

National Cooperative Land Company

The National Cooperative Land Company was founded as the Chartist Cooperative Land Company in 1846 by the chartist Feargus O'Connor to help working-class people satisfy the landholding requirement to gain a vote in county seats in Great Britain. It was wound up by Act of Parliament by 1851.

Chartism

The Reform Act of 1832 extended the franchise. In county constituencies in addition to forty shilling freeholders franchise rights were extended to owners of land in copyhold worth £10 and holders of long-term leases (more than sixty years) on land worth £10 and holders of medium-term leases (between twenty and sixty years) on land worth £50 and to tenants-at-will paying an annual rent of £50.

The chartists had, as one of their objectives, the enfranchisement of the working man. O'Connor focussed his energies on enabling working-class people to satisfy the landholding requirement to gain a vote in county seats. In his single minded pursuit of this objective he diverged from the mainstream of Chartism.

O'Connor declared that Great Britain could support her own population if her lands were properly cultivated. He had no use for cooperative tillage – his plan was for peasant proprietorship. His plan was the resettlement of surplus factory workers on little holdings of from one to 4 acres. He held that the only possible way to raise wages was to remove surplus labour out of the manufacturers' reach, and thus compel him to offer higher wages. He had no doubts of the yields obtainable under such spade-husbandry.

Establishing the Company

O'Connor proposed an enterprise in which working men could purchase land on the open market. The land was to be reconditioned, broken up into small plots, equipped with appropriate farm buildings and a cottage, and the new proprietor was to be given a small sum of money with which to buy stock. The plan was approved at the Chartist conference in April 1845. The form of the company was problematic. A set of rules was drawn up for a friendly society and submitted for approval in January 1846. They were rejected. Another set of rules were submitted and again rejected in July 1846.

The company was provisionally registered as a joint stock company, the Chartist Cooperative Land Company on 24 October 1846. The provisional registration allowed the company to enrol shareholders and to collect deposits on the shares. It did not allow any trading activity, nor the purchase, contracting for purchase, or holding of land. In order to complete the registration it was necessary to collect the signatures of one quarter of the shareholders.

The company was renamed the National Cooperative Land Company on 17 December 1846, and its stated objectives were expanded. The registration was still on a provisional basis.

Flaws

As well as the obvious defects in O'Connor's land plan that he either did not see or did not consider, there were important flaws in the execution.

- Consideration was not given to the difficulty that would be encountered by town people in becoming farmers, as many had never lived in the country.
- If his plan worked, the more land he bought the higher the price of future purchases would become. His plan was built upon the assumptions that land could be bought in unlimited quantities and at reasonable rates.
- He assumed that all subscribers would be successful farmers who would repay promptly.
- Few persons would have agreed with his optimistic calculations that prosperous farming could be carried on such small scale and with the primitive methods that he advocated.
- His plan to push the Charter in the background in favour of his land plan caused a storm in the Chartist movement.
- O'Connor was left in control of the company without check or supervision. He was uninterested in record keeping and detail.
- There was conflict in deciding the sizes of the plots -

The larger the plot, the more likely it was that the settlers would make a success of it but larger plots also served to delay the acquisition of plots for the remaining shareholders. The smaller the plot, the more shareholders could be settled but smaller plots also meant that it was harder for the settlers to make a living.

This meant that the settlers, who for the most part had no rural experience, were settled on plots which would be demanding even for those who had rural experience.

The size of the estates meant that the settlers generally formed a large percentage of the communities to which they were attached. It was feared that the influx of a large number of poor people could overwhelm the parish's resources.

Despite the many flaws, since the 1990s several studies of the Chartist Land Company have advanced more-positive interpretations that help to clarify why the scheme was so popular. It has even been suggested that the National Land Company was a benchmark - sometimes positive, sometimes less so - for subsequent UK land reformers.

Settling the estates

Money came in at a remarkable rate, considering the poverty of most of the subscribers. The subscribers who got the land were chosen by ballot. They were to pay back with interest and ultimately all subscribers would be settled.

The Labourer magazine was started by O'Connor and Jones to promote the project. Soon hundreds of households were settled, and an outcry of opposition went up from hostile Chartists, the press, the Poor Law authorities and others who feared the weight of their failures.

Among the working men the prestige of Chartism was growing again. The land plan offered more immediate promise of help than the Charter with its long-range promises. O'Connor's carelessness and inaccuracy with financial matters, as well as the free hand he had in purchasing land as he saw fit, were inherent weaknesses in the administration of the scheme. The plan would have soon collapsed had he not been an able promoter.

In the same year O'Connor ran for parliament again and won the Nottingham seat. When he had taken his seat he proposed in The Labourer that the Government take over the National Land Company to resettle the English peasantry on a large scale. His opposition within the Chartist movement accused him of being a 'five acre' chartist. O'Connor replied to his critics in an appearance before a mass meeting of his partisans in Manchester. His followers demonstrated at this meeting how devoted they were to him.

Continuing efforts to establish the company

The efforts to establish the company as a friendly society or as a joint stock company had foundered. The effort to collect the signatures of the shareholders was abandoned in 1848.

(Later investigation showed that the required number of signatures had been reached, but the company failed to appreciate the difference between the number of shares and the number of shareholders.)

In the meantime, in April 1848, a new petition to have the NLC registered as a friendly society was produced with about 6 million signatures, but an investigating committee in Parliament found that it contained not quite 2 million bonafide signatures. This came as a shock to O'Connor since his lieutenants had not let him know that all was not in order.

O'Connor introduced a bill to legalise the NLC, with a second reading set for 12 June 1848. On investigation it was quickly found that O'Connor was registered as the owner of all the estates, and of the associated bank. This prompted the House of Commons to set up a Select Committee.

Select Committee

The Select Committee issued a report. Its principal findings were:

That the company was a Lottery

The Select Committee found that the company's plans would not ensure that all the shareholders would get a plot of land. It was therefore a lottery, which barred it from registration as a company. Since the company was a lottery it was not consistent with the principles of a friendly society. The National Land Company was an illegal scheme that would not fulfill the expectations held out to the shareholders.

The books had been imperfectly kept. Had the records been better kept those collecting shareholder signatures would have realised they had met the threshold to finalise the company's registration.

It was recognised that the parties had got into their predicament in good faith. It was therefore proposed that they should be given the opportunity to wind up the company's affairs themselves.

Aftermath

The illegality of the company, and the need to wind it up, exposed the conflicting interests of the four groups involved.

- 1. **Settled shareholders**, did not want to pay the rent which was due, and wanted clear title to their plots.
- 2. **Unsettled shareholders**, wanted the settled shareholders to pay their rents so that the pot of cash to be divided out among all the shareholders would be maximised.
- 3. **Directors**, wanted to avoid any liability for outstanding debts of the company.
- 4. **O'Connor**, wanted to recover his expenses before any payout to shareholders.

After a number of court cases an act to wind-up the company was passed by parliament in July 1851 and all its affairs were passed to the Court of Chancery. The settled shareholders mostly disappear from the records of the estates in the years following, and the estates themselves were auctioned off. Many of the properties still exist, one being a National Trust property, (Rosedene, a cottage in Great Dodford, Worcestershire).