Who 'Betrayed' Whom? Power and Politics in the 1920/21 Agricultural Crisis
By EDMUND C PENNING-ROWSSELL

Abstract
In the summer of 1921 the Lloyd George government repealed the Agriculture Act 1920, just six months after its enactment, when faced with a seriously deteriorating economic situation, plummeting cereal prices, and the prospect of substantial subsidies payable under its interventionist provisions. The act was a continuation of a wartime and post-war policy of controlling agriculture, and thereby protecting it in peacetime from world competition in the interests of greater self-sufficiency in food. The period following 1921 was the last time that free trade in agriculture was attempted in Britain, and therefore that date forms a watershed in British economic and social history. The sudden move away from the control of agriculture, in favour of laissez-faire, has since been hailed by Whetham as 'the great betrayal' of farming. But, if anyone, it was the farm worker who was betrayed by a secret deal between the government and the National Farmers' Union which paid farmers a bounty in exchange for their acceptance of the policy reversal. Farm workers received nothing in compensation for the demise of the Wages Board. The incidents in this story show, first, the crude exercise of power by government and its kindred interests. They also show, secondly, the fragility of the political case for the nurturing of agriculture at this time and, thirdly, the major effect that the deteriorating economic circumstances had on the way that decisions were made.

A major change in British government thinking concerning agriculture occurred between 1920 and 1921. The result was a move away from the purposeful control of the industry, executed through a range of interventionist mechanisms, to abandoning completely this in favour of decontrol and laissez-faire. This paper seeks to unravel the evolution of ideas, events and political processes at this time, with particular emphasis on the complex three-way interplay between government, farmers and farm workers.

Interventionism has ebbed and flowed in the previous fifteen decades. Prior to 1914 free trade in agriculture was accepted, even in the 1880s Great Depression, because of the perceived greater good for British industry of an open economy: 'If farming went down, so much the worse for it'. During the 1914–1918 War intervention grew to become almost complete. After 1931, the government began again to succour the agricultural industry with subsidies and support. But between 1918 and 1921 agriculture was protected from the chilly winds of exposure to free world markets so as to control the production of food for the home market. The end of this period, in 1920 and 1921, is a pivotal point in the continuing debate about government and agriculture which endures to this day. In essence, the last time that free trade in agriculture was attempted in Britain was the decade after 1921, and this date therefore marks a watershed in British economic and social history.

But this significance has not always been recognized. Sweeping in one vision from the repeal of the Corn Laws in 1846 to the 1930s protectionism, some conventional historical accounts boldly state that 'the massive state intervention in agriculture in the 1930s ... reversed a policy of laissez-

1 E Hobsbawm, Industry and Empire, 1968, p 199.
2 Ag Hist Rev, 45, 3, pp 176–194

[*The government did intervene once in the 1920s in the case of sugar-beet, which received a growers' subsidy from 1926 under the British Sugar Subsidy Act 1925.*

THE 1920/21 AGRICULTURAL CRISIS

The significance of the events of 1921 cannot be accorded due weight without an understanding of the history of the previous seven years, and particularly the evolution of policy and events between 1918 and 1920.5

Two contrasting intellectual positions had developed during the 1914–18 hostilities concerning the post-war situation: there were those ‘reconstructionists’ who felt that the country should capitalize on the perceived gains from a more regulated society during the war experience, and the relatively fewer ‘restorationists’ who urged a return to the status quo ante. Both sets of ideas contributed significantly to the debates about food and agricultural policy during the later war years and in the early period of peace.

In wartime the Ministries of Food and Agriculture had gradually taken almost complete control over their respective industries. By the end of the war they were determining the utilization of land, giving orders as to the crops to be grown, organizing food distribution, fixing prices, and buying and selling on a large scale. They also were the greatest or, for a time, almost the sole food importers. By 1918, over 80 per cent of all food consumed by civilians was brought and sold through the Ministry of Food and over 90 per cent was subject to its system of fixed maximum prices.

But, as is well documented elsewhere,6 the government’s strongly interventionist wartime food and agricultural policy had only been put on course after 1916. This came with the change in government, through the creation of the Ministry of Food in January 1917, and with it the post of Food Controller ‘to regulate the supply and consumption of food’.7 The new Minister of Agriculture also established a parallel Food Production Department to organize increased home grown supply under the Corn Production Act 1917. This dual initiative, on both food and agriculture, was forced upon the government because of the growing threat from submarines to the lifeline of imported foodstuffs. Shipping losses had risen to alarming proportions in the later months of 1916, and there was therefore a real danger of food shortages and hence a need for concerted action.

The key principles underlying the Ministry of Food’s operation all follow from the need to control prices to enhance the control of supply. Prices were controlled and linked to the least efficient producer to prevent them being forced out of business, given the overall policy of the Ministry of maintaining existing channels of trade. To enforce the system of control a total of 391 separate legally binding orders and some 650,000 prosecutions for infringements were made between 1 October 1917 and 31 December 1918.8

The results also included substantial profits for the larger traders or others who had some cost advantage through increased efficiency or geographical location.

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7 Beveridge, Food Control, p 2.
8 Ibid, p 342.
But controlling the food distribution industry was not seen as sufficient. With the Corn Production Act 1917 the government also sought to increase food production as a complement to controlled food prices, product standardization and regulated allocation. Despite considerable resentment from farmers the government attempted to push arable agricultural production levels "back to the 1870s" so as to provide a larger proportion of food supplies from home production.

Three key instruments of this policy were interlinked and each has profound implications for the events in 1921. Firstly, farmers were offered guaranteed minimum prices, on a descending scale, for their crops to be grown between 1917 and 1922. These prices applied only to wheat and oats and were set well below the market prices then obtaining. The objective of the policy was therefore not immediate income support but to give confidence to the farmers in increasing their production levels under the parallel policy of encouraging (or requiring) the ploughing up of grassland to increase arable acreages. Farmers were to be protected against a slump in market prices coinciding with, or caused by, the increased output. These guaranteed prices were to extend for six years, and therefore well beyond the most pessimistic assessments of the duration of the war, to take account of wheat and oats grown in crop rotations.

More controversial were the powers in part IV of the Corn Production Bill given to local War Agricultural Executive Committees to penalize 'bad farming', thus continuing powers exercised prior to 1917 under the Defence of the Realm Act. Considerable parliamentary opposition during the debates on the bill focused on the proposed long-term continuation of this policy and the lack of adequate appeal procedures. These provisions appeared to

be introducing, during the emergency of war, a permanent policy for British agriculture; 'suspicions were encouraged by the enthusiasm with which ministers and eminent agriculturalists spoke of the new era for agriculture'. As enacted, part IV allowed for only twelve months' continuation of the policy after the end of the war, but even then certain modified powers of dispossession were to continue, albeit with the right of appeal. The government's aspirations towards compulsorily increasing the efficiency of farming were clear.

The third element of the Corn Production Act was the control of agricultural wages. This was designed so as to retain skilled labour on farms by setting a statutory minimum wage, by adding to the £5 weekly minimum wage imposed earlier in 1917, and by establishing a central Wages Board for England and Wales, complemented by local district wages committees. These committees had powers to impose local minimum wages and, perhaps more significantly, powers to enforce standard hours of work and thereby minimum overtime conditions and rates. The arrangement was designed to honour Lloyd George's pledge in the House of Commons on 23 February 1917 that 'if the government guarantees prices, labour must also be guaranteed'.

There appears little doubt in most accounts as to the overall success in wartime of the twin policies of agricultural intensification and intervention in food markets. The acreage of arable land in England and Wales increased by 1,232,000 acres between 1914 and 1918 (an increase of 11.2 per cent), taking wheat production to a level not seen since the 1880s. The significance of the overall food production campaign of 1917–1918 was later under-
lined by Lloyd George who indicated that 'without the extra millions of tons of home grown food which it secured the nation would have gone hungry in 1918'. He further concluded that 'the food question ultimately decided the issue of this war'.

With the end of the war in November 1918 the government immediately began the decontrol of the food industry. But the proponents of decontrol and the restoration of free enterprise had to contend with the highly unstable price movements that resulted, and these coincided with and contributed to a highly unstable political situation. These circumstances led, in 1919, to a change in the government's policy towards the abolition of the Ministry of Food, in favour of its retention, thereby perpetuating a reconstructionist philosophy for at least two years more than had been anticipated previously. Decontrol had led to chaotic market conditions, soaring prices, and middlemen's profits 'fantastically in excess of the liberal margins allowed under control'.

The continued rise in agricultural prices during 1919 and 1920, despite control, also had a profound effect on land values, as did county council purchases for land settlements for the returning heroes. The rise in land values caused or contributed to a massive sale of estates, at what were historically very high prices; sales were partly 'forced' by taxation increases and the need to meet death duties. Many landlords capitalized upon the advantageous conditions by diversifying their investment away from land while the going was good. 'England is changing hands' was the cry, and well over a million acres was reckoned to have been sold during the year.

In the meantime the farm workers had also benefited, during the immediate post-

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Sources: R. Groves, Sharpen the Sickle: The History of the Farm Worker's Union, 1949, p. 245.

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policy aimed at helping the consumer by securing supply towards an agricultural policy focused on producer protection. This took many forms but is best exemplified by the introduction of the Agriculture Act 1920.

Thus, while food marketing was being decontrolled between 1918 and 1920, at a pace depending upon market trends and political circumstances, the government’s agricultural policy remained strongly within an interventionist wartime and post-war reconstructionist mould, at least partly because of the turbulent economic conditions. Two key episodes illustrate this. Firstly, the policies enacted under the 1917 Corn Production Act were continued, albeit as amended, into 1918 and 1919. Secondly, a royal commission was established in 1919, and asked to give primary consideration to the rapidly increasing cereal prices, and the policies and proposed legislation that resulted were strongly interventionist. Its report looked forward to a new era of agricultural control, stability and prosperity.

Both led directly to the Agriculture Bill presented to parliament in June 1920 which embodied virtually a complete acceptance of the royal commission majority report’s recommendations. The future of agriculture was to be based on continued control: firstly, guaranteed prices; secondly a central board to determine wages; and thirdly, measures to control the standard of cultivation as originally contained in the 1917 Act. The seeds of each strand of this policy were first shown eighteen months before the end of the war, and they were now being confirmed eighteen months after its end. The third of these elements was savagely amended, virtually out of existence, by the House of Lords during the autumn of 1920 in defiance over the continuation of direct ‘interference’ in agriculture. Nevertheless, the act became law on 23 December 1920 with the system of guaranteed prices to operate from the beginning of the cereal year in August 1921.

II

Agricultural prices began to fall, and this fall began in 1920, not 1921 (Fig 1). The 1919/1920 boom was over, and with a vengeance, owing to increased imports generated from massively expanded production abroad, government attempts to correct an ‘under valued’ pound sterling, and a world economic depression. Overall unemployment in Britain rose sharply, from 2 per cent to a total of 18 per cent of the workforce, and industrial activity fell from an index value of 117.9 to 90.0, all in the space of one year. The government was trying to deflate the economy with a severe budget in 1920 and a rising bank rate, to curb inflationary tendencies. Retail prices began to fall and public expenditure was cut back, to balance the budget (principally in spring 1921). Agricultural wages remained at their 1920s level throughout the winter of 1920/21 despite the crash in output values and declining wages in other industries. The government supported the coal-owners when they ‘took on’ the miners to force down wages, resulting in a major lockout in the winter of 1920/21. Industrial unrest was rife with all the appearance of a general revolutionary tendency.

The government’s view was that the agricultural situation could not continue in these circumstances. During the spring of 1921 it began to examine the liabilities inherent in the guaranteed prices in the Agricultural Act 1920. The Cabinet decided in June to repeal that legislation and the Corn Production Act 1917, and thus reverse the decisions made less than six months before to protect agriculture permanently in order to boost home production. Negotiations were held with farmers’ representatives to agree to ‘compensation’ for lack of notice about this
repeal. At the same time the farmers were attempting through the Wages Board machinery to reduce farm workers' wages, which they successfully achieved in August 1921.

Following the repeal of the protectionist legislation, with effect from 1 October 1921, prices continued to fall (Fig 2), and many of the new farmers who had bought their estates during the time of high land prices went into bankruptcy. The farm workers were driven back to a lower standard of living than they had obtained in the boom years of 1918-1920 and their organization was split and suffered a major decline in membership. Throughout the whole of 1922 the conditions for farmers and farm workers continued to deteriorate,
with continuously falling prices in the world-wide depression. Not until 1923 was there any respite and by this time the farmers’ compensation had long since ceased to appear to be the bargain they had accepted in 1921. Market forces had created a major collapse of agriculture and the government had acquiesced, apparently in the interests of free enterprise but perhaps more correctly with a view to creating a stronger currency on the way to restoring the gold standard in 1925.

III

In essence, three parties were jousting for the control of ideas and events during the 1921 agricultural crisis. First, there was the government – and principally the Treasury – seeking to limit public expenditure in order to deflate the economy after the post-war boom and reduce public expenditure at a time of falling tax revenues. Secondly, there were the farmers and landowners, seeking to protect their prosperity at a time of rapidly falling market prices. Between the Treasury and the farmers was the Ministry of Agriculture, which often in these events appears to be the official wing of the farmers’ lobby rather than a neutral or independent force. Thirdly, there were the farm workers, seeking to defend the better wages and working conditions they had won in the post-war period of rising prices and labour shortage, but who were now threatened by falling wages linked to those falling prices and by rapidly increasing unemployment.

The sources used to investigate this jousting are – perhaps inevitably – richest when the party concerned appears to be most active in pressing its cause in the developing crisis. Information on the government’s position and tactics is therefore most comprehensive for the period leading up to June 1921, surrounding the decision to repeal part I of the Agriculture Act 1920 and the Corn Production Act 1917. After this, the archives of the National Farmers’ Union (NFU) and the Country Landowners’ Association (CLA) are most useful for June and July 1921, as they bargained with the government. Thereafter, with the passage of the repeal act through Parliament, the sources describing the campaign of the National Union of Agricultural Workers (NUAW) provide the richest descriptions of the ideas and debates during this long hot summer of rural discontent.

IV

The Treasury was the first department within government to become concerned about the possible level of subsidies for agriculture under the Corn Production Act 1917, as amended by the Agriculture Act 1920, and this concern arose in 1920, not 1921. Sir Robert Horne, Chancellor of the Exchequer, reported to Cabinet on 6 December, only two weeks before the Agriculture Act 1920 reached the statute book. He was concerned that cereal prices were falling and alarmed at the possible liability built into the impending legislation, which he gauged at between £20-30 million per annum. The economy was already deteriorating and industrial strife was growing. The same Cabinet meeting heard from the Director of Intelligence’s Report on Revolutionary Organisations that ‘unemployment hangs like a dark shadow over the community’.

The archives of the NFU, the CLA and the NUAW are held at the Institute of Agricultural History at the University of Reading (hereafter IAH). In the cases of the NFU and the NUAW these archives are extensive and yet almost entirely neglected by agricultural historians despite containing much valuable information on the processes and policies of agricultural policy change. They have considerable potential for further research.

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Pollard, British Economy.

PRO, CAB/CP, 2247.

PRO, CAB/CP, 2631.
Horne advocated that the bill should be altered, even at that late stage, particularly in relation to the guarantees for oats, to protect the Exchequer from extravagant commitments it would be unable to meet.

No decision was made. Not unnaturally, counter arguments came from the Secretary of State for Scotland: "to alter the oats prices away from the royal commission figures would be regarded as a breach of faith. Apart from its political effect it would have the worst possible effect on British farming". Hugh Paul, chairman of the Wheat Commission, was brought in by the Ministry of Agriculture to reassure the Cabinet ten days later, and the conclusion then was to leave the matter as it was until after the Lords debate, perhaps in the hope that the problem would go away.

But it did not go away and the bill was passed, despite stiff opposition. Soon, however, the alarm bells were ringing in the Ministry where an analyst ("RJS") demonstrated that production costs had increased over the standard year (1919) by between 10 and 20 per cent and that, given the market price falls, the payment of guaranteed prices under the Agriculture Act 1920 would indeed be triggered. They would require an Exchequer subsidy of £1,880,000 for wheat and £17,000,000 for oats in any one year. The guaranteed price for oats had been set too high by the royal commission, by some 47 per cent, and the consequences could be dire.

A key actor within the Ministry was Sir Francis Floud. Floud wrote on 3 May 1921 that "it was practically certain that the price of oats will be below the minimum (guaranteed) price but for wheat much would depend on the American harvest and the trend of world prices". Compounding the problem, however, was that the Chancellor's earlier fears that farmers were switching from wheat to oats were being realized, in that the acreage of oats was increasing "to secure the subsidy". Potential subsidies of £5.9 million and £28.3 million are cited for wheat and oats, and it seems very doubtful if Parliament will be prepared to subsidise corn growing in this country indefinitely on such a scale. Total corn acreage was static or falling so that "corn growing farmers will be paid substantial cheques for doing no more than they would have done without any payment from the state".

The Minister of Agriculture, Arthur Boscawen, had alerted the Prime Minister on 3 May to the seriousness of the problem, and Floud began canvassing agricultural opinion about the possibility of repealing the act passed just five months earlier. Even at this early stage the Ministry's perception of the most problematic area was the political effect of the abolition of the Wages Board. Floud surmised that "the great majority of farmers would heartily welcome its disappearance, [although] some of the more far-sighted farmers fear that its abolition would lead
to State interference of a more objectionable character in the shape of a Trade Board under the Ministry of Labour’. 33

The growing severity of the country’s economic problems was discussed at the Cabinet on 11 May 1921, with the Chancellor requiring plans for large budget cuts in all departments to be prepared within ten days; there was a major problem with balancing the budget. Boscawen raised the corn subsidy question, indicating that ‘the fall in prices has been perpendicular’ and that the necessary subsidies would conflict with the many statements that ‘the government is not prepared to subsidise the coal or any other industry’. 34 He advocated the repeal of the act and suggested that if complete decontrol were granted the farmers would accept this ‘perhaps even with satisfaction’. 35 It was for Cabinet to decide whether the interventionist policy could be maintained, and a bargain be struck with the farmers. If additional resources were made available to education and research ‘it might even be possible to retain the present measures of [good husbandry] control’. 36

The government was under intense pressure from all sides: the next Cabinet item reviewed the need to declare martial law in the twenty-six Irish Counties. Nevertheless, a Cabinet committee was appointed to begin sitting the very next day to review both market trends and the Prime Minister’s commitments towards agricultural support in previous speeches. The tactic was to seek rationalization for repeal in any previous political position or loophole.

Austen Chamberlain argued that, with the rapid growth of the Labour Party, farmers would see advantage in sticking with the current coalition government. Reconstructionist arguments in favour of the status quo and delay were put forward by Lee, First Lord of the Admiralty, but these lost the day. Boscawen concluded that repeal was possible, although he was much opposed to it, and that ‘strictly confidential and secret enquiries would be made of the farmers, as to the basis of a possible settlement’. 37 Boscawen had written to Chamberlain that the NFU was being ‘very reasonable’ and ‘promised to help as much as they could’. 38 What was clearly of vital importance to the government at this stage of the crisis, in July 1921, was that they could present a repeal bill to the Commons with the organized farmers at least grudgingly on their side.

Given the Lloyd George coalition government’s huge majority from the ‘Coupon’ election in 1918, there was never any doubt that the Corn Production (Repeal) Act would be passed. But the government’s position was not easy to argue. Boscawen disingenuously suggested that the 1917 Act was essentially wartime legislation (ignoring the 1920 Act) and that ‘the Wages Board is essentially coercive... and relies on prosecutions for its success’. 39 He argued for free enterprise rather than fixed wages, supported by Horne painting a picture of severe fiscal difficulties.

Opposition came within speeches but not significantly in the lobbies. The chairman of the Commons Agricultural Committee ‘deplored’ the government’s new attitude towards agriculture. Ackland, of the Wages Board, indicated that ‘this Bill is simply the beginnings of a confession of national bankruptcy’ and ‘the government are steering towards an enormous agricultural disaster’. 40 Clines, the Leader of the Opposition, cleverly deplored the ending of ‘the great work of national reconstruction to which the government...
In summary, the government's perception of the problem posed by falling prices and its consequent liabilities was at the time both financial and political. The sources imply that the former dominated but this is almost certainly misleading; the political consequences were probably largely implicit, clearly appreciated by all concerned and not written down. The Cabinet was worried about the political implications of the inconsistency of supporting subsidies for farmers and not for the coal industry. They implicitly chose to support the coal-owners in their lock-out rather than the farmers pursuing increased production. The argument was that the reconstructionist promotion of national self-sufficiency by increasing corn production through price guarantees had failed, although by now it was illogical to argue for increased production: the last thing needed at times of falling prices was more corn!

The government chose the option of seeking repeal of the legislation because in financial terms this gave the greatest benefits and solved the problem quickly (the government having other issues to tackle at the same time: Ireland and the coal crisis). The principle of the state underwriting agricultural production was thrown out of the window without a second glance, the government thereby rediscovering the virtues of free enterprise when subsidies were found to be embarrassingly expensive. The fatal flaw for the government was that the 1920 Act was passed at all, given that prices were falling in the summer of 1920, well before the crisis in 1921. No doubt they regretted the legislation, but this was a view in hindsight: it conveniently forgets Lloyd George's characteristically nationalistic call as late as 21 November 1919 for a new era for agriculture and the more stable society that would then result.

The National Farmers' Union was formed in 1908 and its archive is unusually rich. The minutes of the numerous committees and the council are very detailed in recording both discussions and decisions. Since the documents were apparently kept strictly confidential they probably reflect faithfully the real ideas and debates within the union. Much of the informal lobbying of government obviously goes unrecorded, but much is reported back. The NFU president and his staff were clearly in constant contact with the agriculture Ministers during the events of 1920/21, and we have a series of valuable verbatim reports prepared in the Ministry on the deputations that were received.

In 1920 the NFU opposed the continuation of controls on farming, while at the same time accepting the government's view that increased corn production was in the national interest. The emasculation of the cropping controls in the Lords was welcomed, and the continuation of the Wages Board was accepted reluctantly as the price for the continuation of guaranteed prices.

41 Ibid, col 294.
The union’s general stance was complete freedom for farming.\textsuperscript{46}

As the government debated the country’s economic and financial crisis in early 1921 the NFU was apparently first approached by Boscawen ‘early in May 1921’.\textsuperscript{47} The key event was a secret meeting on 7 June 1921 between the union’s general purposes committee and Boscawen, the Secretary of State for Scotland, and Sir Francis Floud.\textsuperscript{48} That day the news had leaked that the government proposed to repeal the Corn Production Act 1917 and speculation was rife as to what was planned.\textsuperscript{49}

It is clear from what is said at this meeting on 7 June that the Minister had previously met the NFU president, R R Robbins, to stake out the basis of an agreement. Boscawen rehearsed the arguments that he was to use later in the Commons, but with clear farmer-oriented embellishment. With regard to prices ‘If, as we had hoped, the fall had been gradual, we could have begun with a modest amount [of subsidy] and I don’t think any trouble would have arisen’.\textsuperscript{50} But the country now saw ‘a great failing in the revenue’ and there were no signs of improvement. He emphasized (‘and this is a very important point’) that ‘in these negotiations with the miners … the object of the country must be to decontrol industry and not support industry on a state subsidy’.\textsuperscript{51} He recognized however that ‘we\textsuperscript{52} are therefore in a hopelessly weak position’ and ‘I do not believe that the House of Commons, unless something is done to stop it [ie the subsidy] in the future, would vote money for this year’s crop’. Instead, however, ‘the government would like to make a bargain right out’ asking ‘is it possible to proceed on these lines? … we might say if the NFU agree that should be binding on everybody, and similarly in Scotland’.\textsuperscript{53}

Boscawen needed the NFU’s support in difficult circumstances. ‘I hope you realise in this matter I have had a most difficult task in this matter, and also Mr Munro,\textsuperscript{54} and we have done our very utmost to keep the agriculture end up … we are trying to be the best friends of agriculture and I ask you to help us in this matter’.\textsuperscript{55} The NFU was clear as to its powerful position. Robbins minced no words when he said that while ‘the government find themselves in a hopelessly weak position, our position with the government is pretty strong … You remember I said (when we met previously) I hoped I should find you in a very generous mood when we met. The whole thing depends on what you are prepared to offer … we are hoping you will pay 19s in the £’.\textsuperscript{56}

A central challenge by the NFU was the promise in the 1920 Act to give four years’ notice of withdrawal of the guaranteed prices. In reply Boscawen urged the coincidence of interest between the Ministry and the NFU: ‘Undoubtedly it was intended that we should get four years’ notice. We shall urge the government to be as generous as they can’.\textsuperscript{57} Boscawen also promised support at the forthcoming International Labour Organization conference at which it was feared that the hours of labourers’ work would be prescribed under the Treaty of Versailles. To defuse the immediate situation the abolition of the Wages Board would be left until October: ‘I did not want anything done before as there might be labour troubles and it would be unfortunate to have labour troubles at harvest

\textsuperscript{46} IAH, NFU/3, Report of 24 Nov 1921.
\textsuperscript{47} IAH, NFU/3, 14 Aug 1921. Note that there is no direct archival record for this first approach and contact.
\textsuperscript{48} PRO, MAF/33/12/14; IAH, NFU/3, 31 June 1921.
\textsuperscript{49} IAH, NUAW/13/D/II/1, p 103.
\textsuperscript{50} PRO, MAF/33/14/2.
\textsuperscript{51} Ibid, p 3.
\textsuperscript{52} This is a revealing comment; he clearly means farming interests, not the government’s interests.
\textsuperscript{53} PRO, MAF/33/14/3.
\textsuperscript{54} The Secretary of State for Scotland.
\textsuperscript{55} PRO, MAF/33/14/3.
\textsuperscript{56} Ibid, pp 3 and 6.
\textsuperscript{57} Ibid, p 4. Note again the use of ‘we’ (presumably referring to Munro and Boscawen) as well as ‘the government’.
time'. Boscawen concluded the meeting by hoping that 'we can do a deal on payment for the 1921 crop' but 'I think it would be very unadvisable to let anything get into the papers about negotiations'.

But the negotiations, in effect, were over and the bones of the deal were agreed on 7 June. The NFU council congratulated the president 'for the most able way that he had looked after their interests'. More government concessions over and above the £4 per acre for oats and £3 per acre for wheat were sought but none was forthcoming, and the results were announced to the NFU council meeting on 26 June. The payments for the 1921 crops were confirmed, as was a grant of £1 million for education and research as suggested by the NFU to the Ministry. The president clearly considered that the NFU had the better side of the bargain and the council minutes record that 'he thought they could congratulate themselves'.

For the NFU, two important tasks remained. The first was to hold the line that had been agreed with the Minister in the Commons and Lords debates on the repeal bill. The second was to manage the demise of the Wages Board whilst appearing to be reasonable and responsible employers at a time of severe economic problems.

In the Commons the key issue for the NFU was to retain its advantage by not losing any of the gains made in the secret negotiations prior to the public decision over repeal. As a young organization the NFU's political credibility was thus at stake. The union was, first, concerned to deflect blame from farmers for the failure of the 1920 Act; this failure might be perceived to revolve around the lack of increase in corn production. The union's language centred on the loyalty of farmers to Britain and when figures were later produced of a small increase in wheat growing, the union claimed this as 'striking proof that the British farmer was prepared to carry out a policy that is admittedly for the benefit of the Nation, provided he was guaranteed against loss'.

Secondly, it was important politically for the union to refute suggestions that the payments for the 1921 crops were 'doles' for the beleaguered farmers or, worse, bribes to accept decontrol. The NFU propaganda machine included its Newsletter which counteracted this suggestion with claims that the system of guaranteed prices were not subsidies but a form of 'insurance', and hence the legitimacy of the payments to compensate the farmers for their 'losses'. And in any case these guarantees 'are entirely paid away in wages to the labourers employed in the production of the crops'.

At the same time the union was seeking to ensure that the provisions of the agreement were passed through the bill into law. One of the problems was that many influential members simply wanted complete decontrol: the union, for example, was somewhat divided about the nature of the conciliation committees that were to replace the Wages Board. These committees had been agreed at the meeting on 7 June as the 'safeguard' against more draconian controls in the form of a trade board. Whilst some of the council felt that these committees were an irrelevance the officers saw the need to stick by their agreement with the Minister but also to secure as much influence as possible. Indeed all through July and August the union was pressing for named statutory rights of employer representation on these committees, so as to consolidate publicly its enhanced influence.

In the event this provision was struck...
out by the Lords, perhaps reflecting the landowning as opposed to farming interests there, to the obvious chagrin of the union. But the president had been given freedom to manoeuvre since the NFU saw that intransigence on this issue might lose them their bargain. One amendment to the bill allowed for wage agreements to be registered by the Ministry if both the employers and the employees requested him to do so. This was passed by Parliament but then condemned by the union although privately the result was considered to be tolerable. It was the 'least harmful of the various substitutes for the Wages Board machinery' and in any event the employers obviously held a veto over its use.

Alongside the arguments in Parliament and the rhetoric about free enterprise, the NFU's representatives were hastening the official reduction in wages at the last meetings of the Wages Board. The tactics of the employers were complex. The employer side of the board and the labour committee of the NFU overlapped by five members and that committee had decided as far back as 24 May 1921 to seek a cut in the minimum wage from 46s to 40s per week 'at the earliest opportune moment'. The opportunity arose at the next meeting of the board (23 June) but the situation was complicated by the immediate resignations of all employer board members, approved by the NFU general purposes committee, at the news of the impending repeal. To hold the line, however, Boscawen and Robbins persuaded their board members to return for the last meeting and thereby retain credibility. At this long and stormy meeting, the appointed members voted for a reduction in wages to 42s per week for men and 8d an hour for women workers. The next day the vote was reported to the NFU council and the vice-president moved that a 'vote of thanks to the Employer's representatives was heartily deserved'; it was carried unanimously.

In summary, the NFU struck a hard and secret bargain, and then continuous pressure was kept on the Ministry of Agriculture to keep the terms of this bargain intact. The union mobilized support in the Commons and the Lords to assist the Minister in making sure that the bill was passed, thereby demonstrating both their independent influence and their support for the government at the same time. In this way the NFU consolidated its status as a key 'insider' group by maintaining the trust of the Minister through keeping his confidence and keeping their membership in line with the deal as first struck. Perhaps most important of all, the unity of the union was maintained through a clever combination of anti-government rhetoric and an ability to deliver to their members the 'bargain' with the government. Taking a broader view the close relationship between the NFU and the Ministry meant that the latter was in a weak position in the 1921 crisis in that it did not have an alternative constituency to which to turn to seek support. As a result of that weakness the union was able to extract, with little apparent difficulty, a further £4 million from the beleaguered Minister (at £4 and £3 for wheat and oats respectively). This was the difference between the actual settlement and what the Chancellor said could be offered, and was agreed in exchange for a policy change towards free enterprise that was in any case central to the beliefs and aspirations of the majority of NFU members.

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65 IAH, NFU/3, 22 June 1921. Only small landowners were eligible for membership of the NFU. Estate owners joined the less influential Country Landowners' Association.
66 IAH, NFU/36, 14 July 1921.
67 IAH, NFU/3, report of 24 Nov 1921.
68 IAH, NFU/34.
69 IAH, NFU/3, 24 Aug 1921.
70 Ibid.
VI

The large archive of the National Union of Agricultural Workers contains the minutes of its council and committees, as well as voluminous notes, press cuttings, documents and letters to the press. One limitation of this material is that it was almost all assembled by R B Walker, the union’s general secretary. Much of the material relates to his interests in the media, since at the time he was also a director of the Daily Herald, and substantial elements of the archive relate to material published in the Land Worker, the union’s organ.

It is not clear the extent to which the union retained the support of agricultural workers throughout the period. Membership declined rapidly during this time (Table 1), but this may largely be explained by the rapid rise in unemployment. What is clear is that the union was hard hit by the crisis as it evolved in 1921, and it mobilized considerable support in its opposition to the government’s proposals for decontrol.

The union’s political position was avowedly socialist and much time was spent in the early months of 1921 in supporting the coalworkers, ‘fighting with their backs to the wall’, locked out by the coal-owners. The link between the miner’s cause and that of the land worker was clearly perceived. Walker wrote that ‘Labour is confronted with a struggle that resolves itself almost into a fight for existence’, and that ‘in this fight which the miners are waging for justice we recognise a fight as much on account of the agricultural workers as on account of the miners themselves’.

In terms of agricultural policy, however, the union’s attitude to – and rhetoric on – the Agriculture Act 1920 was somewhat contradictory. They roundly condemned the guaranteed prices, and criticized the House of Lords for emasculating the provisions requiring good husbandry, which they saw as the quid pro quo for the price support. Those powers to enhance the extent and quality of cultivation were supported as a counteracting force against unemployment. The Wages Board, moreover, was also supported as a mechanism for the defence of workers’ pay.

As winter gave way to spring in 1921, however, the union became increasingly worried about the threats to its members’ wages and conditions. Deflation was becoming severe, the cost of living was falling, and workers in other industries were suffering wage reductions. As aired in the columns of the Daily Herald ‘the most serious attack on farm workers’ conditions is the attempt to extend the number of hours to be “put in” for the minimum wage. The motive is obvious. Employers are determined to secure the exclusion of farm workers from any “48 hours” legislation, designed to reduce the working week to 48 hours.

In parallel with domestic moves to counter threats to the Wages Board, the union was also making preparations for the International Labour Organization conference in Geneva in October. The membership was warned to be ‘On guard!’ and the secretary of the ILO hinted at a conspiracy between governments and employers to secure official representation at the conference of those ‘who are known to be opposed to the application of labour legislation to agriculture’. Such a conspiracy was thought unlikely since ‘we do not think that the government would dare to lend themselves to a policy which will lend themselves to a policy which will make them the tools of the master class’.

How wrong he was.

While the negotiations were in progress between the government and the National
Farmers’ Union, during May and early June 1921, the farm workers’ organizations were kept completely in the dark. The news of the government’s intention to repeal the 1920 Agriculture Act was first released to them at a meeting between Boscawen (accompanied by Floud) and Walker, representing the NUAW, and George Dallas and John Beard of the Workers’ Union. The meeting had been called at the unions’ request, to discuss the creation of a separate wages board for Wales in place of the single national board.

What is apparent from the verbatim note on the meeting is that the workers’ representatives were completely taken aback. Boscawen announced that ‘agriculture will be completely decontrolled and the Wages Board will cease to exist’. The Minister was rather less than honest in his indication of the state of consultation with others. ‘I am making you a very frank statement … I thought it only fair to tell you at once … I have just informed the Committee of the National Farmers’ Union, and I thought it only right that you should know too’. The Minister tried to get the unions’ to reveal their reaction, which was not forthcoming, and the meeting concluded with a discussion of the current strength of the union, with what appears to be some very veiled hints from the union officials that industrial action might result.

Following the meeting with the Ministry the union began an intense campaign to protect what it saw as its interests and those of its membership. In contrast to the approach of the NFU, which kept the political process in the hands of its key officers, the first priority of the workers’ union was to notify the membership of the crisis via its 3000 branches. The instruction was for support to be rallied by calling meetings and sending resolutions to leading politicians; the result was two hundred resolutions being sent to Arthur Henderson alone. When the news about the proposed reduction in wages at the Wages Board was announced, the union requested its branches to hold public meetings at which resolutions should be passed against ‘the breach of faith on behalf of the government’. In addition to the members’ own activities there also began the most intense campaign of propaganda on the form of letters to the press. The Workers’ Union also produced a pamphlet by Dallas entitled Farm Workers: Greatest Betrayal, which was circulated to all branch secretaries, all agents of the Labour Party and all MPs.

The NUAW called a major conference which was reported by several newspapers on 23 June but for which no other source material appears to have survived. Walker called the government’s actions ‘one of the most wicked and brutal of its many gross betrayals of the workers of the country’, and Dallas indicated that the Wages Board ‘had been a real charter of freedom to the agricultural worker and effected a great transformation in the rural areas of England and Wales’. While the repeal bill was being debated the union also organized a mass lobby of Parliament. The central issue for the workers’ representatives was the retention of the Wages Board and its machinery for determining minimum wages. All the union’s efforts were geared to reversing the government’s decision to abolish the

9 PRO, MAF/53/12/15. The date of this important meeting was 7 June 1921.
10 Ibid.
11 Ibid. See also the union president, W R. Smith, writing in the Daily Herald, 23 June 1921: the threat of industrial dispute was real, but he ‘hoped that it would not be necessary to resort to direct action although at the same time the conditions of the farm worker had got to be maintained’.
board as a quid pro quo to the farmers for the loss of their guaranteed prices. In this way the agricultural workers, their MPs and the union, strove to emphasize the importance of the board, which they saw as having secured the gains in both wages and union membership that 1919 and 1920 had brought. And of course it had also brought industrial peace.

Four main areas of debate contributed to this argument: the popular appeal of the Wages Board and its local committees; the demand for a 'living wage' in relation to pre-war conditions; the links between wages and guaranteed prices; and the potential of the proposed conciliation committees for employee/employer wage bargaining. The situation was far from simple, however, and the union was faced with contradictions in its position which perhaps diluted the force of its argument.

The real appeal of the Wages Board is impossible to gauge from the union's rhetoric, and we must remember that the union and its officials had an interest in obtaining and retaining the political visibility that the board and its membership brought to them. What the officials stressed was the way that the board had brought industrial peace and its success of prosecuting employees for underpayment of wages or non-payment of overtime. We have a definitive analysis of the extent of these prosecutions (Table 2) and the union made much of this information both to rally the support of its members and show the need for statutory enforcement of minimum wage agreements rather than voluntary conciliation.

The second argument concerning minimum wages – crucial at a period of wage deflation – was more problematic for the union in that its opponents (and the government) claimed that with its increased membership and power the union could negotiate for adequate wages even without the Wages Board. The union was therefore caught in a trap of either arguing that it was not sufficiently powerful in this way (and thereby losing face) or, if it had the power it often claimed for itself, admitting that the Wages Board was unnecessary. The strength of the union was therefore a key underlying issue, and the farm workers' opponents tried at this crucial time to undermine that strength with what today would be called a 'smear campaign' concerning the expenditure at election campaigns fought by its officials.86

The third key issue in the union's propaganda campaign was the link between guaranteed prices and guaranteed minimum wages. Here the union was also in slight difficulty in that the guaranteeing of a farmer's income was hardly a policy the union was keen to support, yet the link between guaranteed prices and the enforceable minimum wages was obviously a central part of the government's argument which needed refuting. Walker admitted that 'there is difference of opinion amongst labour men on the policy of "subsidies for farming" just as there is amongst farmers and the general community. What I am for the moment most interested in is the maintenance of the Agricultural Wages Board'.87 Ackland claimed that 'farmers are practically invited to make good the loss of the guaranteed prices by cutting wages',88 which, of course, was clearly the unwritten basis of the understanding between the NFU and the government.

The fourth and last issue that needed addressing was the merit of the voluntary conciliation committees. The union appears to have preferred largely to ignore this policy suggestion, rather than debate its merits, since the power of compulsion was what the union wanted and the offer of purely voluntary conciliation was treated with contempt. The kind of comment made was 'why good machinery [ie the Wages Board] must be scrapped for some

86IAH, NUAW/D/II/47.
87Western Daily Press, Letter, 8 July 1921.
88West Gazette, Letter, 9 June 1921.
TABLE 2
Action on complaints to the Wages Board of non-payment of minimum rates of wages, 1918–21

<table>
<thead>
<tr>
<th>Period</th>
<th>Total arrears collected through the agency of the board (£)</th>
<th>No of farms from which complaints received</th>
<th>Completed cases</th>
<th>Prosecution cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>28 Oct–31 Dec 1918</td>
<td>338</td>
<td>717</td>
<td>107</td>
<td>--</td>
</tr>
<tr>
<td>During 1919</td>
<td>9195</td>
<td>4549</td>
<td>3791</td>
<td>113</td>
</tr>
<tr>
<td>During 1920</td>
<td>20,303</td>
<td>3995</td>
<td>3090</td>
<td>143</td>
</tr>
<tr>
<td>1 Jan–18 June 1921</td>
<td>8634</td>
<td>1343</td>
<td>1608</td>
<td>55</td>
</tr>
<tr>
<td>18 June–20 Aug 1921</td>
<td>2107</td>
<td>322</td>
<td>481</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>40,667</td>
<td>10,536</td>
<td>9977</td>
<td>321</td>
</tr>
</tbody>
</table>


... of doubtful quality is not explained [by the government].

As we know, the farm workers lost their war but on the way they won a solitary battle; the battle to have some reserve element of compulsion in wage bargaining through the registration of agreements. Walker considerably exaggerated the importance of this concession, the agreement to which ‘finds us in a very much happier position than when we began,’ no doubt as a ‘face saving’ ploy on behalf of the union officials after their hard fought campaign which had otherwise showed so little return.

In summary, the union lost its campaign because it lacked the power to counteract the combined and united forces of the government and the National Farmers’ Union. The National Union of Agricultural Workers and the Workers’ Union chose to mobilize mass support, rather than work clandestinely within the political system, but even the latter approach might have failed given the resolute and united position of its opposition. The support for the union in Parliament was strong, and indeed on the second reading of the bill in the House of Commons the combined opposition vote of 113 members was the largest vote against the coalition government within that administration. It is difficult to see what else the union could have achieved given the parliamentary circumstances and the panic response of both the government and the country to the deteriorating financial and economic circumstances. The political forces ranged against the farm workers were simply overwhelming.

VII

The lurch in 1921 away from the careful control of agriculture, in favour of complete laissez-faire, has since been hailed by Whetham as ‘the great betrayal’. This view suggests that those concerned with farming were betrayed by a government panicked into an unnecessary policy reversal. The view also supports a straightforward link between the government’s decisions and the subsequent decline of agriculture: ‘During 1921 ... came the thunderbolt of the repeal of the Corn Production Act and ... land prices fell ... Farmers were frightened by the signs of the coming depression’ and this ‘began a disastrous period’ for agriculture which did not recover until the mid-1930s.

88 Norfolk Chronicle, Letter from Walker, 1 or 2 July 1921.
89 Preston Guardian, 23 July 1921.
90 Ibid.
Whetham supports her contention of betrayal with quotations from modern farmers' views that the chronic depression of the 1920s and 1930s was caused by the government’s decision in 1921.

Writing a decade later Robinson continues this theme: 'This Great Betrayal of British farming ... led to a difficult decade for farmers'. Cooper, however, begins to question this 'myth' by reinforcing the point that farmers met the announcement of the abolition of controls in 1921 with 'a sigh of relief' as they saw greater opportunities for maximizing their returns from agriculture within free markets, despite all their gains from controls in wartime and the immediate post-war period. A mere six months later, of course, the same farmers were far less happy, when these markets had turned further against them, and it is from this situation that the betrayal myth was disingenuously initiated.

Moreover, what we see from the more detailed analysis of the evidence from all sides presented in this paper is that not only did the farmers welcome the settlement (with much bad grace in public) but they had actually engineered it in the first place. If anyone was betrayed it was the farm workers. They were not paid the £19 million given to the farmers for the 1921 crops that they would have grown in any case (Fig 3). The grants for education and research largely went to farming interests and their sons, to encourage agricultural restructuring, rather than to the farm labourers, who got nothing. The farmers’ union gained enormously from the deal it delivered (dressed up in the rhetoric of betrayal), in terms of the place it then took in the

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modern political world, whereas the farm workers' union suffered the reverse effect. The workers were out-manoeuvred by a conspiracy between the government and the farmers which gave the latter their 'deal' and the former their majority in Parliament.

But the farm workers were almost certainly naive in thinking that the continuation of a Wages Board would have given them the same kind of protection in the falling markets of 1921 and 1922 as it had apparently given them in the boom times of 1919 and 1920. In the event the rhetoric of the farm workers' opposition to the repeal was hollow since they lacked the power to convince others of their case, owing to the worsening macro-economic conditions and the political alarm that this caused. The farmers won because they held the power over production that the government knew it needed to support.

That there was a return to laissez-faire was not because the government necessarily believed that this was right for agriculture, as the events in 1918 and 1931 show, but because the government was so frightened by the economic and political circumstances that it faced in the country as a whole that even a compromise was rejected: they thought they had no alternative and acted accordingly. What we shall never know is whether the continuation of some form of reconstructionist approach might not have alleviated the decade of dislocation and depression that followed. What we do know is that it took an even greater economic depression, coupled with the threat of another war, to make the government reverse its position once again in the 1930s, and begin to implement the beginnings of today's policy of widespread agricultural support.