LAND NATIONALISATION
FOR AND AGAINST
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FABIAN TRACT 312
ONE SHILLING AND SIXPENCE
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LAND NATIONALISATION FOR AND AGAINST

PART I. THE CASE FOR

John Mackie

1. WHAT SHOULD BE DONE?

From the earliest days of the Labour Movement land nationalisation figured prominently in the demands of Socialist thinkers and writers. It was advocated by Thomas Spence and Charles Hall in the early nineteenth century, and from The Communist Manifesto of 1848 onwards it appeared regularly in the demands of most Socialist and working-class organisations in Britain and in Europe. There is little doubt, however, that the public ownership of the land of this country has been considered more of a Socialist theory than a practical necessity. This pamphlet is not primarily concerned with the social consequences of the ownership of land. They have been adequately dealt with elsewhere. There have, however, been many people outside Socialist politics who, during the past twenty or thirty years, have made out considered cases for land nationalisation based purely on the practical issues concerned with land management.

The two best known were, of course, the late Sir Daniel Hall and the late Dr. C. S. Orwin. Both had close contacts with practically every facet of agriculture and came to the same conclusion—that the essential way to solve many of our problems in agriculture was the public ownership of the land. Therefore propose to deal with the subject from the purely practical...

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1 See the index and bibliography of A History of Socialist Thought by G. D. H. Cole, Volume I (1953), II (1954), III—Parts I and II (1956), Macmillan, for the principal works by the advocates of land nationalisation.

point of view of making full use of our basic resource—the land—for the public good.

Definition

It is advisable to begin by clearly defining land nationalisation. Less than forty years ago all the land was owned by landlords and tenanted and farmed by farmers. Since the 1914-18 war, however, nearly 40 per cent. of the land has been bought by farmers who now own their farms as well as farm them. It is the ownership of land which is now in dispute, not the farming of it. The aim of the proposals that I am making is that the State should take over the functions of the landlords and all farmers would be tenants, farming in their own right.

From about 1890 to the beginning of the last war, Britain benefited from a world surplus of food. Supplies were cheap and readily available, and, by and large, we had the wherewithal to pay for them. To-day the situation is different. Although there have been some signs of food surpluses in the world available to us at reasonable prices, the only real surpluses cost us scarce dollars. Home food production has become increasingly important. If 70-80 per cent. of our food supplies could be produced off our own land at a reasonable cost, our economic problem would be almost solved. This is technically possible, as is shown by Professor Cooper.¹ Not all his conclusions are equally valid, but he rightly emphasises the necessity for long-term planning. In this long-term policy he lists all the problems that must be solved because of bad land tenure. It is clear that full use of our land can only be achieved if a long-term policy includes a policy for land tenure.

Land Tenure

Let us take a look at the state of our land tenure in this country. Traditionally we are tenant farmers. Our fathers and grandfathers were all tenant farmers. It was not until the 1914 war that the break up of the big estates forced tenant farmers to buy their farms. To-day over 40 per cent. of our land is in the farmers' own hands.

The balance is held by various and numerous landlords. No census returns of landlords are made in this country, so it is very difficult to get particulars. Many of the old estates are still functioning—but only a few really well. There are a tremendous number of new landlords—particularly investment trusts, insurance companies, and so on. There is a great deal of entailed land held by solicitors on behalf of far-off relations of the previous owners. This land is invariably badly managed. A lot of land is held by wealthy business men purely to save death duties, and there are large areas held for purely sporting purposes. The Crown, the Church Commissioners, the Forestry Commission and other public bodies such as the Oxford and Cambridge colleges and county councils, are the

¹ See Competitive Farming by M. McG. Cooper, Crosby Lockwood, 1956.
largest landlords in the country. In 1938 it was estimated that four million acres were in public and corporate ownership at that time, a figure which has been greatly increased since. There is a great acreage continually changing hands. An advertisement recently appeared in The Times offering on behalf of various bodies and people sums of two million pounds for the purchase of land for investment purposes. Many of the old estates, because of taxation and other causes, are selling outlying farms either to the tenants or, if they can, giving vacant possession.

**Owner-Occupiers**

The land in the hands of owner-occupiers is in a more static position, and, in general, is better managed. Owner-occupiers have been ploughing back their profits to improve their farms over the last ten years, but this policy has been slowing down. Many have bought their farms since 1945 at high prices, have spent a lot on capital equipment, and are now finding themselves short of working capital for full production. Many of these are now selling and becoming tenants again, finding buyers in investment trusts and so on.

Another problem that is arising for owner-occupier farmers with two or three sons is the question of inheritance. A farmer often leaves the bulk of the estate to one member of the family, leaving him to pay off the others. The debt becomes a millstone round his neck which ultimately has a bad effect on the production of the farm, as the profits are being used to pay off his family instead of maintaining the farm and its fixed equipment. Owner-occupiership of a farm is often held up as an ideal, but it has many difficulties and at present it is practically impossible for a young man with limited capital to make a start as an owner-occupier. The land is one of the nation’s major assets and it is tragic that its tenure should be subject to such irrelevant financial considerations. Apart from a few of the old landlords who are still trying to manage their estates in the interests of farming, few of the rest of the landlords I have mentioned have any interest in what the country needs—full production from the land. The public bodies mentioned above have the advantage over other types of landlords, that they are continuing bodies and generally speaking they are considered good landlords because of this. Their estates are generally better managed than many others and show that public ownership of land is a very feasible proposition.

Since 1940 there has been a great increase in agricultural land values, and the high turnover of land ownership undoubtedly has an inflationary effect.

**Agriculture Acts**

It is worth while taking a look at the legislation connected with land tenure over the past 100 years. The first Act was in 1849 to enable landlords to borrow money upon the security of their estates, for the purpose of financing long-term estate improvements. In 1884 and at intervals from that date until about 1923, a series of agricultural Holdings Acts were passed. These all interfered with the free contact between landlord and
tenant, although in practice, of course, only the landlord was really free. But the main point is that all this legislation was required in an effort to get the landlord to do his job properly. From 1923 until the 1947 Act, legislation regarding land was of a slightly different nature, affecting not only the landlord but the owner-occupier and tenant. Most of it concerned the giving of grants, derating of farms, and so on. We now come to the 1947 Act, which took practically all the landlord’s disciplinary powers away and gave them to the State. In return the landlord was given assurance that inefficient farming would not be tolerated, and the farmer was given assurance that inefficient landlordism would not be tolerated. Neither of these things has operated really well, as during the last ten years over 5,000 farms have had to be placed under supervision either for bad husbandry or for bad estate management, our production was still low compared with other countries such as Holland and Denmark, and we are reputed to be anything between 400 to 500 million pounds behind in the provision of fixed equipment on our land.

Landlords get partial relief from Death Duties, Income Tax allowances against new buildings, and lately a fresh grant of one-third is being offered, in an effort to get fixed equipment brought up to date. All this help is extended in an effort to bolster up a system of land tenure which has long outlived its usefulness and is now a drag on agricultural progress.

The Farmer’s Viewpoint

Now let us take a look at it from the farmer’s point of view. As mentioned earlier, about 60 per cent. of our farmers are still tenants. These men have security of tenure, although new legislation looks like lessening this, but at any time their landlord might change or their farm be offered for sale. Inducements may be offered to them to get out so as to give vacant possession, so that the state of flux in land ownership I have mentioned affects the security and long-term policy of the farmer. If the land were publicly owned and let to the farmers, there would be no doubt about the future tenure of the farms and the farmers would have complete security for themselves and their families so long as their standard of farming was adequate.

It is only since 1914 that farmers in any very large numbers had owned the land they farm. Generally speaking, farmers were reluctant to buy the land up to the early ’twenties. Just before the First World War a Committee appointed by the Board of Agriculture to enquire ‘into the position of tenant farmers on the occasion of any change in the ownership of their holdings’ reported that very few farmers wanted to purchase their farms—in fact, of all the farmers who gave evidence, only three advocated purchase, save as an absolute necessity. Since the Small Holdings and Allotments Act of 1908 came into force, only two per cent. of the applicants for farms had desired to acquire land.

Up to these early ’twenties, farmers bought their farms in order to preserve the security of tenure. In these days the fixed equipment was fairly adequate for the job, and the plea that the landlord would ultimately
put it right was still strong, so that farmers were really quite reluctant to become owner-occupiers. But from 1924 onwards, as the slump years grew longer, and landlords began to forsake their obligations on a large scale, farmers who could afford it became very willing to become owner-occupiers and provide their own fixed equipment.

The Scarcity of Capital

We are, however, still predominantly tenant farmers. At the present moment capital is scarce, because owner-occupiers have to provide all the capital for owning the land and for providing and maintaining their fixed equipment. In the case of tenants, unless they are particularly lucky in their landlord, although they do not have to provide the capital for owning the land, if they want fixed equipment they have to provide it themselves. This means that both in the case of the owner-occupiers and of the tenants the all-important capital for working the land is scrimped and production suffers. This is acknowledged by all parties, and the present Government is providing very generous grants from public funds to be spent on private property in order to ease the situation. All these difficulties would disappear if the State owned the land and provided the fixed equipment. This is one of the strongest points in favour of the public ownership of the land.

If this country is really to become economically independent, then we must farm our land to the full. We cannot do this if we have no say in who occupies it. At present about 60 per cent. of our land—if and when it becomes vacant—can be let at the whim of a private landlord. The other 40 per cent.—when it becomes vacant—can be sold, not necessarily to the man who would farm it best but to the man who would pay most for it. This is surely no way to handle our biggest asset. Land should be let to those who can farm it well—not to those who can afford it.

One of the main reasons for the State-ownership of land is to get full production from it. This will only be achieved when farmers are adequately trained. This will take time, but, gradually, as it becomes known that farms will only be let from the National Estate to people capable of achieving full production from them, then and only then will people who wish to farm know that they must educate themselves for the job. At present we have thousands of first-class farmers in this country, but there must also be thousands whose production is lamentably low. There would be no suggestion of putting out these poorer farmers, as, because of the neglect of agriculture in the past, it is probably not altogether their blame. But as and when farms become vacant it is essential that they be let to the right people.

Uneconomic Holdings

All over Britain there are areas where farm boundaries and fragmented farms make many holdings difficult and uneconomic to operate. In the

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1947 Agriculture Act there is a section which empowers the County Agricultural Executive Committee to schedule areas like these and redraw the boundaries. After ten years' operation of the Act, there is no area where this has yet been carried out. In some areas farms are too small and in others there is often a case for dividing a big farm. I have known of dozens of cases where an opportunity has occurred between private landlords or between owner-occupiers for tidying up boundaries and carrying out a reorganisation that would make more efficient units, but because of the private tenure of the land it has never been carried out. We will only get this done successfully when we have public ownership.

We have to-day a protected agriculture, and that protection applies to the prices of the farmer on the good land as well as the farmer on the bad land. This, of course, leads to a very big income for the good-land farmer if the poor-land man is to get a living. The obvious answer to this is differential rents, which cannot be applied unless farms are let by the State. Quite apart from this there is a strong case for an overall increase in rents.

If a reasonably equipped farm comes on the market, it will make a rent of up to £5 per acre, and in some cases more, but the average rent for farms in this country is far less than half this. Therefore, if rents were generally increased to an economic level, it would be an added incentive to increase production. This increase of rent can be done only on a national basis, again another strong point for the public-ownership of land.

**Absentee Shareholders**

Since the increase in taxation the number of private limited companies in farming has increased substantially. Many of those small limited companies hold the freehold of the land, and, as far as the present generation is concerned, where shareholders are probably father and son or a man and his wife, there is little danger of the absentee shareholder, but with the passing of time and the division of shares among families, the pattern of ownership of land will become hopelessly confused. Examples of this are shown by the crofting communities in the highlands of Scotland, where the shares were split up by inheritance. It was found by the Crofting Commission that in many cases nothing could be done because more than 50 per cent. of the shares were held by absentee shareholders who were resident all over the world. This situation could easily obtain in the ownership of land and, in fact, in the farming of it, in a couple of generations. Here is a strong reason for tidying up land tenure.

It cannot be too much emphasised how the private ownership of rented land is liable to change the landlord's policy from generation to generation, to the detriment of the tenant. This is also true in the case of owner-occupiership of land. Agricultural land is probably our greatest asset, and it is inexcusable that the whims of personal and private ownership should have such an effect on its full use. There are many examples of good landlords who have made great efforts to improve the productivity of their
land, but there are as many who have made no effort whatever, and as time goes on the bad examples tend to increase.

Forest Land

Then there is the example of woodlands and afforestation. In the old days, on the large estates, it was possible to have a policy of afforestation and woodlands maintenance. Now, with many estates broken up and with so many owner-occupier farms, conditions have changed. A lot of the owners are not interested in forestry, have no knowledge of it, or lack finance to carry it out properly. There is, consequently, a tremendous neglect of our present woodlands all over the country. There is a notable example in the fact that, four years after the great gale of 1953, acres and acres are still not tidied up and very few of them replanted. As good woodlands would be a tremendous national asset, we cannot afford to neglect them. The Forestry Commission is charged with the duty of re-afforestation of new areas. Their work can be seen in all parts of the country. There is no doubt that the whole of the woodlands of Britain should be placed under the Forestry Commission—this can only be done really successfully if we have a National Estate. In spite of the fact that there are huge areas—particularly in Scotland and Wales—whose only use would be for production of trees, the Forestry Commission cannot acquire them because they are in private hands; and because good ground is available for sale that is more suitable for agriculture, the Commissioners are forced to buy this and plant it. With the land nationally owned, this very real difficulty would disappear. It is estimated that woodlands in the whole country amount to at least two million acres, so that it is a national enterprise of some importance.¹

The Inadequacy of the 1947 Act

These then are the principal points in the case for the public ownership of agricultural land in Britain. Some put forward the plea that there is legislation in the 1947 Agriculture Act to deal with many, if not all, of the points raised. This is in any case a dubious statement, but it cannot be denied that after ten years of the Act practically none of these points have been dealt with. Most of the legislation in the Act is too clumsy, and is simply bolstering up the present system when it would be better done away with. The fact is that the present Act is preventing either system working. Farmers have got too secure a tenure, and the landlords' powers have been too drastically curtailed. The machinery that was to fill this blank has been found wanting. It has been said that the Act had too short a life under the Labour Government, and that the present Government are not trying to operate it as they should. As far as land tenure is concerned, surely it would be much better if it were once and for all settled that it

¹ See Forestry, Agriculture and Marginal Land, a Report by the National Resources (Technical) Committee, H.M.S.O., 1957.
belonged to the State and, irrespective of what political party were in power, it would be handled in the national interest. There is really no case for any further delay by the Labour Party in this matter, and we should now take a look at the details of how to carry it out.

2. PLAN OF ACTION

There are three main problems: how to decide the value; where to start to take over; what should be the system of administration. The first two are linked together. Sixty per cent. of farmers are paying a rent, and there is no fairer way of taking over this land than using the present rent for valuation purposes. There would be little upset to the tenant farmer in the change of landlord, so there is no reason why all rented land should not be taken over straight away. It has been urged that to take over such a big block would create difficulties in management. But the land is being managed at present, and there is no reason why the existing management should not be left, however bad it is, until it can gradually be assimilated into a better system of management under the National Estate. It should be emphasised that the taking over of the land will not give an immediate result in either increased production or efficiency. In the reorganisation of rented land care would have to be taken not to upset the countryside and the countryman, therefore progress would be slow. The same applies to owner-occupiers. At the same time as the take-over of rented land, an option would be taken on all owner-occupied land as and when it became vacant. The State would, of course, buy any land offered to it. It would be better, because of the pride of ownership, to leave owner-occupied farms in the hands of their present owners until they gave them up or they became vacant for any other reason. There is no reason why the continuity of a farming family should be broken because of the sale of the farm to the State. The bequeathing of a lease of a farm should continue, as it does at present in Scotland, in the case of a farm that is sold to the State at the owner’s death.

Compensation

A major argument against nationalisation is the amount of money that would have to be paid out in compensation to the present owners. It is difficult to value the land of Great Britain to-day, but using what figures are available it looks as if it should be quite possible to purchase all agricultural land for between £1,400 millions and £1,600 millions. There would, of course, be no question of paying this in cash. Land Bonds would be issued, and there is a strong case for them running out over a number of years. It might be better simply to continue paying landlords the rent they have received for a period of years. This would make arbitration easier and would stop any tendency to create inflation. If Bonds were issued, death duties would take a proportion of them as time went on. There should be machinery for arbitration should any disputes arise.
The other main problem is that of management. Owing to the
degeneration of large estates, the management of them has not been an
desirable job for many years. The old resident Estate Agent or Factor
has largely disappeared, and a tremendous amount of work is now done
in solicitors' offices and from centrally situated estate agents' offices in large
towns. There is, however, a nucleus of good estate agents still left, and I
am quite convinced that an efficient staff could be rapidly built up. Ten
to fifteen years would be a reasonable period during which to take over
rented land, and thirty to forty years would elapse before all the owner-
occupied land became the property of the State.

Management

There would have to be a Central Land Authority which might be
called the National Land Board, which would be responsible to Parliament
and whose duty would be to decide national policy and land management.
It would be advisable and desirable to try and maintain the old estates
intact as far as possible. From experience, some thirty to fifty thousand
acres—according to the intensity of the farming—seems to be the economic
unit for estate management under one man. If this is the case, it would
require some six hundred to eight hundred qualified land agents to handle
the National Estate. This, of course, is over and above assistants and
clerical staffs. It would be unworkable to make every agent directly
responsible to the National Land Board. Some form of local Land Board
is desirable. A Board for every estate would limit the quality of membership,
but to have a Board handling too many estates might destroy the local
value. A Board of, say twelve people, drawn from an area covering three
to five estates, would seem to meet the case. The personnel of these Boards
would probably consist of 3 or 4 farmers, 2 or 3 ex-landlords, 2 or 3 business
men, 2 or 3 farm workers—all public-spirited people willing to discharge
the duties formerly carried out by a good landlord. These people would
have to be appointed. We will never get the right people if they are elected.
There are objections to this, but any idea of electing these bodies by vote
should be resisted. There is a case for having representatives of the County
Council on the Board, and they would, of course, be elected members.

Local Land Boards

Irrespective of whether any area were to be taken over immediately,
the local Land Boards would be appointed. It would be the first duty of
the National Land Board to allocate the area of estates—retaining, as men-
tioned before—as intact as possible any of the old estates. In fact it would
be a pleasant tradition to retain the names of the old estates. The local
Land Boards would then appoint staff as the land taken over required it.
It is essential that these Boards be given as full powers as possible, in order
to minimise bureaucratic control from Whitehall. The day-to-day manage-
ment would, of course, be under the control of the estate agent. He would
do all the rent collecting, attend to all repairs, etc., and act as an estate
agent does under a landlord at present; and he should be given full
powers to act on his own, dealing direct with farmers and cutting out all
red tape. It would probably be better, except in special cases, to avoid using direct labour for repairs to buildings and to do everything with local tradesmen, where this is convenient. Major items of expenditure, such as new cottages and buildings, would be decided on by the Board, as would the final selection of a tenant for a vacant farm. The Board would not have any connection with the Agricultural Executive Committee's Advisory Services or the county councils. It would have wide powers to adjust rents, spend income, and so on, in accordance, of course, with national policy.

There might be a case in each Board's area for making one of the estate agents a senior. This makes a ladder in the estate agent job, giving it an added status. As it might be desirable to have regional Land Boards, the next step would be an assessor to one of these, and, of course, the National Land Board would be the final step—probably as paid vice-chairman or assessor to it. Whichever way it is done it is essential to see that the job is made a profession with a definite status to attract the right people to it.

The real effect of these proposals would be to hand over the control of land to local management. This is an ideal which is open to wide criticism, but it is better this way than with some bureaucratic central body. It should be emphasised that the Central Land Board would be directly responsible to the Minister, but that each local Land Board should be able to go about its business, with the minimum of interference from Whitehall.

Managing a National Estate is a big job. There is naturally tremendous political prejudice against it. I have tried to put the case from the national point of view. Firstly, for the first time, land in the hands of the State would be managed in the national interest. Secondly, it would ensure full use of this land. Thirdly, it would prove a magnificent investment to the country which would cost it practically nothing. Fourthly, it preserves our national heritage in a way which benefits all people for all time.
PART II. THE CASE AGAINST

Harry Walston

1. THE WRONG SOLUTION

The nationalisation of the land is a phrase that gives rise to strong emotions. Some look on it as a means of abolishing privilege and ensuring the more equal distribution of wealth and opportunity, of making real the words of George Harney, “that those who till the soil shall be its first masters, that those who raise food shall be its first partakers, that those who build mansions shall live in them.” Others regard it as the destruction of personal freedom and private initiative, as the epitome of bureaucratic interference in the lives of existing farmers, and as the end of any chance at present available to the farm or industrial worker to become the possessor of a few acres of his own. No discussion of land ownership can achieve anything if it is carried on in this sort of emotional atmosphere. The discussion must be free from prejudice and must be based upon a clear understanding of what it is hoped to achieve.

The justifications for land nationalisation are twofold; the social and the economic. Our objective should be a society where such privileges as exist are enjoyed as a result of individual effort and worth rather than because of the possession of even a small part of the means of production: and where these privileges are strictly limited and do not carry with them control over the lives and destinies of others. It also should be a society where economic resources are developed in the best interests of the whole country and are not left to the mercy of individual whims.

The Powers of Ownership

A hundred years ago, when land nationalisation first became a political issue, the ownership of land conferred upon the owner wide powers over the lives of those who lived and worked upon it, and also over the country’s economy. The great territorial landowners still had a strong voice in the government, while the lesser squires, solely by reason of the fact that they owned land, were in a position to control the destinies of hundreds of individuals. On the economic side ownership of land gave absolute rights to the owners to do what they liked with their property. If it suited their purpose they could develop their land, sink capital in it, and produce wealth from it. But equally they could neglect it, allow rabbits and pheasants to flourish on it, rather than wheat and cattle, and impede the advent of roads, railways and buildings, the construction of which were in the public interest.
In those days land nationalisation was clearly the simplest and most effective way of putting an end to such abuses.

But to-day the picture has changed. Agricultural land is no longer the source of great fortunes: these are now found in industry and commerce. Nor does the ownership of an estate, however large, confer anything like the political or economic power that it did in earlier years, despite the persistence of a few strongholds of feudal influence in some parts of the country. Now that wealth and privilege are to be found in industry and commerce rather than in landed estates, what effect would land nationalisation have in abolishing such abuses?

The Need to Increase Wealth

So far as economic matters are concerned it is now accepted that, although a redistribution of wealth is important, the production of increased wealth is also important. The cause of world poverty is not simply that some people have too much and that, therefore, others go without, but that there just is not enough to go round. Even if the whole production of the world were divided among all the inhabitants of the world there would not be enough to ensure reasonable standards for all. Therefore, if world poverty is to be abolished, production must be raised. The control of the means of production thus has the two-fold rôle of making possible a fairer distribution of what is produced and at the same time of enabling the resources to be planned in such a way as to ensure the greatest possible output. Any discussion on the nationalisation of land must, therefore, concern itself with the effect that it will have on agricultural production.

These then are the simple questions. Will land nationalisation make a significant advance towards the abolition of privilege and injustice? Is it the most effective means of increasing production in a manner which is beneficial to the whole country?

Not only are these questions simple; they are strictly practical. We are not asked to say whether, in our ideal society, land should be privately owned or should be the property of the community. We are asked to say whether land nationalisation in Great Britain to-day would make the country a better place to live in ten years hence, twenty years hence, fifty years hence.

The Condition of the Farm Worker

First let us look at the social side; that must mean, primarily, the people living and working on the land. In the past the differences between town workers and workers in the country were very real, and not confined solely to wages or amenities. When the town worker leaves his factory or his office he is a free man until work starts next morning. So long as he pays his rent he can remain in his house, he can conduct himself as he chooses without incurring the displeasure of his employer or his landlord, and if he wishes to change jobs he is at liberty to attempt to do so. But until recently it has been very different for the farm worker and others working in the country. If he lived in a tied cottage, as was more than likely, he lost his home at the same time as he lost his job; even when work was over he
and his family still had to behave in a manner that would not offend his employer or his wife, the parson, or the squire. And to change jobs in a village was difficult because of the small number of employers that there were, and the freemasonry that existed among them. Even to-day there still remains in some parts of the country a feeling of inferiority and dependence upon the landowner or the employer. But this feeling is fast disappearing, helped by higher wages for the worker on the one hand, and by higher taxation for the farmer and landowner on the other. It is helped, too, by a greater freedom of choice in employment, coming partly from full employment throughout the country, but largely from increased mobility, and also by the opportunity which has now come to the farm worker and a growing willingness to take the opportunity to participate in local government. As H. L. Beales has written—

'... it is the new importance of agriculture in the country's economy which makes the going good for this formerly "beaten and crawling" class in the countryside. There are still territorial and clerical tyrannies in our villages: there is still more class consciousness there than in the towns. ... The task of the Labour Party in Rural Britain is ... to make health services really effective, to enlarge the range and quality of education ... so that people can stand up to the big-wigs and take over their jobs, or share them, in every sort of democratic body, from councils to hospital boards, from Women's Institutes to Rural Community Councils. ... The effective agency is as likely to be educational as political. ...'

In other words, although there is still a long way to go before social equality and the abolition of class distinction has been achieved in the country, these distinctions and this lack of equality is not associated, as in the old days, solely or even primarily with land ownership. The dispossession of landowners would do nothing to remove these abuses. We must rely for this upon the same means as should be employed in towns where social differences persist, entirely unconnected with the ownership of real estate. The justification for land nationalisation can therefore no longer be found on social grounds. It must be on its economic effects that it stands or falls.

Economic Effects of Nationalisation

What, then, are these economic effects likely to be? Put quite simply, is the country likely to get a more efficient agriculture, one better able to give it what it wants, if all the land were owned and administered by the State; or if we continued with our present system of part owner-occupancy, and part tenant-farmer paying rent to a private owner, or is there some still other system which would better give us what we want?

For the purposes of this discussion farming can be divided into two parts. The first depends upon the skill of the farmer himself and upon his willingness to work hard, as well as upon his ability to equip himself with the implements that are necessary for efficient farming, which to-day means largely an adequate supply of capital or credit. The second depends upon the fixed equipment of the land, the buildings, electricity, drainage and water

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1 Vol. 24, No. 1, of the Political Quarterly.
supply: the size and lay-out of the holding; the terms on which the farmer is allowed to remain in occupation of his farm; and the methods by which the farmer is selected from among those who are anxious to cultivate. It is those matters included in the second group that are affected by the actual ownership of the land.

In the past, during the heyday of the landlord-tenant system, it was the landlord who provided the fixed capital. Because the return that he got for his investment was satisfactory in comparison with what he could get for the investment of the same amount of money elsewhere, the land was in general well equipped. It was the Earl of Bedford with his Society of Adventurers in the 17th century who invested money in the draining of the Fens, and did handsomely out of it. It was Coke of Norfolk and his fellow landowners, large and small, who erected buildings and carried out drainage on their agricultural estates in the 18th century, and again did well out of it. But the advent of the industrial revolution offered other and more attractive outlets for capital, with the result that from the second quarter of the 19th century onwards the land began to suffer and a relatively decreasing amount of capital was invested in it. This has led to-day to a large part of our farm land being under-equipped, and to over 40 per cent. of it being owned by the people who actually farm it rather than by landlords who let it to a tenant farmer.

A Better System?

Is this change from the landlord-tenant system to one of owner-occupancy desirable from the national point of view? Is it something to be encouraged, or does it suffer from similar objections to those levelled at its predecessor? The owner-occupier has the advantage over the landlord in that it is to his interest to increase the productivity of his own property, and he need have no fear that any money he may put into it either directly by way of buildings and other fixed equipment, or indirectly by improving its fertility through sound methods of husbandry, will eventually find its way into the pocket of someone else. But there are few owner-occupiers who have sufficient capital to enable them to exploit to the full the capabilities of the soil which they cultivate and at the same time keep up-to-date with fixed equipment. As a result a large amount of land which is to-day farmed by the owner suffers from lack of capital in one form or another. Although some holdings which are farmed by their owners are superior to some tenanted farms, others are not: any generalisation is impossible. There is certainly no justification for asserting that owner-occupancy, from the economic viewpoint, is superior to the landlord-tenant system, or should receive any preferential treatment.

A further reason for the difference between the landlord of to-day and the landlord of the 17th and 18th centuries, lies in the fact that land is no longer one of the main sources of income in the country and, except in rare cases, investment in land can seldom show the same return to the capitalist as will equally shrewd investment in industry. Land is therefore found to be increasingly in the hands either of those who have owned it for generations but have not the capital that is to-day required to equip it properly: or of those who have made their fortunes in industry, and have the necessary
capital available, but who do not have the knowledge or the experience which is required for wise investment. So any economic justification for the retention of the private landlord which is based upon his success in the past is of no validity under present-day conditions.

Size of Holdings

Let us now look at the questions of size of holding, farm boundaries, and the selection of tenants. Until little more than 50 years ago the landlord had absolute control of his property and, in general, was a man with some knowledge of agriculture. He was therefore capable of safeguarding his own interests by ensuring that those tenants whom he selected were in fact capable of farming sufficiently well to ensure that an adequate rent was paid and the productivity of the farm maintained; he was also in a position to re-draw the boundaries of the various farms comprising his estate so as to maintain them as economic units. But to-day there are many owners of agricultural land who are lacking in the basic knowledge to enable them to do either of these jobs; and even if they had this knowledge legislation since the beginning of the century, designed to protect a tenant from the arbitrary acts of the landlord, has, at the same time as affording this protection, made it difficult and in many cases impossible for the landlord to make any alterations to the lay-out of the farms comprising his estate.

From the theoretical point of view therefore neither the landlord-tenant system, nor that of owner-occupancy has any special justification under present-day conditions. If additional evidence were needed it could be found in the fact that special grants are now considered necessary in order to encourage or enable the landlord to carry out what are not only his obligations but what should be for him advantageous investments.

Present-day Requirements

But although in theory the landlord-tenant system has shown itself to be inadequate to meet the requirements of the present-day it does not automatically follow that wholesale nationalisation would be any better. We have already said that the requirements, from the point of view of economic production, are:

(a) adequate fixed equipment;
(b) the planning of farms in economic units according to contemporary requirements;
(c) security for the tenant;
(d) the ability to select the best type of tenant.

Before public ownership of the land can be advocated it must be shown that it is superior to the present system in most, if not all, of these requirements. To take the first point first, it would be idle to nationalise land without a full awareness of the extra amount of capital investment required, without a willingness to provide this amount of capital and a knowledge of where it was to come from, and without the certainty that adequate skilled staff would be available to ensure that the capital, when made available, was well spent. What in fact is the amount of such investment likely to be?
Various estimates of this amount have been made, one of the most reasoned being that put forward by Chevley and Price\(^1\) and amounting to 439 million pounds. This is a formidable sum and it cannot be too strongly emphasised that this is fresh capital which will have to be invested in agricultural land, and has nothing to do with the amount of capital that would have to be found as compensation to dispossessed owners—for it is assumed that owners would be compensated, and not have their land taken from them without payment of any kind. Many estimates have been made to cover this latter sum. Sir Daniel Hall\(^2\) suggests a figure of £100 millions for the agricultural land of Great Britain. R. R. Stokes\(^3\) gives a figure of £20,000 millions, though this is for all land in Great Britain and not merely agricultural land. J. T. Ward\(^4\) gives convincing arguments in support of a figure of £1,500 millions for England and Wales which would mean somewhere between £2,000 and £2,500 millions for Great Britain. Whatever this sum might amount to it could without difficulty be met by the issue of land bonds bearing a fixed rate of interest: but the extra investment would have to come out of the total national annual investment.

**Shortage of Administrators**

To make available such a sum would not be easy: but even if it were forthcoming, would it be possible to recruit a sufficient number of experienced estate agents to administer the national estate? Some may say, on the analogy of the railways, these estates, under private ownership, are being administered to-day; no more people would be needed to administer them under public ownership. To this there are two answers; for one thing much agricultural land to-day is badly administered, and little would be gained by taking over those same bad administrators and transforming them into public servants. The second and more forceful argument is that a large proportion of the agricultural land of Great Britain to-day is administered not by professional and qualified agents, but by the owners themselves or their unqualified representatives such as local solicitors or trustees. Apart from the fact that these people are not particularly good at their job few, if any, of them would be prepared to take on employment under the Government. It is therefore improbable that a sufficient number of qualified estate agents could be found to undertake the highly skilled job of efficiently administering large estates.

**Re-drawing Farm Boundaries**

The shortage of such administrators would also make it extremely difficult to achieve the third and fourth objectives. Farm boundaries can only be re-drawn if those who have to do the job possess, not only a high degree of agricultural knowledge and experience, but also a large amount of tact. The 1947 Agriculture Act did in fact give to the Ministry of

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\(^3\) *Tribune*, December 19th, 1952.

\(^4\) *Farm Economist*, Vol. 7, No. 4.
Agriculture sufficient powers to enable farm boundaries to be re-drawn, and holdings consolidated; but in spite of the existence of these powers and in spite of the cream of the agricultural land service being available for such tasks, nothing has yet been accomplished. There is, therefore, little reason for supposing that any greater progress would be made under nationalisation.

When it comes to the selection of new tenants, experience on the part of the man who is to make the selection is essential. How can one tell, from among a score of applicants, which one will in fact make the best farmer? Some may be middle-aged men with a lifetime of experience as tenant farmers on smaller farms; others may be farmers' sons who have gained a diploma or certificate in a college or Farm Institute. Still others may be business men who have proved their ability in other walks of life and who are now anxious to bring their industrial experience and capital into agriculture; there may even be a farm-worker who has saved up enough money to enable him modestly to equip a holding of his own, or a colonial agricultural officer, retired from his service overseas, and anxious to put into practice some of the theories that he has been teaching to others. Which of these men is likely to prove the best tenant both from the point of view of the country and of the landlord? No form of examination yet devised can help in the selection. It can be made solely on the opinion of an individual—the owner or his agent—or by a Committee; and there is little reason to think that in decisions such as these a Committee is more likely to be right than an individual.

Adverse Effects of Nationalisation

The conclusions to be drawn from these arguments would seem to be that, although there is no longer a theoretical justification for a continuance of the present system of landownership, there are strong practical reasons why the wholesale nationalisation of land would result in inefficient administration, lack of confidence and opposition by farmers and by all those with ambition to become farmers, and a general feeling of uncertainty throughout the whole farming community which could only have an adverse effect upon production. In return there would be few immediate practical advantages.

2. AN ALTERNATIVE APPROACH

This, perhaps depressing, conclusion is no reason for being satisfied with the present state of affairs and for acquiescing in the retention of the present system. It has been shown to be outmoded and, whatever benefits it may have brought in the past, to be totally incapable of giving the country what it wants under present-day conditions. What is now required is a system which will retain those good points which are still to be found with private ownership, which keeps the goodwill of those who are actually
engaged in farming, and which will lead progressively to greater efficiency in the future. This can best be brought about by a gradual, rather than a wholesale, approach.

**Take-over of Rented Land**

To this end it has been suggested that in the first instance nationalisation should be confined to land which is owned by people who do not farm it—in other words rented land as opposed to owner-occupied land. This would have the advantage of presenting the Government with only slightly more than of the total agricultural land of the country, while at the same time having no direct effect upon those who actually cultivate the soil. Owner-occupiers would be left untouched, while all that would happen to the tenant farmer would be that he would exchange one landlord for another.

Such a proposal has, however, several important disadvantages. It would create a very considerable administrative problem since the estates which would be taken over would not be conveniently situated in large blocks but instead would be scattered throughout the countryside, the sizes ranging from five acres upwards. The task of administering such estates properly would be very nearly as great as that of administering the whole of the agricultural land of the country, and undoubtedly, for several years, all tenants, excepting those with the most neglectful landlords, would feel that a change had been made for the worse. Not only would the resulting inefficiency be detrimental to increased production, but so would the psychological effect that such inefficiency would have on the farming population as a whole; it would feel that the nationalisation was carried out not with the object of producing more food but simply with the object of partially fulfilling a doctrinaire belief.

A further, and perhaps more serious, drawback to such a scheme is the fact that many of these farms most in need of re-equipment would be entirely neglected, and the re-drawing of boundaries made unduly difficult. Although many tenant farms are badly equipped, owing to neglect or lack of funds on the part of the landlord, at least an equally large proportion, if not a greater one, of owner-occupied farms are similarly in need of re-equipment. In fact, generally speaking, one can say that the owner-occupier has ample scope for investing productively such capital as he has in stock and equipment for his actual farming operations, so that, unless he is an extremely wealthy man, he has little left over for the provision of fresh permanent equipment. On grounds of efficiency, therefore, bad estate management is at least as prevalent and quite possibly more prevalent on the farms that are owner-occupied as on those that are let to tenants.

**'Functional' Nationalisation**

If the gradual approach is not achieved by selecting tenanted land for immediate nationalisation, and leaving owner-occupied land in the hands of its present owner, the remaining choice does not lie only between wholesale nationalisation, or wholesale inaction. There remains what may be called 'functional' nationalisation. This is nationalisation not of all the
land or of any particular type of land or classification of holding but rather of such areas as can be shown to be producing less than they should because of their present ownership. But it must be a whole area that is dealt with at a time, rather than single farms or estates, so as to acquire a block that is big enough for efficient management, and where the various works that are necessary, including such things as drainage, construction of roads, supply of water, and realignment of boundaries, can be carried out in an economical manner.

There is no shortage of such areas: the difficulty rather will be to select those where the need is greatest. Preference should, in the first instance, be given to districts where there are already blocks of nationalised land, since this will facilitate administration. It is worth remembering here that the State already owns close on to two million acres (the Forestry Commission owns over 1½ million), and that it has power continually to acquire more as payment for death duties.

**Concentration of Resources**

By such means steady progress will be made towards the ultimate goal of effective control of one of the country’s basic means of production. At the same time a body of men will be trained to administer the ever-growing National Estate, effort and money will be concentrated on those areas where the return will be greatest, and there is small risk of antagonising the farming community when they see the results that will accrue to the industry from the substitution of a good landlord for a bad.

It could well be that, as the good effects become apparent, owner-occupiers would ask the Government to buy their land and let them remain on as tenants, while landlords, too, might prefer the low but steady rate of interest from Government bonds in place of the equally low rent from their land, and the worries and responsibilities of ownership. In any case, whether this were to happen or not, there is no doubt that County Agricultural Committees would be far readier than they are at present to issue instructions to private landlords to carry out their obligations, since they would know that if these instructions were not implemented the landlord could be deprived of his property, which could then be handed over to a competent State body. But above all the total wealth of the country would steadily increase, investment in the fixed equipment of agriculture would be directed where it was most needed, and the benefits from such investment would accrue not to individuals but to the whole country. It is only by achieving these things that public ownership of land in Britain can be justified.
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