CHAPTER I

INTRODUCTORY

The trend of modern land legislation has been to restrict the scope of the landlord as a director of farming enterprise, and to reduce him, step by step, more nearly to the state of a mere receiver of rent. No criticism is necessarily implied in this assertion, which is nothing more than a summary of the facts. The earliest Agricultural Holdings Act, that of 1875, did little more than give the authority of statute law to that which was already customary on many estates; moreover it contained a contracting-out clause. The Acts of 1883 and 1900 were, in the main, the natural development of the principles upon which the first Act was based, embodying the results of further experience, and eliminating the contracting-out clause. The Act of 1906\(^1\) was mainly of the same character, but it also marks a considerable step in the direction of the elimination of the landlord’s control in two particulars. In the first place, it voided all covenants in agricultural leases and agreements and any custom of the country restrictive of the tenant’s freedom of cropping\(^2\). The conception of such covenants was the preservation of the fertility of the soil and fundamentally they were sound; they indicated to the tenant the best practice of the locality, based upon the wider experience of the

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\(^1\) Introduced as the Land Tenure Bill and repealed, before coming into operation, by a consolidating act, the Agricultural Holdings Act, 1908.

\(^2\) See Agricultural Holdings Act, 1908, sec. 26.
landlord and his advisers. But it must be admitted that in many cases the time had come when they were apt to lag behind established practice, and since the days when science had begun to place new means for the control of soil fertility in the hands of the farmer, they had become obsolete at the best, and at the worst a bar to progress.

In the second place, the Act of 1906 took away from the agricultural landlord the right which all landlords had possessed up to that date, and which all of them other than agricultural landowners still enjoy, of repossessing themselves of their property, after due notice, without compensation to the tenant for the disturbance suffered by him. Unless the landlord could show "good and sufficient cause" for terminating a tenancy, or for refusing to renew a lease, he was rendered liable to compensate the tenant "for the loss or expense directly attributable to his quitting his holding". This was a step definitely in the direction of the dual ownership of the land.

The Act of 1913 was unimportant in the present connection, and, passing over the emergency legislation of the War period, the next enactment limiting the freedom of the landlord was the Agriculture Act, 1920. This measure was, in part, the outcome of the recommendations contained in a Majority Report of the Royal Commission on Agriculture of 1919, but as regards the position of the landlord it travelled far beyond the findings of the Commission. In the first place, it defined with greater precision the conditions under which a tenant could obtain compensation from his landlord for disturbance in his tenancy, and laid

1 See Agricultural Holdings Act, 1908, sec. 11. 2 A majority of one.
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down the amount of the compensation recoverable¹. Experience had shown that the disturbance clause in the Act of 1906 was inoperative in practice, and did nothing to meet the farmers’ demand for security of tenure; the later enactment seems to have met the difficulty, and it is now almost impossible to remove a tenant for any reason except bad farming.

In the second place, the Act of 1920 gave the tenant the right to demand an arbitration upon the amount of his rent; and if this demand were refused by the landlord and the tenant should give notice and quit his holding in consequence, he became entitled to compensation for disturbance “in the same manner as if the tenancy had been terminated by notice to quit given by the landlord².” This is a step in the direction of the establishment of a Rent Court.

In the third place, the Agriculture Act provided for the administration of the landlord’s estate by a Receiver and Manager appointed by the Minister of Agriculture if such a step appeared to him, after consultation with the Agricultural Committee, necessary or desirable in the national interest in those cases where the estate, or any part of it, was grossly mismanaged “to such an extent as to prejudice materially the production of food thereon or the welfare of those who are engaged in the cultivation of the estate.” For reasons in no way connected with this clause it was repealed by the Corn Production Acts (Repeal) Act, 1921, before an occasion had arisen for the exercise by the Minister of the powers thus conferred upon him, and they have not been re-enacted in subsequent legislation. The fact that he was vested even though only for a short time with such

¹ Sec. 10, sub-sec. 6. ² Ibid. sub-sec. 3.
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powers is of considerable importance as being another link in the chain by which modern legislation seeks more and more to restrict the scope of the landlord and to substitute Public Authority as the active participator in the development of rural industry.

There is, however, another and a far more potent force at work in this direction. The ownership of broad acres has never been so lucrative as many imagine it to be, nor as a glance at the rent-roll of an estate might suggest. Even prior to the War the expenses of management and maintenance accounted for £30 out of every £100 of rent received\(^1\) and the proportion has risen considerably since. The surplus, whatever it may be, is subject, very frequently, to charges of all kinds—mortgages, jointures, improvement rent-charges, etc.—about which the public hears nothing, and cases are not unknown in which payments such as these have absorbed practically the whole of the surplus from an apparently extensive estate. But, even in the more normal case, the net income is rarely available for the landowner to the extent that the incomes of other classes of investors are, for the owners of agricultural property have behind them a tradition of sharing their possessions with the community in which they live to an extent unknown of any other class. Theorists may animadvert upon the amount of unproductive labour involved in the upkeep of a country mansion and the life that it stands for; they may talk of the pauperisation of the people through the patronage of local institutions by the squire; but the fact remains that these things were big factors in rural social life. The reduction of

spending power consequent on the War has now completed what the Agricultural Depression began, and what Sir William Harcourt’s death duties continued¹, and for many landlords the breaking-point has been reached. They cannot carry on, and it is just these conditions which are so favourable to the development of that parasite on agriculture, the land-spectator. The landowner is offered a fair price to clear out in one transaction, the speculator knowing that he has means at his command, to which the other will not resort, which will enable him to recoup himself, and leave a handsome profit into the bargain, when he comes to negotiate for the break-up of the estate amongst the tenants upon it. Thus it is that farmers are compelled, not only to buy holdings they would prefer to rent, but, to pay unduly for them in the fear of losing their homes and means of livelihood; very often they must find ways to finance the purchase, and “there is no worse landlord than borrowed money.” Thus it is that timber speculators are able to acquire woodlands, and, erecting temporary saw-mills, to proceed to lay them waste, afterwards selling the devastated freehold for what it will fetch. In a subsequent chapter figures will be found indicating the extent of this process, and there are signs that it will be accelerated rather than retarded in coming years. As regards the farmer, he is always obliged to buy at a price which combines an assessment of his necessity for retaining a home and a means of livelihood with the ordinary commercial value of the land; and when it is remembered that the process of dismemberment of estates is most active in a rising market for

¹ Estate Duty was first levied on land by Sir William Harcourt’s Finance Act of 1894.
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commodities, it is obvious that he may pay a sum far beyond that which will allow him a fair return on his outlay when times again become normal. Proof of this is afforded by the enactment of a measure in 1923 designed to assist those who were compelled to buy their holdings during the brief period of high prices following the termination of the War¹.

As regards rural society generally, the disappearance of the landowner deprives it of its natural focus. With the dispersal of his property and the sale of his home nothing remains to tie the squire to the locality in which he has exercised for so long, in greater or less degree, functions of leadership and wise control. At the present time hundreds of country houses, once the centres of an active social life, are in the market for disposal, whilst others have been acquired for sanatoria, schools, religious houses, asylums and similar purposes. It may be that this is their best use in the changing circumstances of the times, and that eventually a new social order will arise in the countryside in which its more stately homes will have no place; but many people do not realise the extent of the collapse in rural society which is the first result of their abandonment, bringing discomfort and even misery to many of their more humble neighbours. Indeed, there are some who think that it is not for the good of rural society that the landlord element should be eliminated from it by the uncontrolled operation of economic pressure. The greatest single cause of social unrest is the segregation of classes. Where everything is understood, everything is forgiven, and people can only understand each other when they have opportunities of mixing freely one with

¹ The Agricultural Credits Act, 1923, sec. 1.
another; on the estate and the farm, at work and at play, all classes of society on the land are in almost daily contact. The degree of intimacy is, of course, variable, but at least the component classes of the rural community are familiar with each other’s mode of life, and with that comes a clearer comprehension of the humanity common to all classes. Under industrialism in its modern organisation these conditions have ceased, almost entirely, to prevail; great groups of men, brought together by reason of their employment, have no personal contact of any kind with those by whom they are employed, for the days have passed when the factory-owner lived amongst his workers and was a real personality to them. The rural workers of England represent practically the largest industry of the country, and the only one in which industrial strife is practically unknown. This is not due to the rate of wages, for they are the lowest in the country; nor is it due to the amenities of rural life, for these, as popularly understood, are largely absent. It is due in no small measure to the better comprehension of class by class, and rural society can suffer nothing but loss by the elimination of its principal co-ordinating element and rallying point, the landlord, who seems likely to disappear unless some means can be devised which will enable him to continue to function as an essential factor of it whilst relieving him, at the same time, of the impossible financial burden which the ownership of broad acres has become.

Does not the acquisition of the land by the State offer the only way of escape from the position into which the country is drifting? Assured of a square deal, the landlord might be expected gladly to exchange the incubus of land for a gilt-edged security, whilst at the same time...
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retaining his interest in his home and in his neighbours, being free to apply himself to local administration and the needs of local society without the creeping paralysis induced by financial stress. The farmer, instead of being reduced to fighting an unconscionable speculator with one hand tied behind his back, would welcome the alternative of continuing as tenant at a fair rent, and free to apply the whole of his capital to the management of his farm.

On these grounds alone there appears to be a strong prima facie case for a direction of current events by the State. There is, however, another consideration of importance arising in connection with the private ownership of land. At the present time no sane person would advocate the protection of the agricultural industry by the State, but it is by no means absurd to suggest that circumstances might arise under which the community would be prepared to pay a price to secure a larger amount of agriculture. It might be thought necessary to take steps to maintain or to improve the standard of living on the land; to provide for the absorption of a larger proportion of the population in rural industry; to secure certain forms of husbandry normally uneconomic. But a condition precedent to such a course would be that the price required should be paid to the persons most actively concerned in agricultural production, both farmers and land-workers, and not to their indirect partners, the owners of the soil. For there is no answer to the argument that any benefit to the land will accrue, sooner or later, to the landlord. Rent is paid on a fixed contract, and time was when an age-long tradition forbade raising the rent of a sitting tenant; but war-time conditions broke through this tradition, and post-war
legislation has provided machinery for varying contracts\textsuperscript{1}. An all-round improvement in farming fortune produces a competition for farms which results, inevitably, in passing on some measure of the value of this improvement to the landlord; how much of it passes to him, and how soon, will vary in different cases, but it is a question only of time and of degree. Under the unfettered operation of economic forces no one but the most prejudiced would grudge this participation by the landlord in the ups as well as in the downs of fortune, but should circumstances arise which call for interference with the normal course of events in the interests of the community at large, the State will always be precluded from taking direct action to foster rural industry so long as private property in land exists in conjunction with the system of tenant-occupation.

It is not suggested that Government during the past forty years has been concerned only with legislation tending to reduce the landlord’s status and to increase that of the tenant; nor that the fact that any benefits to agriculture tend in the long run to be absorbed in rent has imposed a check on what the country has been prepared to do for the farming industry. It is not necessary to set out here all that has been done or attempted during the past generation, for the measures taken by successive administrations since the close of the War are a sufficient indication of the national concern in the prosperity of agriculture. Probably the most beneficial action taken by the State is that of the reorganisation of agricultural education and research, for whenever problems more immediately pressing have been tackled the results of Government

\textsuperscript{1} Vide the \textit{Agricultural Holdings Act, 1923}, sec. 13, sub-sec. 3.
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action have been almost entirely negative. In 1919 Mr Lloyd George’s Coalition Government appointed a Royal Commission “to inquire into the economic prospects of the agricultural industry in Great Britain, with special reference to the adjustment of a balance between the prices of agricultural commodities, the costs of production, the remuneration of labour, and hours of employment.” The members of this Commission were so sharply divided that ultimately they dispersed without producing a Final Report, but an Interim Report led to the placing on the Statute Book, in 1920, of an Act of a character unknown since the days of the Corn Laws, the Agriculture Act of that year, by which the growers of wheat and oats were to be subsidised whenever their industry proved unprofitable. That state of affairs which this measure was framed to remedy arose at once, but before the day of reckoning arrived the very administration responsible for passing the Act through Parliament had induced the same House to repeal it.

Another Act resulting from the report of a Departmental Committee was the Agricultural Credits Act, 1923. Its objects are to assist landowners with credit for estate improvements; to provide short-term loans for farmers; and to supply mortgage credit to owner-occupiers who bought their holdings during the land boom following the War. The only conclusion to be drawn from the operation of the Act is that the urgency of the demand for credit had been over-estimated, or else that the means provided under the Act to meet it are unsuited to the needs of the persons most concerned.

In 1922 further investigations into the state of agriculture were set on foot, one, a general inquiry “into