

The Economic Effects of the English Parliamentary Enclosures

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In 1808, the English agriculturist Arthur Young stumbled on something interesting. He noticed that the adjacent Cambridgeshire parishes of Childersley and Hardwicke in England had startlingly different economic outcomes, even though they were divided only by a hedgerow. In Hardwicke, wheat yields were 16 bushels per acre, whereas in Childersley, on the other side of the hedgerow, they were 24 bushels per acre—50 percent higher. What could explain the difference? It wasn't economic fundamentals, because Childersley consisted of similar soil. Rather, Young attributed the difference to the fact that the land in Hardwicke remained in “common field” while the land in Childersley was enclosed.

Enclosure involved two distinct changes to rural property rights. It privatized the commons—land under common ownership to which villagers had several different usage rights—and it consolidated scattered plots of land farmed by an individual household on the open fields into one

large plot, which obviated the need to coordinate agricultural practices and investment. In theory, such changes could lead to large productivity improvements because land usage would no longer be subject to the “tragedy of the commons”—a situation in which a common resource is depleted by overuse—and investment returns would now accrue privately rather than publicly. However, theory and evidence create room for doubt. We know that local institutions often emerged to govern the commons efficiently and could be expected to become more efficient over time.

Enclosure without the involvement of Parliament had occurred throughout the Middle Ages and Early Modern period by voluntary unanimous agreement. Around 1700, a crucial change occurred—Parliament enacted an institutional way to manage the process of enclosure through a parliamentary procedure that could be initiated by the owners of three-quarters of the land (by value). Henceforth, the owners of a majority of the land could petition Parliament



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to enact a proposal for enclosure of all common property. By about 1900, nearly all land in England was under private consolidated ownership.

The distributional consequences of enclosure were just as uncertain as the impact of enclosure on productivity. Parliamentary enclosure, in particular, provided an institutional process that overruled small landowners who might have opposed it. It was exactly this feature that led some to claim it was a form of robbery. The division of common lands was inequitable because some rights were far easier to establish than others, and not all rights were compensated. Enclosure was also expensive, and those individuals who had difficulty obtaining loans might have had to sell out. Indeed, previous research shows that after Northamptonshire parishes were enclosed, the number of small landowners decreased by 21 percent, whereas in unenclosed parishes, there was no change in the number of small landowners.

Our research combines data on all parliamentary enclosure acts with data on agricultural yields and land inequality covering all of England to estimate enclosure's economic effects. In a new data set covering 15,000 parishes in England, we compared parishes that were enclosed in the parliamentary period (1750–1830) with parishes that were not enclosed by this method at the end of that period. We studied the consequences of parliamentary enclosure for productivity and distribution in 1830 by measuring agricultural yields and land inequality. We find that in 1830, parishes that were enclosed by Parliament experienced 3 percent higher agricultural yields and a 4 percentage point increase in a measure of land value inequality.

To interpret those results, however, one must recognize that where enclosure had already taken place by unanimous agreement, those parishes might have already realized the productivity improvements of enclosure and would have chosen to not pursue parliamentary enclosure because they stood to gain little. This effect biases downward our estimates of the effect of enclosure on crop yields. Similarly, the historical research suggests it was far easier to get unanimous agreement when most of the parish was owned by a single person or perhaps by a small number of landowners. This type of parish tended to have high levels of land inequality and would choose to not pursue parliamentary enclosure. This would bias downward our estimates of the impact of parliamentary enclosure on inequality. The

presence of the choice between parliamentary enclosure and unanimous enclosure creates a research problem by biasing results. The potential impact of this problem on estimates of the effect of parliamentary enclosure has not been emphasized in previous studies.

To account for this bias problem, we leveraged a feature of the parliamentary process for approving a proposed enclosure. Our approach was motivated by the fact that enclosure involved three steps. First, a parish petitioned Parliament in the form of a draft enclosure bill. Second, a committee of members of Parliament (MPs) was tasked with judging the quality of the bill against many legal requirements, called standing orders. Third, a potentially amended bill passed or failed in a vote. Because the recommendation of the committee was usually followed, a leading reason that an enclosure bill failed was failure to comply in detail with the standing orders. We posit that because committees for parishes were typically composed of local MPs, petitions were checked against the standing orders similarly in parishes that likely would have had similar committee composition. Thus, we can use the probability of passing the committee as a source of variation for why some parishes experienced parliamentary enclosure that is unconnected with the characteristics of the parish. This allowed us to overcome the bias arising from selection into parliamentary enclosure by those parishes that stood to gain the most.

Using this strategy, we find that parliamentary enclosure leads to a 45 percent increase in agricultural yield. This estimated effect is higher and more realistic than the previous estimates, especially considering the high costs of implementing parliamentary enclosure. We find a 22 percentage point increase in the inequality measure of the value of land plots in an enclosed parish (relative to the average of 0.74). This estimated effect is far more consistent with the case study evidence on enclosure, the high costs of its implementation, the unequal recognition of rights, and the ensuing decrease in the number of small landowners.

Our results are in line with the “tragedy of the commons” argument that points to the potential inefficiencies in shared governance and ownership of land. Even in communities as small, cohesive, and stable as a parish, informal governance mechanisms that coordinated behavior and investment were less efficient than private ownership. We studied potential mechanisms to explain why. For

productivity, we focused on two types of mechanisms: innovation and coordination. Contemporary advocates of parliamentary enclosure suggest it promoted investment, innovation, and experimentation in new agricultural techniques. We measured innovation using data on the number of agricultural patents filed in a parish and the quality of local infrastructure. Infrastructure is a channel not emphasized in previous research, but parliamentary enclosure acts often specified road building as part of general improvement and because privatization revoked the right of nonowners to pass through. To capture coordination, we measured the acreage in a parish that was either sown with turnips or subject to appropriate fallowing practices. Both tasks, sowing turnips and optimal fallowing, were known to replenish depleted soils and to improve output, but these tasks may not have been adopted because their implementation required coordination among villagers with disparate interests within commonly governed fields. Parliamentary enclosure gave everyone the freedom to implement best practices without the need for coordination. We find evidence that parliamentary enclosure is associated with both innovation and improved agricultural practices.

Our results suggest, however, that enclosure was unlikely to have benefited everyone. Anticipating that enclosure would skew the distribution of the commons toward those with legally better-defined rights seems to have been a potent source of lack of unanimity. Even if property rights had been equally respected with parliamentary enclosure,

the costliness of the process along with the difficulty in obtaining loans deterred enclosure for smallholders. With the open field system, farmers who did not have sufficient funds could not afford the costs of parliamentary enclosure. This led them to oppose enclosure; if enclosure took place, it forced them to sell out, thus contributing to increases in land inequality. Using our data to study this “selling out” mechanism, we find that parliamentary enclosure is associated with a significant decrease in the share of individuals with little or no land, known as cottagers.

Our paper contributes to the at least 250-year-long debate on the economic effects of English parliamentary enclosures by showing that parliamentary enclosure had a positive effect on agricultural yields but that it also substantially increased inequality. Our work also contributes to the broader debates on the role of property rights in development. Our findings do not support the notion that communities can innovate systems of governance to efficiently allocate collectively managed resources. Thus, our work supports other research on the efficiency benefits of individualized private property rights.

NOTE

This research brief is based on Leander Heldring, James A. Robinson, and Sebastian Vollmer, “The Economic Effects of the English Parliamentary Enclosures,” Social Science Research Network, February 2022.



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