁰ George Holmes (2012): "Biodiversity for billionaires: capitalism, conservation and the role of philanthropy in saving/selling nature." *Development and change* 43, no. 1 pp. 185-203.

¹¹ Bram Büscher (2011): "The neoliberalisation of nature in Africa," in T. Dietz et al (eds): *African engagements: Africa negotiating an emerging multipolar world* (Leiden: Brill) pp. 84-109.

¹² <http://www.matthijsblonk.nl/paginas/AfricanParksEthiopieEng.htm>

¹³ The Assynt Crofters took title to some of Vestey family's land in 1993, but we haven't included this in the total acreage quoted here.

¹⁴ <http://www.smh.com.au/news/obituaries/on-the-wrong-side-of-history/2007/12/07/1196813016024.html>

¹⁵ <http://www.creativespirits.info/aboriginalculture/politics/aboriginal-people-strike-walk-off-at-wave-hill#axzz4DRYK0p76>

¹⁶ http://directaction.org.au/issue2/nt_intervention_continues_racist_land_grab. See also <http://venezuelanalysis.com/news/3198>, a translation from an original Venezuelan report.

hundreds more for supporting trade unionism.¹⁷ In its Brazilian factories, trade unionists have been sacked for speaking out about the death of workers due to health and safety problems.¹⁸ Inbev has also been involved in strike breaking in the de Spoelberch family's Belgian plants.¹⁹

6. Various estates totalling 150,00 acres in Sutherland and Invernesshire

Owned by Anders Povlsen whose \$5.8 billion fortune comes from Bestseller, a clothing company he inherited from his parents. His fortune makes him the second richest person in Denmark.²⁰

Povlsen is Scotland's second largest private landowner after the Duke of Buccleuch. His clothing company Bestseller has a 27 percent stake in British label Asos, one of the largest online clothing retailers. Asos is notorious for poor working conditions, described as a "modern sweatshop" in Britain.²¹ The GMB union has held demonstrations outside their plants over poor working conditions. Staff have been forced to urinate in water fountains due to lack of toilet breaks.²²

7. Aluminium smelter and mountainous area, 117,000 acres around Fort William in Lochaber

Owned by Rio Tinto, a British-Australian multinational and one of the world's largest metals and mining corporations

Rio Tinto has a long record of support for dictatorships and human rights abuses, and of land grabs.²³ Rio Tinto forced residents in Mozambique off their land, without consultation or offering proper compensation.²⁴ In the Papua New Guinean island of Bougainville, Rio Tinto has been accused of polluting and forcing residents to live in "slave-like conditions". Local people also accuse Rio Tinto of goading the military into imposing a blockade that killed 10,000 civilians.²⁵ After decades of criticism, Rio Tinto has spent millions to portray itself as ethical and sustainable. However, reports have shown that 60 percent of the firm's sustainability claims are inaccurate.²⁶ Rio Tinto's aluminium smelter has been one of the largest private employers in the Highlands, but reports suggest that Rio Tinto is planning on pulling out, threatening several hundred local direct and indirect jobs.²⁷

¹⁷ <http://admin.industriall-union.org/take-action/act-now-and-tell-ab-inbev-to-respect-ruling-for-reinstatement-of-dismissed-workers-in?embedded=1>

¹⁸ <http://www.socialistworld.net/doc/5641>

¹⁹ <http://survey.ituc-csi.org/attempted-strike-breaking-at-inbev.html>

²⁰ http://www.heraldscotland.com/news/13108127.Questions_raised_over_land_swap_deal_with_billionaire/

²¹ <https://news.vice.com/article/asos-accused-of-modern-sweatshop-conditions-at-warehouse-in-uks-trade-union-heartland>

²² <http://www.mirror.co.uk/news/uk-news/asos-staff-say-toilet-breaks-6516983>

²³ Mark Curtis (2007): *Fanning the Flames: The Role of British Mining Companies in Conflict and Violation of Human Rights* (London: War on Want)

²⁴ Dr. Claude Kabemba and Camilo Nhandale for the Southern African Resource Watch (SARW): *Coal Versus Communities in Mozambique: Exposing Poor Practices by VALE and Rio Tinto*. <http://sarwatch.org/paper/mozambique/coal-versus-communities-mozambique-exposing-poor-practices-vale-and-rio-tinto>

²⁵ <http://www.abc.net.au/news/2011-10-26/us-court-revives-rio-tinto-lawsuit/3601136>

²⁶ IndustriALL Global Union (2013): *Unsustainable: The Ugly Truth About Rio Tinto* pp.3

²⁷ <https://www.pressandjournal.co.uk/fp/business/north-of-scotland/885487/fears-grow-for-future-of-rio-tinto-jobs-in-lochaber/>

OurLand Festival 2016

The OurLand 2016 Festival is the next great staging point in Scotland's land reform movement and will reinforce the campaign's call for bolder and braver legislation than that passed in Holyrood earlier this year. The Festival is running across Scotland during August and September with speaker events, debates, walks, arts events and film screenings organised by local communities as well as long-time land reform campaigners Lesley Riddoch and Andy Wightman, supported by Global Justice Now, Common Weal and Women for Independence.

More detail on the events can be found here:

www.ourland.scot/wp-content/uploads/2016/08/Our-Land-2016-%E2%80%94-Event-Programme.pdf

OurLand organisers have five 'asks' that they are making of the Scottish Government:

- Transparency: everyone should know who owns land
- Productivity: policy should encourage land to be used productively
- Affordability: tax should help make land more affordable
- Availability: more people should have more chance of buying more land
- Accountability: public land should be used for public good