

Why did we not know?

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THE NEW ENCLOSURE: THE APPROPRIATION OF PUBLIC LAND IN NEOLIBERAL BRITAIN

by Brett Christophers.

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I GREW UP on a very useful piece of land, the hilly little peninsula that juts south into the Firth of Forth and provides travellers up and down the east coast of Scotland with the shortest and most convenient route across the estuary. For centuries, ferries made the crossing, but then the bridges came, first the Victorian railway bridge and then two road bridges (the second opened in 2017), their approaches gashing the peninsula with cuttings and infilling its hollows with embankments, adding to the alterations already made to the landscape by abandoned quarries that had left behind manmade cliffs of whinstone and ponds of dark, still water. By the 1950s the only farmland left was a potato field and a stretch of grazing that supported two Clydesdale horses we knew as Clyde and Prince. Most of the rest of this small area – those bits not occupied by houses, quarries, roads and railway tracks – was owned by the War Office, which had appreciated the peninsula's strategic significance since early in the 20th century, when Germany emerged as a threat to British naval supremacy and a local hilltop was equipped with big guns pointing towards the North Sea. By the time of the Second World War, barrage balloons and anti-aircraft guns had been added to the defences, while a narrow-gauge railway ran around the coast to a pier that had been built to ship arms and other supplies to the fortified islands out in the firth. Barracks and storehouses, a parade ground, officers' quarters, a sports field, range-finding turrets, underground artillery magazines: weeds grew over them and their iron rusted after the last troops left in the mid-1950s, though the concrete stolidly endured.

To a child, this was a gorgeous place. A single-track road ran across it, looping downhill through the gorse and wild raspberries to a beach where many of us learned to swim. Elsewhere, mysterious holes in the ground and abandoned military architecture proved ideal for games that involved imaginary rifles and the great thrill of hiding, and of hunting those who hid. Then one day the local paper carried a small item reporting the sale of this extensive territory to someone who was never named and therefore became 'a mystery buyer'. Our families wondered who it might be, and why they would want to buy such a ruin-filled and unkempt acreage. The newspaper didn't enlighten us, and for several years nothing at all happened to what we called 'the barracks', until in 1964 the first of the road bridges opened and our part of Fife became commutable by car from Edinburgh. Over the next decade crescents and avenues of showy villas with built-in garages and first-floor sitting rooms transformed the army's old patch, spilling down to the beach and erasing many of our paths and hideouts. These houses were several times bigger than those in the local authority housing estate that sat on the other side of the railway line, but they caused very

little comment. After all, the land had been put to fresh use, and the residents of the new villas, though infrequently encountered, seemed nice enough. And surely it was a good thing that orderly lawns and gravel drives had replaced the hazardous bunkers and rusting coils of barbed wire.

Nobody thought to wonder why we didn't know who had bought the land from the War Office; or who (if they were different from the original buyers) had made money from developing it as a housing estate; or why, as it was public land, owned by the state and therefore indirectly by us, we had never been consulted. In other words, our attitudes were typical of what Brett Christophers identifies as the 'lack of engagement, recognition and attention' that has characterised popular attitudes to the sale of public land. By Christophers's calculation, the transfer of land from state to private ownership is the biggest of the privatisations that began under Margaret Thatcher and have continued under every administration since, dwarfing in both scope and value the more prominent sales of utilities such as gas, electricity and water, or social housing under the Right to Buy scheme, or nationalised industries such as British Rail.

Christophers estimates that since 1979 the state has sold about two million hectares – about a tenth of Britain's landmass – which at today's prices would be worth £400 billion, ten times the amount realised by its most valuable component, the sale of social housing. His estimate includes land qua land such as forests, artillery ranges and municipally owned farms; and land as an inherent element in other privatisations such as electricity generation and social housing. (On average – that is, for all kinds of housing – land now accounts for 70 per cent of a house's sale price. In the 1930s it was 2 per cent.) When Thatcher entered Downing Street in May 1979, more land was owned by the state than ever before: 20 per cent of Britain's total area. Today the figure is 10.5 per cent. The disposals include council houses, forests, farms, moors, royal dockyards, military airfields, railway arches, railway sidings, museums, theatres, playgrounds, parks, town halls, bowling greens, allotments, children's centres, leisure centres, school playing fields. There has been in Christophers's words 'a colossal devaluation of the public estate', and not one that came about by accident. This was a project determined and driven by the Treasury and the Cabinet Office, a project that in the forty years since its inception has never been seriously studied, let alone contested or protested, and shows no sign of letting up. In his introduction, Christophers suggests that the book's British readers keep a puzzle at the back of their minds as they follow his disclosures: why did I not know about this before?

Some of our ignorance, certainly among the non-property-owning class, can be attributed to a lack of understanding of the merit of land as a possession. In the housing estate next to the old barracks the tenants paid rent to the council, which sent its plumbers and painters (and sometimes gardeners) to keep its property in good order. It seems remarkable now that at the time I knew almost nobody who owned their house – excepting a house-proud aunt and uncle who had a small bungalow. We were neither poor nor underprivileged; that was the way things were for most people in Lowland Scotland. Council houses had desirable features such as bathrooms and gardens that were much less common in private rented property. Long waiting lists grew. By 1979, the peak year, a third of Britain's housing stock was socially rented, a proportion that in Scotland reached well over half. As the historian T.M. Devine has written, by the 1970s Scotland had 'probably the largest share of public housing of any advanced economy outside the Communist bloc'. An overwhelmingly urban, rent-paying population had lost its connection to land and a feeling for what it could do. Nobody quoted Mark Twain: 'Buy land, they're not making it any more.' Nobody explained, as Christophers does here, that land is an ideal vehicle for the storage and distribution of value: finite but also ubiquitous, fungible on a global scale, the favoured form of collateral for bankers. They would have understood its obvious function, articulated by the economic historian Karl Polanyi as 'the site of [mankind's] habitation ... a condition of his physical safety ... the landscape and the seasons ... only another name for nature'. They would

have agreed with Polanyi that we might as well imagine the human race 'being born without hands and feet as carrying on [its] life without land'. But they would have wondered that it needed to be said.

Despite the purchase of our local barracks by a private buyer, the postwar trade in land ran mostly in the other direction, private to public. For centuries, the crown has been the ultimate owner of all British land, except in Scotland (where the abolition of feudal tenure introduced outright ownership in 2004) and in Cornwall (where the duke of Cornwall, Prince Charles, is the ultimate owner). But the state, in the form of national and local government and their agencies, acquired very little land until the 1890s, when county councils began to establish farms that would give young people an agricultural training at a time of rural depopulation. The First World War raised concerns about the security of Britain's food supply and about what the troops who survived would do for a living when they were demobbed. Local authorities bought more land for smallholdings after the war, so that by 1926 about 1.5 per cent of British land was owned by local government for agricultural use – an astonishing amount for a scheme that has left so little trace on the national memory.

As with food, so it was with trees: the war had revealed that the country was dangerously dependent on foreign timber supplies. The Forestry Commission was established in 1919 and owned 3 per cent of British land thirty years later. The military occupied 45 times as much land at the end of the Second World War as it had at its beginning. Some of this defence estate was bought by private interests in the postwar decades, but the Cold War meant that much more was retained, while the grand total of publicly owned land was increased by the nationalisation of coal mines and railways, the creation of the NHS and New Towns, and the spread of local authority housing schemes. In big cities, the proportion of public land varied between 33 per cent in Birmingham and 65 per cent in Manchester. As Christophers writes, 'British urban space literally became, in considerable measure, public space, inasmuch as its ownership lay substantially with the state,' and in some places the same was true of the countryside. The Forestry Commission owned a tenth of Scotland.

AND THEN the tide changed. First, the pressure on government departments to sell what was called 'surplus' land grew stronger after 1976, when the IMF insisted that the UK reduce government debt as a condition of its bailout after the collapse of sterling. Then in 1979 a political disposition towards state ownership was replaced by one in favour of disposal. In the words of the economist Diane Coyle, 'the belief [that] the public sector should own as little as possible [became] an article of faith.' But how could the new government turn what amounted to little more than a conviction or a prejudice into a programme of practical action, underpinned by the rationale that selling public assets would benefit the public? Christophers is at his most enlightening on the process by which land could be deemed 'inefficient' or 'surplus' – a late 20th-century echo of the argument that justified the enclosures of the 18th century, when landowners sought to put common land that was tilled or grazed by the peasantry to more profitable use. The notion of idleness is important to the argument: land cannot be allowed merely to sit there minding its own business – it needs somehow to be put to work, to be efficient. As for surplus, that can be created by various ruses, not least by setting targets, such as those that drive up occupation densities in civil servants' offices from 14.5 square metres to ten square metres (and in some recent cases to six square metres) per full-time employee; or by establishing a minimum area for playing fields determined by the number of pupils at a school, and declaring anything above that figure surplus to requirements. Public land becomes surplus, in other words, as the result of the state's determination to shrink itself.

At the heart of this project lay a brazen deceit. As Christophers writes, it was politically far easier for governments to justify selling land if the electorate believed that ‘public-sector hoarding, not public-sector hollowing out’ was the reason for its actions. Conservative governments and their allies in the property business fostered the idea that administrative sloth and an excessively strict observation of planning regulations were preventing the private sector taking on public land to build badly needed new homes. In 2010 David Cameron commissioned Philip Green to conduct an ‘efficiency review’ for the new coalition government, and he duly reported that the state, ‘the largest tenant/owner in the country’, was ‘wholly inefficient’ when it came to the use and management of space. The estate agent Savills, acting as a lobbyist more than a disinterested party, estimated in 2015 that England had enough surplus land to build two million homes, if only it could be released. Everybody could have a home, this and many other similar calculations implied, if only planners and bureaucrats would get out of the way and stop hoarding land.

In fact, the private rather than the public sector has been doing the hoarding. In Christophers’s words, ‘The private sector does not lack land; and nor, more significantly, does it lack land that is suitable for commercial development, or for which planning permission has been granted.’ A report in the *Times* last year showed that out of more than 1.7 million applications for residential planning permission granted between 2006 and 2014, fewer than half had been completed after three years. According to the Local Government Association in 2016, councils consistently approved more than 80 per cent of major residential planning applications; but the difference between the number of houses being approved and those actually being built was almost 500,000 – ‘and this gap is increasing.’ The hardly radical figure of Oliver Letwin identified the real brake on house-building when he published the interim conclusions to his inquiry into low completion rates last year. What governed the numbers, he decided, was the absorption rate – ‘the rate at which newly constructed homes can be sold into (or are believed by the house-builder to be able to be sold successfully into) the local market without materially disturbing the market price’. For ‘materially disturbing’ read ‘lowering’: to protect profits, developers are sitting on land that has been given planning permission. ‘Efficiency’ in this instance is a concept confined to the shareholder.

‘As soon as the land of any country has all become private property,’ Adam Smith wrote in *The Wealth of Nations*, ‘the landlords, like all other men, love to reap where they never sowed, and demand a rent even for its natural produce.’ This is the beauty of land: it is an asset that increases in value according to demand, without any expenditure or labour on the part of its owner. This financial benefit is known as ‘the unearned increment’ and since the 18th century, if not before, it has vexed political reformers as well as gratified buyers. Landowners naturally prefer their politics unreformed. When, in 1873, the government published the *Return of Owners of Land*, the most comprehensive survey of British land distribution since the Domesday Book, it came as no surprise that almost all of the top hundred landowners were also members of the House of Lords. Just as predictably, 30 per cent of today’s Tory MPs are landlords – though this is small stuff by historical standards and dwarfed as a political influence by the big spending of the land lobby. In Christophers’s estimate, the biggest corporate buyers of privatised land have been financial institutions and property developers (including investors and house-builders), sectors that have always given significant sums of money to the Conservative Party, and which have been the party’s two biggest donors since 2015, during which time the pace of land privatisation has quickened. (‘Is this symmetry coincidental?’ Christophers wonders. ‘It seems unlikely.’)

‘Financial landownership’ was a term coined in the 1970s to describe the way banks, pension funds and insurance companies had begun to buy land, not for the revenue it produced in rent, crops or minerals, but as a capital asset that could be bought and sold speculatively in the expectation of price rises that might, for example, be brought about by acquiring planning

permission. As part of the Town and Country Planning Act in 1947, Attlee's government had introduced a betterment levy, a form of land tax that Hugh Dalton, the chancellor, promised would end this form of land speculation 'for ever'. No privately owned land, he said, would have a value simply because the owner reckoned that some day somebody would build on it: 'All that is finished.' But Dalton's levy didn't survive the hostility of the property business and, like later attempts to discourage speculation with a land tax, it was soon dropped. By the 1970s, Christophers writes, speculation was 'becoming nothing less than the pre-eminent feature of the British land market'. Thirty years later British capitalism had become dominated to an extraordinary degree by what the *Financial Times* columnist Martin Wolf, writing in 2010, called a 'ruinous trust in land speculation as the route to wealth'.

Some effects of this are well known. London houses (mine and Wolf's among them) rose ten and more times in value over twenty years. Here was an unearned increment with knobs on (and dado rails and cornices): all we had done to earn the money – often more than our salaries brought in over the same stretch of time – was to be lucky enough to have a house in London and the common sense to keep it weatherproof. But other consequences didn't announce themselves so easily. As Christophers writes,

one of the most remarkable, idiosyncratic and controversial aspects of private landownership in Britain is the opaque veil of secrecy that so often surrounds it. The government's insistence during the neoliberal era that public landownership be fully exposed to public scrutiny stands in stark contrast to its long-standing reluctance to do anything meaningful to make private landownership more transparent. This is a clear case of double standards, with clear political implications.

Land registers are supposed to identify the ownership of all public and private land, but as recently as 2005 less than half the total acreage of England and Wales had been officially registered. By 2015, the area ostensibly covered had grown to 85 per cent, but true ownership often remained hidden. In the first dozen years of the century around 95,000 companies were established in tax havens such as the British Virgin Islands to shield their owners' names from public knowledge and minimise their tax bills; according to the Panama Papers leak in 2016, British land and property worth more than £170 billion was owned in this way. (In 1980, non-UK companies owned only a tenth of office space in the City of London; thirty years later they owned more than half.) Scotland has separate legislation and gives greater prominence to the land question, but there, too, ownership can be far from obvious. For example, who owns the 217,000 acres of the Buccleuch estates, with their 576 properties, 20,000 sheep and 32,000 hens? In 2010, research by the land campaigner Andy Wightman discovered that it was a company owned by four Edinburgh lawyers with a total paid-up share value of £4 rather than the duke of Buccleuch himself, who was reported to be Scotland's largest landowner until he was replaced in the record books last year by the Danish billionaire Anders Holch Povlsen, whose several estates and 221,000 Scottish acres make him the largest landowner in the UK.

Even when there is no intent to hide or deceive on the owner's part, scholars and activists such as Wightman in Scotland and Guy Shrubsole in England still face formidable difficulties caused by the state's perhaps deliberately incompetent record-keeping. The selling-off of school playing fields became one of land privatisation's most notorious episodes, but attempts in Parliament to discover how many had been sold and for what price were stonewalled: 'No information is available for years before 1993,' the minister replied to the first question (in 1994), and to the second: 'This information is not collected centrally.' More than twenty years after those parliamentary replies, the figures that Christophers has managed to put together from official and non-official sources show a frenzy of selling. Under the 1981 School Premises Regulations (which

determined how small playing fields could be using the per pupil ratio) more than ten thousand playing fields were sold off under successive Tory regimes – sales reached a thousand acres a month at one point. When Labour came to power in 1997, the rate dropped off sharply, but climbed again under the coalition government. Between 2010 and 2017, nearly two hundred applications for the disposal of school playing fields were submitted, and only six rejected.

Public concern over these sales was atypical, best explained by Christophers's description of school sport as 'a key middle-class concern . . . the epitome of wholesome, character-forming, team-building activity'. No newspaper was more fervently in favour of wholesale privatisation than the *Daily Telegraph*, but even the *Telegraph* wasn't keen on the playing fields sell-off, warning of 'a generation of children prone to obesity and diabetes'. Land privatisation gave the media and political parties many other reasons for concern, or even outrage. Properties were often sold too cheaply, despite the duty imposed on local authorities and government agencies to sell for nothing less than 'best consideration', meaning market value. This was especially true of council house sales, where discounts to tenants reached 70 per cent and in Christophers's calculation lost the state £50 billion at today's prices – money that in the Tory government's eyes was well spent, because it incentivised renters to become homeowners and rendered them more responsible and self-reliant (and more likely to vote Tory).

It also had another effect. To his final question, 'Why was there so little popular and political resistance to this huge transfer of national assets?', Christophers has several answers. First, the process was too piecemeal and too politically invisible to attract general attention: Britain's rulers never asked for the public's consent. Thatcher pledged to sell council houses to their tenants before the 1979 election, but (other than in Scotland) no major party has mentioned public landownership in its manifesto since. Land privatisation, he writes, 'has been a project carried out, at the national policy level, essentially without public consultation . . . [with] no perceived challenge in the court of national public opinion'. True, but a large part of public opinion – the tenants turned homeowners in the council estates – had already been softened up by the £50 billion worth of discounts in the Right to Buy scheme. This is the second explanation for the lack of resistance. In Christophers's opinion, 'Thatcher's genius, conscious or otherwise', numbed opposition to land privatisation by making millions of people its direct beneficiaries, including those 'likely . . . to be politically opposed to the programme'.

LAND PRIVATISATION shows no sign of abating and now that so much of the process has been outsourced from the civil service to estate agents and developers – 'the privatisation of the process of privatisation' – there seems small chance that it ever will, not until the last public library or municipal putting green has come under the hammer at Knight Frank or Savills. We live with the consequences. Whatever the truth of the idea that land was being hoarded by the state, it is undeniably now being hoarded by private owners who seek to keep the supply of houses below the level of demand, and in this way sustain high house prices and their own profits. Meanwhile, Britain has become a rentier economy, in large part thanks to the disposal of social housing, which means that rent is now paid to private landlords rather than to local authorities. In 1985, less than a quarter of rented homes were privately owned; in 2014, more than half. Rent as a proportion of household expenditure has doubled over the same period. Rent is the primary source of economic growth in the UK. In 2006, asking what had helped the British economy grow 'so wondrously', the *Guardian's* finance reporter Patrick Collinson wrote 'The answer [is] the rise of the landlord class . . . in modern Britain, it seems, putting up the rent is somehow regarded as economic growth . . . Germany makes millions of cars, Japan still makes consumer electronics. Britain produces buy-to-let landlords. How our competitors must envy our economic success.'

The result is that social division is now starker between the rent-takers and the rent-payers; that public spaces have become private spaces; and that, in Christophers's words, 'the people of Britain are increasingly being distanced – economically, socially and politically – from the land they inhabit.' As I read that sentence in this fine and valuable book, I thought of a continuum of public ignorance (including my own) that reached back to the time when we neither knew, nor bothered to try to discover, who had bought the old barracks, the wild playground at the end of the street. What were our parents thinking about? Perhaps it was Suez – something else, at any rate. As now with Europe, we have never been very good at identifying the true agents of our discontent.
