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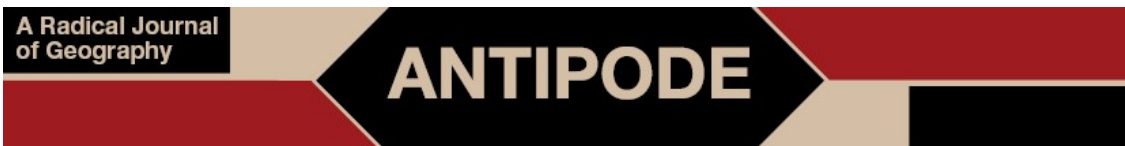
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**Brett Christophers**, *The New Enclosure: The Appropriation of Public Land in Neoliberal Britain*, London: Verso, 2018. ISBN: 9781786631589 (cloth); ISBN: 9781786631596 (paper); ISBN: 9781786631619 (ebook)

### **Why Wasn't the Rentier Euthanised?**

Of all the images to illustrate the debacle of Brexit perhaps the most extraordinary has been that of the MP for North East Somerset lounging with his feet up on the front benches of the House of Commons. Apparently tired of having to endure the emotions of parliament, the body language of Jacob Rees-Mogg summoned a peculiarly 18<sup>th</sup> century spectre – the return of “Old Corruption”. This was the epithet coined by the liberal reformer and journalist William Cobbett, to castigate the landowning classes of his day. At the expense of manufacturing Cobbett reckoned that Britain’s development was forestalled by an aristocratic residuum, whose monopoly on land and capital enabled it to dictate capitalism’s structure as well as culture. This “enemy within” so exercised Adam Smith that he was compelled to outline the distortions that arise when rentiers overwhelm the division of labour. Corrupting the ability of markets to decide prices was, Smith said, a coercive system of landownership. “As soon as the land of any country has all become private property”, Smith said,

... the landlords, like all other men, love to reap where they never sowed, and demand a rent even for its natural produce. The wood of the forest, the grass of the field, and all the natural fruits of the earth, which, when land was in common, cost the labourer only the trouble of gathering them, come, even to him, to have an additional price fixed upon them. He must then pay for the licence to gather them; and must give up to the landlord a portion of what his labour either collects or produces. This portion, or, what comes to the same thing, the price of this portion, constitutes the rent of the land.

This quote from *The Wealth of Nations* bookends *The New Enclosure: The Appropriation of*

*Public Land in Neoliberal Britain* (p.57-58, 305) – Brett Christophers’ penetrating audit of the privatisation of Britain’s landscape. And though the recent chaos of Brexit does not feature, Christophers deploys Smith’s appraisal to make two simple powerful points relevant to the contemporary situation. The first is that historically “private landownership is associated with numerous significant problems” like inequality, economic disorder and social dislocation which all flow from the abuse of the economic system. Second, “as the extent of private landownership increases – which is to say, when, in a society, with a mix of public and private landownership, land is progressively privatised ... these problems tend to deepen” (p.38). Totting up the figures Christophers estimates that “just over 1.6 million hectares – or about 8 per cent of the entire British land mass – has been transferred from public to private ownership” since 1979 (p.322). What this means is that land once designated for council housing, hospitals, parks, allotments and so on, has been enclosed for golf courses, shopping malls, luxury housing and other kinds of gated community. Faced with such an extraordinary sell off of public land, a process of appropriation that’s been going on in a relatively uninterrupted fashion for more than four decades, what lies behind Christophers’ book is a searching question – why did no one notice a privatisation process of this scale?

The proposition may seem surprising given the considerable literature on privatisation. After all, since the crisis of 2008 the phenomenon of “rent-seeking” – financial extraction through social and political manipulation of market structures – has been widely recognised to be neoliberalism’s defining attribute. Christophers, however, argues that commentators who define neoliberalism in terms of the preponderance of financial capital and the ideology of the market smooth over the idiosyncrasies of land privatisation. What distinguishes the British variety of neoliberalism is not just the ideology of privatisation but its spatial implementation. Which is to say, what distinguishes neoliberalism as a policy is precisely and specifically the state facilitated private enclosure of public space. If then, as Marx said, the enclosure of land set in motion the ‘primitive accumulation’ of capital, Christophers argues that the privatisation of public land since the 1980s opened a new chapter in the history of enclosure.

Building on historical and geographical accounts of land commodification, Christophers says that to confront neoliberal power in Britain, it is necessary to grasp it by the root. Which means uncovering the historical processes and institutional instruments which have granted private interests in land inordinate political economic power. The difficulty, however, and part of the reason why land privatisation has been so poorly documented, lies with its opacity. Although classical liberalism extolled the importance of the free individual's access to private property, the principles of privacy and freedom could both be manipulated through the instrument of landed property. Thus, one of the fascinating conclusions of *The New Enclosure* is that what has made land privatisation a neoliberal "project" was the intention to turn Britain into what the journalist James Meek (2014) has called a "private island" – a terrestrial base of power free from public scrutiny. In documenting the story behind the hostile takeover of the public realm, what Christophers presents is not so much a secret history but a problem hidden in plain sight.

Christophers' guiding light is the geographer Doreen Massey. In a series of texts published in neoliberalism's formative stages, Massey was clear that a critique of the space of capitalism could not be engaged without excavating the grounds of the British class system. Sadly this work was never carried forward beyond an initial round of analysis produced by Massey and colleagues at the Centre for Environmental Studies. *The New Enclosure* represents then something like a companion to Massey and Catalano's out of print text *Capital and Land* (1978). In particular, Christophers takes up their observation that when examining the landed basis of class power, it was important to eschew questions like "who owns Britain?" and instead examine the interaction between the various institutions, which Massey and Catalano categorised as "former landed property", "industrial landownership", and "financial landownership". If aristocracy and industry represented what Raymond Williams (1977: 121) called the *residual* and *dominant* interests in land, the credit system manifested an *emergent* form of power. "A form of landownership practised by insurance companies, pension funds, property companies, and banks", which mobilised, Massey and Catalano said, "the value of land as a capital asset" more than "the immediate potential for production or current rent levels" (p.112).

Although Massey and Catalano's inspiration was more Marxian than Keynesian, what was interesting about the idea of financial landownership, was that it answered a question which haunted the conclusion of Keynes's *General Theory*. Keynes thought the failure to provide full employment was a side effect of the capitalist ability to exploit the scarcity value of capital. But as long as the Treasury kept the supply of capital plentiful, then Keynes was confident that speculation would be curtailed and over time the spectre of the rentier would be "euthanised". What Massey and Catalano demonstrated was that, through financial landownership, "the oppressive power of the capitalist" (Keynes 2007: 334) would come to be protected and nurtured by the public sector. In effect Keynes's system of demand management could be perverted.

As I say, Keynes' discussion of the rentier does not feature in Massey and Catalano. Neither does it feature in *The New Enclosure*. Nonetheless, as a work of radical political economy what distinguishes *The New Enclosure* is to demonstrate how financial landownership represents neoliberalism's condition of British existence. When we look closely at the modern history of privatisation, Christophers argues, we discover that underneath the flashy sell off of industries like British Telecom, British Gas, etc., what was also being handed over was the state's land holdings. And one of the most fascinating aspects of Christophers' research is to examine the way the estates managed by the Department of Health and Ministry of Defence were used as a proving ground for a way of thinking that would have far reaching effects. While radical geographers theorised the process by which the extraction of ground rent turned land into financial capital, what Christophers shows is that accountants operationalised this process in practice. All in order to squeeze rent from public goods that were never meant to be treated as private capital.

Underpinning the privatisation of public land was the crystallisation of a new kind of governmentality. The theory of "asset based accounting", spawned by management consultancy, assumed the state was not just an ineffective manager but a defective operator. Therefore what was adopted by generations of politicians and policy makers in Whitehall was a new "Treasury view". This assumed that, as civil servants, officials should see themselves as intermediaries who

should open up the state and let in property developers and real estate companies. Moreover, those regulators and legislators who enabled the enclosure of public goods were rewarded when they moved through the revolving door into the private sector. So while the shadow of private developers looms over Christophers' narrative, the analysis targets a supine system managed by Whitehall, overseen by successive Governments, implemented by local government and all beholden to the logic of market efficiency. In particular, Christophers singles out the Treasury, Cabinet Office and the Policy Unit of Number 10 as the fundamental apparatus which governed "Britain's neoliberal land-privatisation programme" (p.244).

Though this begs the question, what were the historical conditions which made the revival of rentier capitalism seem like a "logical" solution? On this point, Christophers' historical treatment of the "land question" – though rigorous in the description of the post-war and contemporary context – tends to avoid theorising why the underlying structure of British capitalism remains, as even the *Financial Times* admits, "dominated to an extraordinary degree by '... land speculation as the route to wealth'" (p.114). More specifically, Christophers' tight focus on land means that the wider effects on the built environment – for instance, the effects of rentier capitalism on the design, construction and management of schools and hospitals (something that was a feature of the parliamentary inquiry into the Private Finance Initiative in 2011) – is not taken up. Similarly, although Christophers places housing and gentrification at the centre of the story, the cultural ramifications of urban enclosure are not explored. The narrative does not, for example, engage with Owen Hatherley's (2010) brilliant dismantling of New Labour's new urbanism. More than just a critique of urban policy, what Hatherley suggested was that, in the early 2000s, financial landownership (under the guise of "urban regeneration") had altered the "structure of feeling" of Britain's industrial towns and cities; producing an insipid architecture that made neoliberalism part of the fabric of daily life.

Of course, it is unfair to expect a text to cover every aspect of a given topic, but the problem of architecture and construction suggests that part of the reason why nobody noticed the hoarding of land had something to do with the way rentiership had become second nature. Which

is to say, the failure to develop the critique of landownership pioneered by Massey opens onto a wider inability to grasp how financial landownership remains a hegemonic, rather than merely pathological, feature of British capitalism. And while the issue is too complex to develop in much detail here, the contours can be mapped if we recall a debate which took place a good 15 years prior to the start of Christophers' story.

In 1964 the *New Left Review* published a series of essays written by the historians Perry Anderson and Tom Nairn, which argued the failure of the Harold Wilson government to enact a full blown socialist programme was a sign of how embedded the Labour movement was in bourgeois culture and ideology. The weakness of British socialism was a symptom, Nairn said, of how "enmeshed" the working class was in capitalism's "archaic superstructure" (quoted in Thompson 1965: 313). Similar to Cobbett, Anderson and Nairn reckoned that the bourgeois revolution of capitalism in Britain had been intercepted by a rentier strata. However E.P. Thompson almost immediately took to task Anderson and Nairn for being insufficiently Marxist in their analysis of the British evolution of rentier capitalism. Thompson argued that they misdiagnosed the crisis of modernity. It wasn't that "Old Corruption" survived intact and integral to the British variety of capitalism. Rather, it had been regenerated in a "new, and entirely different, predatory complex", and its novelty was due precisely to its incubation by and within the state apparatus. "It is surely to this new complex", Thompson (1965: 330) said,

... with its interpenetration of private industry and the State (Government contracts, especially for war materials, of an unprecedented size, subsidies, municipal indebtedness to private finance, etc.), its control over major media of communication, its blackmail by the City, its reduction of the public sector to subordinate roles, and its capacity to dictate the conditions within which a Labour Government must operate – it is surely to this new Thing, with its vast influence reaching into the Civil Service, the professions, and into the trade union and labour movement itself, rather than to the hunting of an aristocratic Snark, that an analysis of the political formations of our time should be addressed?

After reading *The New Enclosure* what is striking about Thompson's critique is the prescient diagnosis of New Labour's own "intense relaxation" with the "filthy rich". More fundamentally, however, Thompson identified the enabling conditions which would later mould the privatisation programme depicted by Christophers. Overlaying Thompson's notion of "New Corruption" onto Christophers' reading of "New Enclosure" we can begin to see why the rentier was never euthanised. And this was because in Britain the modern state was never meant to be a medium to ensure (as Keynes hoped) speculative capital remained leashed to the whip hand of production. Rather, in Britain the state apparatus' historical role was to ensure that the organisation of production, in the last analysis, served financial speculators, real estate agents and merchants' capital. On this account, the programme of neoliberalism was about shrinking the state back to its core function, managing the demand for credit and cultivation of monopoly rents, on behalf of a class of capital whose authority was decided on a financial plane.

Now, as Christophers says, financial capital was as much a feature of capitalism in the late 19<sup>th</sup> and 20<sup>th</sup> century as it is in the 21<sup>st</sup> century. But what changed was the way the appropriation of common wealth – like the institutions of public land and services – was used to construct a new microeconomic demand for finance capital. On the one hand, the privatisation of public space secreted a meshwork, a sticky web of credit based obligations, which engulfed and entangled workers in the financial system. And, on the other, what this system produced was a set of social property relations which aligned working class interests with those of financial capital. What we can see, therefore, if we follow Thompson's line of argument forward, is the evolution of this "New Corruption" already in motion in the 1960s. Thus what occurred in the supply-side revolution of the 1980s was not the dismantling of Keynesian demand management but its privatisation. Simply put, what Thompson's account offers is the beginning of a story which Christophers completes; a story which the political economist Colin Crouch (2009) has called "privatised Keynesianism".

On this account rentier capitalism was more than just the maturation of a tendency buried



deep in the architecture of British capitalism. Rather, under the guise of neoliberalism, it became a perverse solution to post-war Britain's political as well as industrial malaise. So while the Thatcher government presented their policies as an attempt to free society from the influence of vested interests (whether they be the Stock Exchange or trade unions) in effect this programme was a concerted project to mobilise the political agency of financial capital in order to refashion public institutions. Not only that, it was done under the auspices of enabling the working classes to unlock finance that would provide them with an asset (i.e. private housing) that could free them from the "tyranny" of the welfare state. In other words, the ability of the state to extend the global reach of financial capitalism into the provision of public services like housing, health, education, even refuse collection, was taken to be not just a sign of modernisation, but the instrument of political economic liberation. To borrow a phrase from David Harvey, the privatisation of public space in Britain was dialectically related to a wider urbanisation of financial consciousness.

I say all this not to highlight a lacuna in what is otherwise a tour de force, but to underline the critical importance of Massey's conjunctural analysis of space and class, place and politics. In a fascinating conversation with Stuart Hall in 2010, Massey argued that to interpret the crisis created by neoliberalism, there was a need to circumvent the limits of political economic theory. As well as tracking economic forces and dismantling economic ideas, it was necessary to attend to the psychological, sociological and cultural modalities which gave these forces an everyday form. Or, as Hall said, the crisis of neoliberalism required a new analysis which explained how all the "different social, political, economic and ideological contradictions ... 'fuse in a ruptural unity'" (in Hall and Massey 2010: 57). Only by attending to the cultural, geographical as well as economic complexity of the situation, Massey and Hall concluded, would it be possible to understand how neoliberalism has been able to articulate the aspirations as well as resentments of social classes in a "ruptural fusion"; oscillating across party lines, unsettling the assumptions of political scientists, producing an explosive bundle of contradictions which, as we have seen with Brexit, generate just as often deference, as well as resistance, to local forms of financial power.

In taking up Massey's early analysis of financial landownership, the onus of scholars and activists will be to link it to a wider world of class struggle against land privatisation. Otherwise, the political analysis of land threatens to remain confined to the private grounds of a country estate. And as we all know, country houses, like period dramas and old Etonians, have such a peculiarly enduring hold over the English.

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Louis Moreno  
Department of Visual Cultures  
Goldsmiths, University of London  
l.moreno@gold.ac.uk

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