

Lloyd George and Land Reform: The Welsh Context

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David Lloyd George was undoubtedly the outstanding Welsh political figure of the late nineteenth century and the first half of the twentieth century.¹ Among the multifarious themes that intersected with his career, one of the most long-lasting was his devotion to land reform and to attacking the role of landowners in society and politics.

This concept played a crucial role in Lloyd George's political life at a number of points and this article concentrates on three of the most significant of these events: the role of the famous land taxes in his 1909 'People's Budget'; the land enquiry and land campaign that Lloyd George initiated in 1912-14 to provide the centrepiece of the Liberal election strategy in the next general election, which was due in 1915; and finally Lloyd George's second land campaign of 1925-9, which he hoped would prove crucial to a great Liberal revival in the post-First World War era.² Lloyd George's persistent commitment to land reform raises an important question about whether there were consistent themes in the career in this most protean of politicians. This article seeks to provide some indications towards an answer, by determining to what extent this central element in Lloyd George's political agenda was shaped by his early life in north west Wales and his engagement with its political culture.

The origins of Lloyd George's antipathy towards landowners can be traced to his early years, because he grew up in a political environment that was profoundly hostile to landlords. He was brought up in the 1860s and 1870s in a Welsh-speaking, Nonconformist household, headed by his widowed mother and her brother, Richard Lloyd, who ran a small shoe-making business in the

¹ For continued interest in Lloyd George: J. Grigg, *The Young Lloyd George* (London, 1973), *Lloyd George: the People's Champion, 1902-11* (London, 1978), *Lloyd George: from Peace to War, 1912-16* (London, 1985); B. Gilbert, *David Lloyd George: the Architect of Change, 1863-1912* (London, 1987), *David Lloyd George: Organizer of Victory, 1912-16* (London, 1992); M. Pugh, *Lloyd George* (London, 1988); J. Loades (ed.), *The Life and Times of David Lloyd George* (Bangor, 1991); C. Wrigley, *Lloyd George* (Oxford, 1992), I. Packer, *Lloyd George* (Basingstoke, 1998).

² B. Murray, *The People's Budget, 1909/10: Lloyd George and Liberal Politics* (Oxford, 1980), I. Packer, *Lloyd George, Liberalism and the Land: the Land Issue and Party Politics in England, 1906-14* (Woodbridge, 2001), J. Campbell, *Lloyd George: the Goat in the Wilderness, 1922-31* (London, 1977), especially pp. 120-28.

village of Llanystumdwy in Caernarvonshire.³ The Lloyd family were among the village's better-off and more prominent members, as Lloyd George's mother had inherited a small amount of capital from her husband (a schoolteacher from a farming family in Pembrokeshire) and Uncle Lloyd was a leading figure in his Nonconformist denomination in south Caernarvonshire. But there was still a huge social, cultural and economic gap between the Lloyds and the landowners who traditionally stood at the top of the social hierarchy in Wales.⁴ In Llanystumdwy their most obvious representative was Hugh John Ellis-Nanney of Gwynfryn, owner of over 12,000 acres in Caernarvonshire, Merioneth and Montgomery, which provided him with a gross income of nearly £6,000 a year.⁵ Men like Ellis-Nanney were usually almost entirely anglicized (he had been educated at Eton and Brasenose College, Oxford) and, crucially, they were not Welsh-speakers, which in north west Wales cut them off from much of the local population. They were also members of, and enthusiastic supporters of, the established Church of Wales, while over 80% of Welsh people who attended a place of worship, like the Lloyds, were members of a Nonconformist denomination.⁶ Yet it was the landowners who traditionally dominated political life in Wales and especially its representation in Parliament. When Lloyd George was a boy, for instance, the MP for Caernarvonshire was the Honourable George Douglas-Pennant, heir to the great Penrhyn estates of nearly 50,000 acres.⁷

The sense of separation between the ordinary people of Wales and the great landowners and its effect on the young Lloyd George was recorded by his brother, William, who wrote:

The awakening of political consciousness in Dafydd was largely the result of the environment in which he was brought up. The village of Llanystumdwy was owned and surrounded by a ring-fence of landlords, who formed a class by themselves. They were rarely seen by us in the village, and none of them seemed to take any interest in the welfare of the villagers, except on rent day, and that generally through their agents.⁸

But if Lloyd George disliked the political structure of Wales in his youth, he was not alone. The later nineteenth century saw a gradually rising tide of

³ W. R. P. George, *The Making of Lloyd George* (London, 1976), makes extensive use of family papers to describe its subject's early life.

⁴ M. Cragoe, *An Anglican Aristocracy: the Moral Economy of the Landed Estate in Carmarthenshire, 1832-95* (Oxford, 1996) is the best account of how landownership related to wider society in Victorian Wales.

⁵ J. Bateman, *The Great Landowners of Great Britain and Ireland*, 4th edn (London, 1883), p. 328.

⁶ E. T. Davies, *Religion and Society in the Nineteenth Century* (Landybie, 1981).

⁷ Bateman, *Great Landowners*, p. 356.

⁸ W. George, *My Brother and I* (London, 1958), p. 126.

revolt that swept the landowners out of political power and replaced them with a new generation of MPs with less exalted origins, proud of their Welshness and aligned with the Liberal Party. In the 1885 election, thirty of the thirty-four Welsh seats were won by Liberals and fourteen of those thirty were Nonconformists.⁹ In later years, Lloyd George claimed to have been inspired by this struggle and that his 'first political memory' was the eviction of some Caernarvonshire tenant farmers for voting against George Douglas-Pennant in the 1868 general election.¹⁰ He certainly could claim that he played his part in this process. When Lloyd George was first elected as Liberal MP for his native seat of the Caernarvon Boroughs in 1890, the Tory candidate whom he defeated by a mere eighteen votes was none other than Ellis-Nanney, the Llanystumdwy landowner, and Lloyd George was not slow to trumpet this as the victory of the 'cottage-bred' man and a triumph of democracy over aristocracy.¹¹

Lloyd George's background, therefore, predisposed him to see great landowners as a malevolent force in politics and society, who needed to be defeated. But fighting their representatives at elections was only one way to do this. Late-nineteenth-century Liberals were interested in a range of policies that attacked landowners' control of their land – the source of their authority. Perhaps not surprisingly, Lloyd George shared this interest and his early thinking on land reform can be broken down into three main themes.

Firstly, by the time Lloyd George became active in politics in the mid-1880s, ideas about how land reform could be used to attack the role of landowners in Wales had already started to take shape. The key figure in this process was Tom Ellis, Lloyd George's only real rival in talent among the late-nineteenth-century Welsh Liberal MPs, and a politician who might have reached cabinet rank if his intriguing career had not been cut short by his early death in 1899.¹² He was slightly older than Lloyd George and was elected MP for his native Merioneth in 1886. Ellis was the son of a tenant farmer and four of his relatives had been evicted for voting against their landlord's wishes in the 1859 general election. With the help of a number of allies, including Bryn Roberts, the Liberal MP for Caernarvonshire, Eifion, he concentrated a significant part of his political energies on promoting a programme of land reform aimed specifically at improving the position of tenant farmers in relation to their landlords. In the late 1880s this seemed a particularly important political issue as economic depression was hitting some Welsh livestock farmers very hard and there was a series of well-publicized protests, especially in north east Wales, against the payment of tithes (which of course

⁹ K. Morgan, *Rebirth of a Nation: Wales, 1880-1980* (Oxford, 1981), p. 29.

¹⁰ H. du Parcq, *Life of David Lloyd George*, 4 vols (London, 1912-13), vol. 1, pp. 27-29.

¹¹ H. Spender, *The Prime Minister* (London, 1920), p. 81.

¹² N. Masterman, *The Forerunner: the Dilemmas of Tom Ellis, 1859-1899* (Swansea, 1972).

many Nonconformist farmers disliked on principle anyway).¹³ Ellis's ideas were contained in a resolution he introduced into the Commons in 1888 and a Tenure of Land (Wales) Bill he produced in 1892.¹⁴ Basically, Ellis argued that Wales was a country where relations between landlords and tenants were very different from the situation in England and therefore legislation specific to Wales was needed to address its problems. Welsh landowners and tenants were profoundly divided by culture, religion and politics. Welsh farmers had a deep attachment to their land, which allowed landlords to charge them high rents and control them with the threat of eviction. The best way to protect tenants was through a system of Welsh Land Courts that would enforce security of tenure and fair rents, much on the lines that Irish tenants had been granted by Gladstone's government in 1881. Ellis led a successful campaign to persuade Gladstone's last government to set up a Royal Commission into the Welsh land system, which took evidence throughout Wales in 1893-96. Its Liberal majority duly reported in favour of Ellis's Land Courts plan and it became a standard policy associated with the Welsh Liberal MPs.

Lloyd George certainly supported this programme. One of the Welsh political figures he most admired was the Methodist preacher, newspaper owner and anti-tithe campaigner, Thomas Gee of Denbighshire.¹⁵ In 1886, Gee proposed a Welsh Land League to campaign for legislation to benefit tenant farmers on the same lines that Ellis proposed. Lloyd George spoke up for the idea at Criccieth Liberal Club and was elected a delegate to the first Land League conference.¹⁶ Later, he wholeheartedly backed Ellis in pressing Gladstone to appoint a Royal Commission on Welsh land (indeed Lloyd George's brother, William George, organised the presentation of evidence to the Commission in south Caernarvonshire) and in 1896 he denounced the intimidation of witnesses to the Commissioners.¹⁷ However, while Lloyd George supported the idea of Welsh Land Courts to provide security of tenure and fair rents, it was not a policy with which he was closely associated. It was not mentioned in his election addresses to the voters of Caernarvon Boroughs and was never prominent in his public speeches.¹⁸

¹³ J. P. D. Dunbabin, 'The Welsh "Tithe War"', in Dunbabin (ed.), *Rural Discontent in Nineteenth-Century Britain* (London, 1974), pp. 211-31.

¹⁴ J. G. Jones, 'Select Committee or Royal Commission?: Wales and "the Land Question", 1892', *Welsh History Review*, 17 (1994), 205-29.

¹⁵ When Lloyd George became chancellor of the exchequer in 1908 he hung a portrait of Gee in the entrance hall of 11 Downing St (du Parcq, *Lloyd George*, vol. 1, p. 73).

¹⁶ J. G. Jones, 'Michael Davitt, David Lloyd George and T. E. Ellis: the Welsh Experience, 1886', *Welsh History Review*, 18 (1997), 450-82 (p. 463).

¹⁷ Jones, 'Select Committee or Royal Commission?'; George, *My Brother and I*, pp. 162-65; W. R. P. George, *Lloyd George: Backbencher* (Llandysul, 1983), pp. 198-99.

¹⁸ See for instance, J. G. Jones, 'Lloyd George and the Caernarfon Boroughs Election of 1892', *Transactions of the Caernarvonshire Historical Society*, 52-53 (1991-92), 31-50.

This may have been because Lloyd George saw the Land Courts plan as very much Ellis's territory. But it may also be linked to another aspect of Lloyd George's early thoughts on the land question. This was Lloyd George's firmly-held view that land reform should be presented as an issue that affected everyone, not just tenant farmers. In 1887, Thomas Gee's son, Howel Gee, sent Lloyd George his father's proposed constitution for his Welsh Land League. Lloyd George replied on 7 November 1887, stating that 'the land question seems to have been presented as a matter affecting *farmers only*, whereas there are other classes quite as vitally affected'. He went on to name agricultural labourers, town-dwellers and mining interests, concluding, 'If you want to make the League a really *national* one you must include in its *programme* all classes of the nation, who suffer the wrongs of our infamous agrarian system.'¹⁹ It is this view that set Lloyd George apart from the standard Welsh Liberal programme. He wished to widen out the appeal of land reform far beyond the ranks of tenant farmers in order to make it an effective weapon in the Liberal armoury. This context makes it easier to explain Lloyd George's admiration for figures like the founder of the Irish Land League, Michael Davitt, and the journalist Evan 'Pan' Jones, editor of *Y Celt*, both of whom espoused land nationalization.²⁰ Lloyd George himself did not support this cause, but he was interested in ways of broadening out the meaning and significance of land reform.

Finally on Lloyd George's early thoughts on land reform, he had some intimation of how the issue might be made appealing to more people. Primarily, for Lloyd George, this meant demonstrating that land reform could be relevant to an urban population, too. This was a matter that had particular relevance for Lloyd George because from 1890 he represented the urban seat of Caernarvon Boroughs, made up of six towns scattered across Caernarvonshire. Parts of the largest of these towns, Bangor and Caernarvon, were built on the short leasehold system, which was not uncommon in Wales.²¹ Under this process, landowners leased their land to builders, usually for 99 years. The builders then constructed houses on the land and sold it on to new purchasers, who would rent out the houses and pay the original or 'ground' landlord an annual ground rent. The ground landlord thus avoided paying any local rates on his land, while its value steadily increased. Once the lease expired he would regain the land and the houses on it, which he could then re-lease at a greatly-improved rate. This system created considerable grievances among leaseholders and occupiers and by the 1880s was causing some controversy in London, where the system was widespread.²² A select

¹⁹ George, *Making of Lloyd George*, pp. 163-64.

²⁰ Jones, 'Michael Davitt, David Lloyd George and T. E. Ellis'; P. Jones-Evans, 'Evan Pan Jones – Land Reformer', *Welsh History Review*, 4 (1968), 143-59.

²¹ Land Enquiry Committee, *The Land*, 2 vols (London, 1913-14), vol. 2, p. 352.

²² D. Reeder, 'The Politics of Urban Leaseholds in Later Victorian Britain', *International Review of Social History*, 6 (1961), 413-30.

committee looked into the issues involved in great depth in 1886-91. Lloyd George picked up on two policies that urban Liberals, especially in London, had started to advocate. His 1890 election manifesto advocated both the taxation of ground rents and leasehold enfranchisement – that leaseholders should be able to compulsorily purchase their lease once it expired.²³ These ideas seem to owe little to Lloyd George's reading of the works of his notorious namesake, Henry George, the American apostle of replacing all taxation with a tax on land, calculated at its rental value. The Welsh George commented in his diary in January 1884 on the American George's book, *Progress and Poverty*, 'I don't believe in his scheme – Appropriation of the rent is nothing but aimless plunder.'²⁴ In fact, Lloyd George was not the only Welsh Liberal to support the more practical ideas he espoused in 1890 (Tom Ellis also supported leasehold enfranchisement, for instance) but he was more closely associated with them than most.²⁵ They reappeared in Lloyd George's subsequent election manifestos and continued to crop up in his speeches down to 1905, when he first became a cabinet minister.²⁶

This was a subject Lloyd George knew something about – drawing up property documents was one of the staples of the firm of solicitors he ran with his brother.²⁷ It also gave him a chance to attack landlords he particularly disliked – especially the Douglas-Pennants of Penrhyn and the Duff-Assheton-Smiths of Vaynol, who were political opponents and had large plots of land in Bangor. But it also allowed him to argue that the towns as well as the countryside were being held to ransom by great landowners. In a speech at Penrhyn Hall in Bangor on 21 May 1891, Lloyd George called the leasehold system 'the grossest oppression ever inflicted even by landlordism upon an industrial community'.²⁸ This allowed him to make the point to his urban audience that the key enemy of all the people were the 'landlords [who] consume millions of the wealth of the land of this country without turning a sod to create it'. Lloyd George's message was that everyone, rural and urban, suffered from the land system and the wealth accumulated by landowners could legitimately be targeted because it had not been earned. He went on to say that if people in Bangor were poor, it was not because the area was 'barren and desolate. On the contrary it is rich in agricultural and mineral wealth. But these riches, intended by Providence for the people, are intercepted before they reach them.' Ultimately, Lloyd George was arguing, landlords were

²³ Du Parcq, *Lloyd George*, vol. 1, pp. 95-96.

²⁴ George, *Making of Lloyd George*, p. 113.

²⁵ M. Barker, *Gladstone and Radicalism: the Reconstruction of Liberal Policy in Britain, 1885-94* (Hassocks, 1975), pp. 188-89.

²⁶ See, for instance, his speech at Newcastle on 4 April 1903, reprinted in du Parcq, *Lloyd George*, vol. 4, pp. 617-26.

²⁷ George, *My Brother and I*, pp. 134-54 for the firm's early years.

²⁸ George, *Lloyd George: Backbencher*, pp. 58-61 for this speech.

responsible for poverty because they took an unfair share of the nation's wealth and everyone who had an interest in ending poverty should be devoted to attacking landlordism. By the time he had reached this point, Lloyd George had moved far beyond the standard Welsh Liberal demand for Land Courts and developed a line of argument that attempted to show the universal relevance of land reform to those in the towns as well as the countryside. What he did not have as yet was a set of distinctive proposals to enact this appeal.

Lloyd George's early experiences of politics in north west Wales were crucial in forming the general outlines of his approach to land reform. The political culture in which he grew up was profoundly hostile to great landlords and when he entered politics Welsh Liberalism was already becoming committed to significant changes in the relations between agricultural tenants and their landlords. But for Lloyd George this was never enough. He wanted to expand the appeal of land reform, especially to urban audiences. The rest of this article will examine how this Welsh background related to three of Lloyd George's great initiatives on land reform, once he had become a leading figure in the national Liberal party.

The first of these topics is the 'People's Budget' of 1909, Lloyd George's initial budget after he became Chancellor of the Exchequer in 1908 and his first attempt to direct the strategy of the Liberal party from the vantage point of the leadership.²⁹ When he became chancellor, Lloyd George was faced with a huge deficit of £16 million, mainly caused by the new old-age pensions scheme and increased naval expenditure. By this time, the Liberal party had already started to work out ways in which to meet the cost of increased state expenditure. Since Sir William Harcourt's budget of 1894, which had introduced death duties, they had been moving towards the belief that only increased direct taxes on the very wealthy could both stave off the need for taxes on imports, and so preserve the central Liberal tenet of Free Trade, and provide an equitable way to distribute taxation. What was new in 1909 was the sheer scale of the tax rises required to meet the deficit. Lloyd George was forced to raise £6.35 million through increased death duties, raising the higher rates of income tax and a new super tax. The rest of the money came from raiding the sinking fund, stamp duties, taxing liquor licences, new taxes on motor vehicles and petrol, and the old favourites of many hard-pressed chancellors, increased duties on tobacco and spirits.

In this situation, there was no fiscal necessity to turn to any form of land taxation to meet the budget deficit. Yet Lloyd George displayed a persistent

²⁹ Murray, *People's Budget*, pp. 76-86, 93-101, 168. See also I. Packer, 'Economic Strategies and the New Liberalism', *Journal of Liberal History*, 54 (2007), 14-21; G. C. Peden, *The Treasury and British Public Policy, 1906-1959* (Oxford, 2000), pp. 30-72.

and tenacious interest in including land taxation in his budget. On 5 September 1908 he told Sir Robert Chalmers, head of the Inland Revenue, that he was looking into the matter and by 3 December 1908 he had fixed on a tax of one penny in the pound on the capital value of all land and a tax on the rise (or 'increment') in land values, charged each time a property was sold or leased.³⁰ The rest of the cabinet were horrified at the outcry that would result from taxing agricultural land, or small property-owners, let alone any possibility that landlords should be forced to pay taxes, even if occupiers of their land had signed contracts that they would pay all taxes on the land.³¹ But Lloyd George held to his goal and was able to retain the principle of land taxation, even if he had to adapt his specific proposals. Eventually, after fourteen fraught cabinet meetings and twenty-two days of obstruction from the Conservatives in the Commons, the 1909 budget emerged with provisions for three cumbersome and involved taxes on increments in land values, undeveloped land and the reversion value of leases. There was also a tax on mining royalties that Lloyd George sometimes counted as one of his land taxes. The taxes were predicted to raise no more than £500,000 per annum (in fact legal challenges meant they raised much less) and would require a national valuation of all land, predicted to cost over £2 million and requiring at least five years to complete.³²

Despite the huge amount of trouble that they involved and the minimal returns involved, Lloyd George also insisted on putting the land taxes at the forefront of his campaign to publicize and justify the budget, especially in his famous orations at Limehouse on 30 July 1909 and Newcastle on 9 October 1909, which were full of abuse of landowners and the need to tax their wealth.³³ The fact that Lloyd George pursued this intensely controversial strategy despite the huge difficulties it raised poses the question of the extent to which he was working out the political agenda he had imbibed and developed in his youth in north west Wales. In some ways this was obviously the case. Selecting landlords as the enemy seemed entirely natural and congenial to someone like Lloyd George who had been brought up in and participated in the anti-landlord Liberal tradition of late-nineteenth-century Wales. Moreover, land taxation appealed to the personal views he had developed on the land issue in his early years. All three land taxes in the 1909 budget were aimed at urban landowners and the way in which they had benefited from rising urban land values without contributing to this process. Indeed, Lloyd George said in a cabinet memorandum of 30 January 1909 that it was not necessary to include agricultural land in his scheme at all and he was

³⁰ National Archives, Inland Revenue papers 73/2, Lloyd George to Sir R. Chalmers, 5 September 1908 and Chalmers to Lloyd George, 3 December 1908.

³¹ Murray, *People's Budget*, pp. 152-54, 179-86, 192-94.

³² A. Offer, *Property and Politics, 1870-1914: Landownership, Law, Ideology and Urban Development in England* (Cambridge, 1981), pp. 363-69.

³³ Du Parcq, *Lloyd George*, vol. 4, pp. 678-96.

quite prepared to exclude it from taxation.³⁴ Lloyd George's speeches were full of the injustices suffered by urban leaseholders who saw their hard work and investments appropriated by greedy landlords under the short leasehold system. His most famous example, Mr Gorringe, the West End retailer, may have been a long way, geographically and socially, from the shopkeepers of Bangor he had defended in his speech of 1891, but the principle was the same.³⁵ Above all, the land taxes provided a jumping-off point for Lloyd George to denounce the whole system of landownership and the way it oppressed the people of Britain. The definition of a landlord, he said at Limehouse, 'is a gentleman who does not earn his wealth'. The leasehold system was 'not business, it is blackmail'.³⁶ At Newcastle Lloyd George declaimed, 'Who ordained that a few should have the land of Britain as a perquisite? Who made ten thousand people the owners of the soil and the rest of us trespassers in the land of our birth?' This was truly the broad approach to anti-landlordism that he had called for at the start of his political career.

However, Lloyd George was not merely working out a personal crusade from his early years in 1909. The decision to include and highlight the land taxes was a shrewd political calculation rather than a personal obsession pursued without regard to the situation. It was noticeable, for instance, that he did not include the taxation of ground rents – his old policy from the 1890s – among his land taxes. As chancellor of the exchequer, Lloyd George was far more interested in taxing the much more lucrative increment in land values and picked up some tips on the subject on his visit to Germany in 1908.³⁷ The land taxes of 1909 were meant to deal with the national political situation of the day – not that of the Caernarvon Boroughs in the 1890s. Firstly, they tackled the Liberals' difficulties with the House of Lords, a body still dominated in 1909 by great landowners. The Lords had blocked major Liberal legislation in 1906-08 that they knew Liberals cared about, but which lacked wider support – in particular the Education Bill of 1906 and the Licensing Bill of 1908 – while allowing popular legislation like the Old Age Pensions Act of 1908 to pass. The government was increasingly frustrated by this strategy but unable to respond as its popularity sank in the face of economic depression and perceptions of political impotence. By 1908, the results in by-elections were so bad that talk was rife that the Liberals would lose the next election.³⁸ The land taxes provided a way of hitting back at the Lords and, so Lloyd George thought, forcing them to pass legislation they would detest, as the

³⁴ National Archives, Cabinet papers 37/97, 'Taxation of Land Values', 30 January 1909.

³⁵ Mr Gorringe's woes featured prominently at Limehouse; see du Parcq, *Lloyd George*, vol. 4, p. 683.

³⁶ *Ibid.*, pp. 682, 683, 696.

³⁷ Murray, *People's Budget*, pp. 106-07.

³⁸ The government's position is outlined in N. Blewett, *The Peers, the Parties and the People: the British General Elections of 1910* (London, 1972), pp. 46-50.

Lords had not rejected a budget in recent times. Secondly, by emphasizing his land taxes Lloyd George drew attention away from the scale of the rises in direct taxation in the budget.³⁹ These developments were unlikely to be popular with more conservative Liberal supporters and were open to the charge that they harmed the economy by destroying the capital needed for investment. But the behaviour of the Lords ensured that landowners had few friends in the Liberal party, and, as Lloyd George emphasized, taxing them could not damage wealth-creation because landlords did not create wealth, they only appropriated what was created by others.

The land taxes in the 1909 budget were, therefore, a strategy that fitted in with Lloyd George's early views on land reform, but his decision to introduce them was not the result of inflexible beliefs, but a measured political strategy. It was also, in political terms, a successful decision, though not quite in the way Lloyd George had intended. The furore over the land taxes helped to revive Liberal enthusiasm and fortunes in by-elections in the summer of 1909, but the Lords were so enraged by the taxes that they threw out the whole budget in November 1909.⁴⁰ This action immediately overshadowed the land taxes as a political issue, but it allowed the Liberals to accuse the Lords of violating the constitution and to fight the general election of January 1910 on the issue of who governed Britain – the Peers or the People? The outcome was that the Liberals were able to remain in power, though dependent on their Labour and Irish Nationalist allies. Given the depths to which by-election results indicated that the party's fortunes had sunk by late 1908, this was a remarkable turn-around and a vindication of Lloyd George's strategy, even though some of his colleagues continued to bewail the loss of moderate support that its radicalism entailed.⁴¹

Lloyd George's political success with his land taxes in 1909 convinced him that the land issue could work to the Liberal party's advantage again in Edwardian Britain. His second major initiative in land reform was the land enquiry of 1912 and the land campaign based on its proposals that was launched in 1913. In mid-1912 the Liberal party was once again in the doldrums and facing a series of reverses in by-elections.⁴² Even though the next election was two or three years away, Lloyd George decided to start formulating a detailed strategy to win the forthcoming campaign, based on new proposals for land reform. He appointed a land enquiry committee, effectively headed by the social investigator Seebohm Rowntree, to examine

³⁹ Murray, *People's Budget*, p. 168.

⁴⁰ Blewett, *The Peers, the Parties and the People*, p. 73, 76-84, 317.

⁴¹ British Library, Additional MS 45992, fols 235-36, Herbert Gladstone papers, H. Samuel to H. Gladstone, 22 January 1910.

⁴² L. Masterman, *C. F. G. Masterman: a Biography* (London, 1939), pp. 234-35 for Lloyd George's recognition of the seriousness of the situation.

the entire complex of controversies about land and landownership.⁴³ The enquiry produced two weighty reports, one on rural land, published in October 1913, and one on urban land, published in April 1914. The cabinet endorsed the rural proposals in October 1913 and Lloyd George, supported by his cabinet colleagues and a new national propaganda body, launched a campaign to promote the rural report's ideas. The urban proposals were being approved piecemeal by the cabinet in 1914 and would have joined their rural counterparts in the government's programme if the First World War had not intervened to cancel the autumn 1914 campaigning season.

The fact that the land campaign gave at least equal weight to its urban as to its rural half can be traced back to Lloyd George's long-standing commitment to urban land reform. But the contents of the land campaign's urban proposals represented a radical break with his previous concerns. The centre piece of the urban land campaign was a huge scheme to improve working-class housing.⁴⁴ This was to be achieved by giving local authorities the power to buy up suburban land cheaply, lease it to builders and housing charities for development and draw up town plans that would ensure high-quality, low-density building. The housing would be affordable because the land had been acquired at reasonable cost. These ideas owed much to the early town-planning movement and little to Lloyd George's past.⁴⁵ The only connection with his Welsh background was the determination to make the land issue attractive to as wide an audience as possible. But the previous ideas with which he had been associated were sidelined. Leasehold enfranchisement was specifically rejected in favour of a system of urban land courts.⁴⁶ Land taxation may have been a political success in 1909, but the land duties in the budget ran into a barrage of legal challenges and brought in very little revenue. The urban land report rejected any further national land taxes and only suggested a very modest local authority land tax (or 'site value rating') as an adjunct to its proposal for huge increases in national grants to local councils.⁴⁷

The rural land campaign was also based around a startling new proposal – that there should be local wages boards to fix minimum wages in each area for agricultural labourers.⁴⁸ This idea was supported by proposals that would have been more familiar to Edwardian Liberals for increasing the number of smallholdings and encouraging rural district councils to provide more rural

⁴³ Packer, *Lloyd George, Liberalism and the Land*, pp. 82-87, 76-114, 119-20, 122-26, 146-48.

⁴⁴ Land Enquiry Committee, *The Land*, vol. 2, pp. 148-57.

⁴⁵ House of Lords Record Office, Lloyd George papers, C/2/1/29, R. Buxton to Lloyd George, 14 September 1912 and C/2/1/38, J. Heath to Lloyd George, 19 September 1912. See also Land Enquiry Committee, *The Land*, vol. 2, pp. 153-54.

⁴⁶ Land Enquiry Committee, *The Land*, vol. 2, pp. 416-18, 487-98.

⁴⁷ *Ibid.*, pp. 591-609.

⁴⁸ Land Enquiry Committee, *The Land*, vol. 1, pp. 65-67, 228-29, 133-35, 321-23, 382-83.

housing. The campaign also planned that tenant farmers would receive security of tenure and review of their rents by special commissioners. In particular, they would be able to deduct any wage rises necessitated by the new minimum wage from their rent. Some of these ideas can be traced back to Lloyd George's Welsh background. The package of proposals in the rural land campaign once again showed Lloyd George's devotion, dating back to his earliest days, to attacking the role of landlords. They bore the brunt of his assaults when he launched the land campaign in two great speeches at Bedford and Swindon in October 1913.⁴⁹ It was also landlords who would ultimately bear the cost of increased wages for agricultural labourers, because tenant farmers would be able to reduce the amount they paid in rent as compensation for any increases they were forced to make in labourers' wages – an idea that Lloyd George outlined to his confidant, George Riddell, on 27 May 1912 right at the beginning of his idea for a land enquiry.⁵⁰ Landlords would also, of course, under the campaign's proposals, lose their right to choose their tenants and fix rent levels. These latter two proposals were hardly unfamiliar to Lloyd George. They had been widely espoused by Welsh Liberals since the late 1880s and endorsed by Lloyd George.

But the land campaign's rural proposals also contained a radical break with the standard Welsh proposals of Lloyd George's early career. Rather than concentrate on the tenant farmer, they centred the campaign's appeal on the agricultural labourer. The labourer was someone Lloyd George had insisted in his letter to Howel Gee in 1887 should be included in land reform proposals. But then he seems to have been thinking only in terms of the debate in the 1880s about providing allotments to agricultural labourers, referring to Chamberlain's plan in his 'Unauthorized Campaign' of 1885 for 'three acres and a cow' as 'a really great idea', while the Tory government's proposals of 1887 were only 'a sham and a delusion'.⁵¹ The key proposal in the rural land campaign of 1913 was for a minimum wage, and this did not derive from the debates of the 1880s but from the immediate political situation in the Edwardian era. In particular, the Liberal government had introduced minimum wages for some especially low-paid sweated trades in 1909 and then, in 1912, faced with a national coal strike that was bringing the country's industry to a halt, it had accepted minimum wages in the coal mining industry.⁵² Looking at the chronology of the land campaign, it was probably the example of coal mining that gave Lloyd George the idea for a minimum wage in agriculture.

⁴⁹ *The Times*, 13 October, 23 October 1913.

⁵⁰ Lord Riddell, *More Pages from My Diary, 1908-14* (London, 1934), pp. 63-64.

⁵¹ George, *Making of Lloyd George*, pp. 163-64.

⁵² S. Blackburn, 'Ideology and Social Policy: the Origins of the Trade Boards Act', *Historical Journal*, 34 (1991), 43-64; Riddell, *More Pages*, p. 38, pp. 47-49 for Lloyd George's changing views on minimum wages in February-March 1912.

The rural proposals of 1913-14 were, therefore, very different from the Welsh political context in which Lloyd George had come to political maturity. Lloyd George's intention was not just to revive the proposals he had known in his youth, but to join them to the new programme of the minimum wage. These proposals were aimed specifically at rural England. Their immediate political goal was to correct the Liberals' chronic under-performance in English agricultural seats. In December 1910, the Liberals had won only 30 of the 111 or so English constituencies that had a substantial agricultural population. In the recent past, especially in 1906 and 1885, they had done much better and the rural campaign was designed to improve the Liberals' position in this crucial group of seats.⁵³ In this context, the agricultural labourer was the key figure, as about 70% of males working in English agriculture were labourers.

Lloyd George hoped he had formulated a plan to appeal to English rural seats. But this raised the question of how this plan should relate to Wales. In the 1880s, Welsh Liberals had insisted the Welsh rural situation was very different from that in England. But Lloyd George was proposing to include in his rural land campaign the specific remedies Welsh Liberals had proposed of security of tenure and fair rents. It could be inferred from this situation that a separate Welsh rural land question had ceased to exist – it had been subsumed within Lloyd George's proposals and Wales and England could be treated identically. Initially, this may have been Lloyd George's thinking. When the membership of the land enquiry was announced on 29 June 1912, it included Ellis Davies, Lloyd George's friend and MP for Caernarvonshire, Eifion, to represent the interests of Wales.⁵⁴ But there was no indication that there would be a separate enquiry into the rural situation in Wales, or different policies for the principality. When the land enquiry went about its work it collected information from Wales as well as England, under the supervision of Ellis Davies.⁵⁵

However, the Welsh Liberal MPs were far from happy with the implication that there was no longer a distinctive land question in rural Wales. Sir David Brynmor Jones, the chairman of the Welsh MPs, protested to Lloyd George and the chancellor agreed to a new announcement on 3 July 1912 that there would be an entirely separate Welsh land enquiry, conducted by a sub-committee of Welsh Liberal MPs, chaired by Alfred Mond, which would conduct its work in Wales alongside the original rural enquiry.⁵⁶ This rather complex outcome partly reflected Mond's pique that he had not been included

⁵³ Packer, *Lloyd George. Liberalism and the Land*, pp. 82, 132-33, 197-201.

⁵⁴ *The Times*, 29 June 1912.

⁵⁵ National Library of Wales, E. W. Davies papers 7, fols 46-48; Davies' Journal, 31 July, 15, 26, 30 August, 5 September 1912.

⁵⁶ *The Times*, 3 July 1912; National Library of Wales, E. T. John papers 594, E. T. John to Sir I. Herbert, 24 September 1912.

in the chancellor's plans, but also the deeply-held feeling among some Welsh Liberal MPs that they had long believed the rural situation in Wales was distinct from that in England and that this tradition should not be overturned lightly.⁵⁷ Certainly, any future policy recommendations should take Welsh circumstances into account.

The sub-committee of nine Welsh Liberal MPs produced their draft conclusions in August 1913; these did not substantially differ from the final published report of July 1914.⁵⁸ Naturally, they found no trouble in endorsing the main enquiry's policy of land courts or commissioners to determine tenants' rents and ensure security of tenure.⁵⁹ But they did insist that Welsh conditions remained very different from those in England in two respects. Firstly, in Wales there was a real 'land hunger' among the rural population that reflected their deep attachment to the land and alienation from the landlords, who it was felt could not be trusted to continue long-established tenancies.⁶⁰ This had led some Welsh farmers, especially in north and west Wales, to buy their farms at exceptionally high prices, taking on expensive mortgages at 4% interest and more. The committee suggested the state should take over these loans and reschedule the interest payments. Secondly, while the committee accepted the need for a minimum wage for agricultural labourers, it asserted that the 'position of the labourer in Wales relative to the farmer is quite unlike that which exists in England'.⁶¹ There was no 'class cleavage' between farmers and labourers because farms in Wales were mainly small-scale family concerns, which only employed a handful of labourers. Many farmers had started life as labourers and farmers often worked for others before they inherited a farm. The two groups were not, therefore, distinct. Moreover, labourer's wages in Wales were relatively high – 60% of English labourers earned under eighteen shillings a week, while no Welsh labourers were in this position. Only an 'inconsiderable' number would be affected by any locally-set minimum wage.

The committee's message was clear – it was the tenant farmer on whom the Liberals should continue to concentrate in Wales. But this emphasis could be accommodated within the wider strategy that Lloyd George was outlining. The Welsh MPs took care not to contradict Lloyd George directly by, for

⁵⁷ Davies papers 7, fols 45-46; Davies' Journal, 16 July 1912. Already in 1911-12, Welsh Liberal MPs were calling for a separate Welsh Board of Agriculture, see J. G. Jones, 'E. T. John and Welsh Home Rule, 1910-14', *Welsh History Review*, 12 (1987), 453-87.

⁵⁸ *The Times*, 14 August 1913; Welsh Land Enquiry Committee, *Welsh Land: Rural* (London, 1914). The members were: Sir Alfred Mond (Chairman), J. Herbert Roberts, E. T. John, J. Hugh Edwards, John Hinds, H. H. Jones, W. Llewellyn Williams, Edgar Jones and Francis Edwards.

⁵⁹ Welsh Committee, *Welsh Land*, pp. 366-68.

⁶⁰ *Ibid.*, p. 7, 135-62.

⁶¹ *Ibid.*, pp. 185-87, 216-17, 227.

instance, advocating a large-scale plan of state loans to Welsh tenants to turn them into proprietors – a policy that Llewellyn Williams, MP for Carmarthen Boroughs and a member of the Welsh land committee, was known to advocate.⁶² So, the land campaign in rural Wales would probably have contained some distinctive elements. Lloyd George certainly retained enough sensitivity towards his political roots to ensure this was the case. But the land campaign as a whole, while it derived from his long-standing antipathy to landowners and his pursuit of land reforms that would be widely popular, contained a raft of policies that owed little to Lloyd George's Welsh background and everything to an open-minded willingness to embrace new ideas and take advantage of the immediate political situation.

World War I put an end to Lloyd George's land reform schemes in August 1914. But this was not the end of his interest in the issue and he launched one last great initiative on land reform, the second land campaign of 1925-9.⁶³ This was, of course, produced in very different circumstances to his previous forays into the land question. In 1909 and 1912-14, Lloyd George had been directing the government's strategy. But the aftermath of the war-time Asquith / Lloyd George split and the disastrous 1918 election meant that not only were the Liberals out of power in 1925, but the 1924 general election had definitely reduced them to the status of a third party, with only forty seats in the Commons. Once again, Lloyd George turned to land reform to revive the party's fortunes. In 1923, he set up a new enquiry into all aspects of the land question and in 1925 its conclusions were presented to the world in a rural volume called *The Land and the Nation* (usually known as the 'Green Book') and an urban volume called *Towns and the Land* (the 'Brown Book').⁶⁴ Lloyd George launched his new campaign in September 1925 and a new Land and Nation League was set up, endowed with £240,000 from the Lloyd George Fund to carry the good news across the country.

The new campaign saw Lloyd George once again change his answer to the 'Land Question'. Given Lloyd George's past record on the land issue, it was not surprising that there was an urban side to his proposals. But they merely revisited some of the same ground as the 1914 urban report's proposals on town planning, leasehold reform and site value rating.⁶⁵ Although Lloyd George had a long history of involvement with some of these issues, such as

⁶² *Hansard*, 4th series, 1907, clxxiv. 1419-21.

⁶³ Campbell, *Lloyd George*; T. Wilson, *The Downfall of the Liberal Party, 1914-35* (London, 1966), pp. 324-27; R. Douglas, *Land, People and Politics: a History of the Land Question in the United Kingdom, 1878-1952* (London, 1976), pp. 190-95; M. Dawson, 'The Liberal Land Policy, 1924-9', *Twentieth-Century British History*, 2 (1991), 272-90.

⁶⁴ *The Land and the Nation: the Rural Report of the Liberal Land Committee, 1923-5* (London, 1925); *Towns and the Land: the Urban Report of the Liberal Land Committee, 1923-5* (London, 1925).

⁶⁵ *Towns and the Land*, pp. 259-68.

leaseholds (and indeed in *Towns and the Land* he returned to his old policy of leasehold enfranchisement), unlike in 1909 and 1914 there were no dramatic proposals to make land reform attractive to an urban population. There was, for instance, no mention of council housing – the crucial issue affecting urban land use in the inter-war period. In fact, the urban proposals received very little publicity at all in Lloyd George's campaign and there was a real sense that they were only there to provide a sense of completeness to his land proposals. Again, this was a major departure from his previous insistence on the significance of urban land reform and the need to produce proposals that would appeal to as wide a range of people as possible.

The major reason for this departure was, of course, political strategy. By the mid-1920s, the Liberals' strength had drained away to Labour in many towns and the obvious place where the Liberal party could hope to make some electoral gains was the countryside, where Labour was still weak. As Lloyd George said, the real purpose of the land campaign was 'to strengthen our grasp on the rural districts and the capture of a few towns where Liberalism is still a force'.⁶⁶ So, for the first time, Lloyd George's land reform plans had an almost entirely rural focus. These agricultural proposals planned to tackle the long-term depression afflicting agriculture in the 1920s by making state advice and credit available to all farmers in order to promote better organizational methods and technical knowledge. This would be achieved by effectively nationalizing agricultural land (under a system called 'cultivating tenure') and making all farmers, whether tenants or owner-occupiers, into state tenants, with security of tenure and a right to pass on their farm as long as they farmed efficiently.⁶⁷ While the campaign's urban proposals lacked originality, these rural plans were a startling departure. Lloyd George had no record of supporting land nationalization. Even more remarkably, while his new land campaign suggested all landlords would be bought out by the state and that, as a class, they would become extinct, the anti-landlord rhetoric of previous campaigns was absent. Instead of the landowner being the enemy, he was now treated as an irrelevance to agriculture.⁶⁸ The massive land sales of the post-World War I era (one quarter of England was believed to have changed hands in 1918-21) had turned many farmers into owner-occupiers and economic depression had pushed down rent levels, so it was hardly plausible to present landowners as the tyrants of the countryside.⁶⁹ Indeed, the key justification for buying out landowners was that they no longer had the financial resources to invest in agriculture. The central problem for the

⁶⁶ A. J. P. Taylor (ed.), *My Darling Pussy: Letters of Lloyd George and Frances Stevenson, 1913-41* (London, 1975), pp. 97-98, Lloyd George to Frances Stevenson, 20 August 1925.

⁶⁷ *The Land and the Nation*, pp. 297-361.

⁶⁸ *Ibid.*, pp. 193-94.

⁶⁹ S. G. Sturmeay, 'Owner-farming in England and Wales, 1900-50', *Manchester School of Economic and Social Studies*, 23 (1955), 246-68; *Estates Gazette*, 31 December 1921.

countryside for Lloyd George's enquiry was economic depression and how to use state help to make agriculture more efficient and revive rural prosperity.

These proposals were without precedent in Lloyd George's background – though they certainly fitted in with his life in the 1920s. He had bought a small estate at Churt in Surrey in 1921 where he experimented with intensive cultivation and had some success – especially with the 'Lloyd George' raspberry that was developed on the estate.⁷⁰ But even when compared with Lloyd George's more recent rural proposals there was a major shift in 1925. Some of this was caused by changing circumstances. There was a minimum wage in place in 1925 for agricultural labourers and land courts were little use to farmers who had bought their land. But by recognizing that it no longer made sense to focus on the landlord as the enemy of progress and prosperity, Lloyd George had transformed the cause of land reform from a radical crusade into merely another attempt to revive Britain's flagging economy. There was another major difference between Lloyd George's pre- and post-First World War involvement with the land issue. Before World War I, most Liberals had been prepared to back his ideas and many were entranced by them.⁷¹ His anti-landlordism tapped deep into popular Liberal sentiment.

But in the 1920s, the Liberal reaction to the new land campaign was very different. The campaign had little to say to the towns and many followers of Asquith disliked anything produced by Lloyd George and refused to countenance the proposals.⁷² But Liberals in rural areas were even more hostile, if that were possible. While *The Land and the Nation* was an innovative approach to agricultural problems it offered little concrete assistance to agricultural labourers, beyond the promise that cultivating tenure would revive agriculture, and most farmers were deeply opposed to bureaucratic control, especially after their experience of the enforced ploughing up of grasslands in World War I and the abandonment of guaranteed prices by Lloyd George's coalition government in 1921.⁷³ A national Liberal conference in London in February 1926 forced Lloyd George to water down his proposals and agree that not all agricultural land would be nationalized.⁷⁴ Local County Agricultural Authorities would take over only land that was 'badly managed or badly farmed', was needed for smallholdings, or was voluntarily surrendered, for instance in lieu of death duties. Even this drastically-amended programme continued to incite considerable rural hostility and nowhere was it more virulent than in Wales.

⁷⁰ P. Rowland, *Lloyd George* (London, 1975), p. 532.

⁷¹ Packer, *Lloyd George, Liberalism and the Land*, pp. 126-28.

⁷² Campbell, *Lloyd George*, pp. 124-26.

⁷³ Dawson, 'Land policy', p. 283, for the hostility of local National Farmers Union branches to the second land campaign.

⁷⁴ *Land Proposals as adopted at the Liberal Conference held in Kingsway Hall, London, February 17th - 19th 1926* (London, 1926).

Welsh farmers had been particularly eager to buy their land after the First World War (by 1941-43 some 39% of the acreage was owner-occupied, compared to 33% in England) and they had no wish to put themselves under Lloyd George's direction once again.⁷⁵ Moreover, he had not even attempted in the Green Book to pay particular attention to Wales (it merited only three mentions in the index), let alone produce specific policies for the principality. This may have been an acute recognition that Welsh agriculture was suffering in the depression in the same way as English agriculture, but it scarcely helped Lloyd George's cause in Wales and was an indication of how far he had travelled from his early background. It was not only old enemies like Rhys Hopkin Morris, MP for Cardiganshire, and H. H. Jones of Merioneth who denounced the new rural strategy.⁷⁶ Alfred Mond, at the time Liberal MP for Carmarthenshire, defected to the Tories rather than accept the 'Green Book' and resigned his seat. His successor as Liberal candidate in the by-election that followed was equally vehemently opposed to Lloyd George's plans. Dislike of the new strategy was one of the factors behind David Davies's decision not to stand again as Liberal MP for Montgomery. Again, his successor, Clement Davies, shared his views on the matter. Throughout rural Wales, Liberals sought to distance themselves from Lloyd George's scheme. Lloyd George belatedly did his best to quell the revolt. *Land News*, the campaign's propaganda sheet, was given a special Welsh version and Lloyd George made two major speeches on his land policy in Wales in 1928.⁷⁷ But by late 1928 the second land campaign was losing momentum as its difficulties encouraged Lloyd George turned to other schemes.

Most importantly, in February 1928 he had published *Britain's Industrial Future* (the 'Yellow Book'), his great plan to tackle Britain's unemployment crisis.⁷⁸ Though he never formally abandoned the land campaign, the new publication effectively superseded it in Lloyd George's plans and publicity – land reform was scarcely mentioned in his own election address in 1929.⁷⁹ This was a clear recognition that by the late 1920s it was no longer possible to galvanize even the countryside with a programme of land reform. The crucial issue that needed to be tackled was unemployment and if the Liberals could not contribute to this debate they had no hope of regaining any credibility with the public. While there was a modest revival in Liberal fortunes in county seats in the 1929 election nobody was willing to give the 'Green Book' any credit for this state of affairs. Lloyd George's last great involvement with land

⁷⁵ J. Davies, 'The End of the Great Estates and the Rise of Freehold Farming in Wales', *Welsh History Review*, 7 (1974), 186-212.

⁷⁶ J. G. Jones, 'Wales and "the New Liberalism", 1926-9', *National Library of Wales Journal*, 22 (1981-2), 321-46.

⁷⁷ Campbell, *Lloyd George*, p. 209.

⁷⁸ *Britain's Industrial Future: being the Report of the Liberal Industrial Inquiry of 1928* (London, 1928).

⁷⁹ F. Craig, *British General Election Manifestos, 1900-74* (London, 1975), pp. 86-88.

reform had proved his unhappiest and had shown only that the issue with which he had been so closely associated was rapidly fading from the political limelight.

Lloyd George's background in north west Wales is central to understanding his hostility to landowners and his interest in land reform. From his earliest years, he believed that land reform could and should have a wide-ranging, rather than just a sectional, appeal and that it should include an urban dimension. But while these general points were crucial in determining Lloyd George's future policies on land reform, he was not in any sense committed to working out particular policies that he had espoused in his youth. Instead, he adapted his policies to the particular situation he faced, even if that meant ultimately recognizing that the anti-landlord policies of his early days had lost their relevance. By the mid-1920s, he had moved to a stance that was totally unrecognizable to most traditional Welsh Liberals – which in a way can stand as a symbol for Lloyd George's whole relationship with his native political tradition. He may have been rooted in the Welsh Liberalism of the late nineteenth century, but he was certainly not confined by this heritage.