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Urban Development as a Component of Government Policy in the Aftermath of the Napoleonic War

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Introduction

The role of government in initiating, financing and controlling major construction projects has a long history in Britain. From medieval fortifications to twentieth-century airports and motorways, there are innumerable examples of projects which would not have come to fruition without state sponsorship. One of the largest urban improvement plans ever undertaken by central government in London was the scheme to develop Regent's Park and to cut a New Street, subsequently named Regent Street, through the heart of London's West End, then, as now, one of the choicest and most expensive patches of real estate in the world. The project was conceived and first made public during one of the longest wars in the nation's history and, as an example of planning for the post-war period, it adumbrates the London County Council's *County of London Plan* of 1943.

The government body which planned and supervised the 'New Street Project'[1] was the Office of Woods, Forests and Land Revenues (WFLR), a department which reported directly to the Treasury, and was traditionally headed by a former Treasury minister. With its origins dating back to Henry VIII's suppression of the monasteries, it has now been renamed The Crown Estate,[2] and with a portfolio at March 1998 valued at some £3 billion it is still one of the largest property concerns in Great Britain. In the early nineteenth century, WFLR was an important government department which managed Crown property, and was responsible for naval timber plantations, militarily vital in the era of wooden warships. It was also one of the first government departments to be reformed, with the abolition of sinecures, and the employment of salaried civil servants who were responsible to a board of commissioners.

The first topic to be examined is the progressive reorganization of WFLR, starting with the initial inquiries into its operations in the 1780s, and following this through until the amalgamation of the Office of Land Revenues with the Office of Woods and Forests in 1810. It will be explained how procedures and policies were modified with a view to transforming the department from being a passive rent collector for a motley portfolio of properties, into a focused property owner and developer. The 'New Street Project' was the first major development undertaken by WFLR. Although the first plans for the development of Marylebone Park (subsequently renamed Regent's Park) can be dated to the early 1790s, the scheme which was published in 1812 envisaged the wholesale redevelopment of existing Crown property in what is now Piccadilly Circus and Regent Street, south to Waterloo Place. The 1812 scheme was considerably more ambitious than earlier proposals, and estimates presented to Parliament which showed the scheme to be self financing were highly optimistic, to say the least. But, as so often with government initiatives, whether they be the 'New Street Project', Concord or the Channel Tunnel, ministers were, and are, prepared to justify cost over-runs in the pursuit of wider economic and political objectives.

One argument which I will be developing is that the 'New Street Project' formed a key element in the micro-economic planning for the immediate post-war period of Lord Liverpool's administration. Faced with the prospect of mass unemployment and serious social unrest, Lord Liverpool and his economic advisers planned a series of initiatives to create a large number of new jobs in the construction sector. Because the 'New Street Project' was under direct government control, the terms offered to interested developers could be made financially attractive, thus ensuring that building leases were taken up by men with a proven track record and adequate backing.

Finally, the economic and financial aspects of the project will be examined, explaining why the scheme was commercially attractive to the small group of favoured developers and providing an estimate of the number of new jobs which would have resulted directly from the building activity.

It is not suggested that ministers and senior civil servants had no other objectives in sponsoring the project than the creation of jobs, and in my thesis I have considered the influential role played by the third and fourth Dukes of Portland and their architect, John White Snr.[3] Rather, the intention is to alert architectural historians to the fact that political and economic considerations should always be appraised when examining the motivation behind large scale public sector building projects.

Reorganization and reform

English sovereigns had traditionally used Crown properties as a source of financing deficits, particularly in times of war, and as late as 1667, Charles II was forced to dispose of properties to help finance the Dutch War. As part of the process of consolidating Treasury control over the finances of the state, legislation was introduced at the beginning of Queen Anne's reign to restrict the monarch's freedom to alienate Crown property.[4] Sales and gifts of land were declared void, and leases of land were restricted to a maximum of thirty-one years or three lives, and of houses to fifty years or three lives.

The various changes in the way the monarchy was financed and the evolution of the National Debt must be viewed in tandem. By effectively removing Crown lands from royal control, Parliament was making it impossible for future monarchs to raise finance unless this had been specifically approved by the government of the day. Thus, there could be no repeat of Charles I's period of personal rule which led up to the Civil War. The National Debt, which was entirely under the control of the government in terms of its issuance, redemption and policy management, would henceforth be the vehicle which raised the borrowings necessary to finance state expenditure when this exceeded taxation receipts, notably in periods of war. These changes formed part of a long-term programme which ensured that the Treasury was the department with ultimate control over state finances.

The late eighteenth century debate on the future of Crown properties had a curiously modern ring. The main argument was whether Crown properties should be privatized through sale, or whether the state should continue to manage them, but in a more efficient and profitable manner.

Reorganization of the Office of Land Revenues

In 1760, George III surrendered the income from Crown properties to the government in return for a fixed Civil List, and from that date these land revenues have been considered the income of the state, not of the sovereign. It was the Government's need for revenues, particularly during the Seven Years War (1756-63) and the American War of Independence (1775-83), that raised the question of how to maximize the income from Crown property. Adam Smith had argued in *The Wealth of Nations* (1776) that the government should find an alternative source of revenue to support the monarch and that it would be best '*to divide the lands among the people, which could not be done better, perhaps, than by exposing them to public sale.*'[5] Edmund Burke was also in favour of raising finance from the sale of Crown lands; he considered the properties too scattered and divided to be economically viable and he also advocated the enclosure of the royal forests and the sale of the Crown's allotments.[6]

The first examination of the Office of Land Revenues was carried out by Arthur Holdsworth and John Call, who delivered a highly critical report to the Treasury in December 1782. The document argued for far reaching reforms, including the appointment of a single board to oversee the two departments, Land Revenues and Woods and Forests[7]. It detailed a number of intelligent reforms, including the abolition of fees, sinecures and similar inappropriate practices, and various of these organisational recommendations were subsequently implemented. It then proceeded to advocate robustly the sale of Crown property, a recommendation which was never implemented on the scale which the authors had in mind.

The next, and extremely thorough, review of procedures and practices was carried out by the Middleton Commission, which was established in 1786 under the chairmanship of Sir Charles Middleton, a determined reformer.[8] The rationalization of the estate by disposing of unimprovable rents was recommended, and the properties, other than the important London estate, were completely surveyed for the first time since the survey undertaken in the seventeenth century by the Commonwealth government. The Commissioners issued a total of seventeen reports, the last being published in 1793. In their final report, the Commissioners recommended that the properties be retained and the estate be placed under the control of a board of three Commissioners, reporting to the Treasury. This proposal was accepted by the government and, as an interim measure, control of the estate, together with responsibility for implementing the recommended changes, passed to John Fordyce in his capacity as Surveyor General of Land Revenues.

Fordyce (1735-1809) was an experienced property man, having been a successful Receiver-General of Land Revenues for Scotland, and through his membership of the Scottish Corporation in London he had close links with a number of influential Scottish businessmen and bankers.[9] He was an able administrator as well as a man of vision and foresight and his reforms did much to turn the Office of Land Revenues into an efficient, well managed department, capable of planning and controlling a major urban development.

The reforms carried out by John Fordyce

Fordyce wasted little time before instituting reforms. His first action was to convince the Treasury that selective development should be carried out, and the restrictions imposed at the time of Queen Anne's accession were replaced by a power to grant 99 year building leases, a prerequisite if established developers were to be approached.[10] New procedures were also introduced to improve cash flow and to regulate rent renewal negotiations.

As well as becoming a more commercial organisation, the Office of Land Revenues was also opened up to public scrutiny by requiring the Surveyor General to report to Parliament every three years. In his first report, delivered in 1797, Fordyce catalogued a long series of financial and administrative shortfalls; new leases, for example, were granted to suit the convenience of tenants, legal fees were often not recovered, and surveys were frequently not taken of property subject to new leases.[11] Administrative incompetence had also led to the loss of property; one example in Cumberland was the forest of Inglewood and the '*manor of the soccage of the castle of Carlisle*' which were reported as having '*long since been lost to the Crown, Sir James Lowther not having been able to recover possession thereof from the Duke of Portland.*'[12]

Improving financial control and tightening up administrative procedures were one side of the coin. The other was the long term restructuring of the property portfolio, and Fordyce continued his first report by setting out his plans for the estate. In view of the fact that this was a report to Parliament which was subsequently published, it would certainly have been discussed with and approved by the Treasury, and can, therefore be taken as a statement of government policy. He drew attention to the Crown's extensive holdings in London and Westminster and advocated that, in contrast with the previous practice, *'a general view should be taken of the whole, before determining what Leases should be renewed, or what alterations might be practicable and advantageous.'* He also reported that his predecessors had never thought it worthwhile to have an overall plan of the London portfolio prepared since:

> *'The idea of any improvement of the property, by an enlargement or alteration of the Streets, the removal of any Buildings irregularly situated, the opening of new access to them, or altering the size or the number of the Houses, so as to accommodate them to the demand, or the taste of the times, seems not to have occurred, or if it did occur, to have been deemed impracticable.'* [13]

Fordyce and his aides were clearly acting in a sensible, business-like way. They had been made responsible for a very large, varied and scattered property portfolio and set about planning its rationalization and improvement. They addressed shortcomings in the management of the residential properties and they considered the long-term, post-war redevelopment of much of the existing or prospective London residential estate. Fordyce's first report clearly mapped out the long term strategy, and it also showed that plans for the development of Marylebone Park were under active consideration in the department as early as 1797.

Over the ensuing years, a number of innovations were introduced. In a memorial to the Treasury dated 6 February 1808, Fordyce requested *'... a power of exchanging Lands and Tenements belonging to the Crown for other Lands and Tenements of equal value ...'*[14] This power was used quite extensively during the course of acquiring property for the New Street. A further administrative change which Fordyce introduced, clearly with development in mind, was the inclusion of new covenants in the Crown leases:

> *'I have, in a former Report, observed ... no stipulation was ever made with a Lessee of the Crown respecting the elevation, or outward appearance of any Houses that were to be erected; nor was any Covenant ever inserted in any Lease, in which the ornament of the Capital or the accommodation of the Public was considered.'* [15]

Without such covenants, no regularity or uniformity could have been achieved, and developers would have been in a position to erect houses to their own designs, subject only to complying with building regulations. Fordyce was clearly determined that any development on Crown property would be of appropriate magnificence and elegance.

Because it had accumulated over centuries, the Crown's non-urban estate was extensive and varied, including farms in various counties, coal-mines, and former royal palaces and parks such as Richmond.[16] It is not known whether Fordyce, or the Treasury, produced a long term 'business plan' for rationalising the Crown estates, (none has been located in the CRES files in the Public Record Office), but there are certain pointers which would tend to suggest that some form of financial strategy was in place. From the outset Fordyce set about disposing of fee farm and unimprovable rents, and he also appears to have formulated criteria which determined whether specific properties should remain in the portfolio. Very substantial sums were generated by these sales, the total realised over the period from 1786 to 25 March 1830 being £1,325,000.[17] Up to 1814, these funds were invested in government stocks, effectively building up the capital of the

department, and thereafter sales proceeds were used to finance the department's normal operations, including the 'New Street Project'.

Some of the unimprovable rents were in fact very valuable; in 1801, for example, mooring chains in the Thames were made over to the City Corporation, the consideration amounting to £70,832. There also appears to have been a policy of consolidating the portfolio through selective disposals; the Manor of Edmonton, Middlesex realised £4,000 in 1800; agricultural land in Greenwich was sold by tender for £10,000 in 1802 and an estate in West Ham, East London, was sold in nineteen separate lots over the period 1799 to 1811 for £39,458.[18]

The various reports of the Middleton Commission laid out a blueprint for the reform and reorganization of the Office of Land Revenues, but the credit for successfully implementing the recommendations rests with John Fordyce. He initiated the policy of active management through property acquisition, disposal and development, and he also refocussed the portfolio so that the majority of its investment, leaving aside the land appropriated for timber, was in urban housing, and that predominantly in the West End of London and Marylebone.

Structure and organization of the Office of Woods, Forests and Land Revenues

John Fordyce died in April 1809, and was succeeded by Lord Glenbervie, who was subsequently appointed head of the consolidated Office of Woods, Forests and Land Revenues after the departments merged in 1810. Sylvester Douglas, who was created Baron Glenbervie in 1800, had been a successful lawyer who then served as a Lord of the Treasury from 1797-1800 and as Paymaster-General from 1801-4.[19] His diaries give the impression that he was an intelligent, cultured man who took his responsibilities as First Commissioner seriously; he spent, for example, much time travelling round the country inspecting the estates and woodlands under his control, an arduous task for a man in his late sixties[20]. His colleague, William Dacres Adams, had served as private secretary to Prime Minister Pitt and subsequently to the third Duke of Portland during his premiership. As well as taking responsibility for the management of Crown property, the three Commissioners, Glenbervie, Adams and Dawkins, were appointed under the New Street Act of 1813 as commissioners for building Regent Street. Day to day control of the department was in the hands of the joint secretaries, Alexander Milne and James Pillar, both of whom were experienced, senior civil servants. They dealt personally with a wide range of business, from negotiating with property developers to inspecting the works in Regent's Park, and they were also responsible for dealing with the extensive correspondence with the Treasury.

In common with other central government departments in the early nineteenth century, the head-count of the newly amalgamated Office of Woods, Forests and Land Revenues was small; in addition to the three Commissioners, the full-time salaried staff totalled just twenty-three, which can be compared with thirty-one at the Home Office and twenty-five at the Foreign Office.[21] The Office's surveyors, Thomas Leverton and Thomas Chawner, were paid a retainer and fees for work carried out, as were its architects, John Nash and James Morgan.[22] By 1815, when work on Regent's Park and Regent Street was underway, the head-count totalled thirty one.[23]

Glenbervie retired in 1814, aged 71, and was replaced by William Huskisson (1770-1830), a man at the very centre of the political establishment. He had worked closely with Spencer Perceval[24] when the latter was appointed Chancellor in the Duke of Portland's administration, notably in the areas of tax collection and reform and in negotiating a reduction of management charges with the Bank of England.[25] He had a high reputation as a practical political economist, and Glenbervie described him as *'one of the best secretaries for the finance branch of the Treasury in the office and in Parliament of the many I have remembered.'*[26] In Lord Liverpool's administration, he and Charles Herries were the financial experts on the 'little committee', which met most days during sessions and frequently in the recess, which Liverpool once commented as having settled *'all the parliamentary business.'*[27]

The first actual purchases of property on the line of the New Street were made in 1815, soon after Huskisson's appointment, and it was under his leadership for the next nine years that the project was largely driven to fruition. Despite his many other political commitments, the minutes of the New Street Commissioners record him as attending the great majority of the meetings at which business was discussed and policy decided on. By the time that Huskisson finally made his way into the cabinet on moving to the Board of Trade in 1823, building in London was booming, with Regent Street complete and construction in the Park well underway.

The effect of the French Wars

The French Wars, which began in 1793 and lasted, with a brief respite following the Peace of Amiens in 1802, until the final defeat of Napoleon at Waterloo in 1815, had a massive economic, social and political effect on Britain and its fast growing population. The country emerged as arguably the first global superpower, but this was at the cost of a public debt mountain which had grown to £745 million,[28] inflation, a domestic economy in severe recession and the prospect of high unemployment and social unrest.[29] The government of Lord Liverpool had a long term economic and political strategy, prominent in which was the reform of the Corn Laws, the return to a bullion standard and the extension of international free trade, the 'Corn, Cash and Commerce' of Boyd Hilton's seminal work on the Liverpool administration.[30]

In the short term, however, the government had to contend with the demobilisation of upwards of half a million soldiers and sailors and the impending redundancy of many more workers from defence related industries such as the dockyards and armament manufacturers.[31] Although England had long had a poverty safety net in the form of the Poor Laws, the cost of providing for such large numbers of men and their dependants would have placed an intolerable burden on local rate payers, and the government itself was under great pressure to reduce taxation, particularly by ending income tax which was seen as essentially a war time measure. More to the point, however, was that men who had risked their lives on land and sea to defeat Revolutionary France, an enemy which proclaimed Liberty, Equality and Fraternity as its objectives, could turn into dangerous opponents of a ruling elite which seemed indifferent to their economic plight.[32] It has been argued that the Liverpool administration sought to guard against this by increasing the military presence in the cities and introducing savage penalties for those it considered trouble-makers, a move facilitated by the suspension of *habeas corpus* and the passing of acts designed to stifle the publication of anti-government propaganda. The government certainly put in place contingency plans to deal with serious civil disturbances, but the traditional method of handling potential trouble makers was rather more subtle, and, in his study on political agitation, Peter Spence has argued that only a small number of radicals were targeted for harassment using a sophisticated mix of threats and black propaganda in order to discredit them and successfully undermine their support without recourse to more widespread regressive measures.[33]

The most effective weapon against unemployment and poverty is the creation of jobs, and this was precisely the policy formulated and implemented by the Liverpool administration. The New Street Project, which received Parliamentary approval in 1813, is just one example. In addition there was the passing of an act in 1815, the first of its kind affecting London, to provide public funding for a Thames embankment; this was followed by the Poor Employment Act of 1817, which approved expenditure of £1.75 million on public works, and there was then the Million Act of 1818, under which £1 million was to be spent on new churches. The huge scale of these early nineteenth-century initiatives is a pointer to the importance which the government attached to urban

development in its post-war economic planning. Regent Street, designed to link Westminster with what is now the Marylebone Road, would have the effect of improving north/south communications, thus encouraging the major landowners who controlled much of the parishes of Marylebone, Paddington and Hampstead to let out their land for building. At the same time, the construction of Waterloo Bridge (1811-17) and Southwark Bridge (1814-19) opened up large tracts of the South Bank for development. The Regent's Canal (1812-20), a related project to the extent that it was incorporated in the plan for Marylebone Park, would improve the distribution of goods in the north of the Metropolis, acting as a further spur for development. It is a measure of the government's commitment to private enterprise that all of these projects, although carried out with government approval were initially intended to be financed without state involvement.

Government expenditure on public works to relieve unemployment

The classical economic view was that worthwhile projects should be capable of attracting private capital on their own merits, and that for the government to interpose itself meant that funds were being directed into unproductive areas, to the long term detriment of the free market economy. In practice, senior ministers were ambivalent, acknowledging that there were theoretical shortcomings, but arguing that these were more than compensated for by the social benefits of providing work to the unemployed. William Huskisson was personally involved in promoting the Arun and Portsmouth Canal, and wrote a letter to Lord Liverpool, undated but probably 1815, recommending government support.[34] Even rigorous economic theorists such as Thomas Malthus[35] increasingly agreed that the serious post-war economic problems justified government intervention, and advocates of the policy could cite Adam Smith as sanctioning such action in appropriate circumstances.

Public works projects had had a long history in Ireland, albeit with somewhat mixed results, and in his analysis of these attempts to alleviate poverty, R. D. C. Black comments that classical economists, with the exception of Adam Smith, devoted little attention to public works, but he believes they generally agreed with the views he had expressed, and quotes John McCulloch[36] who considered it *'the duty of government ... to assist, by making grants, in enabling roads to be carried through districts, and bridges to be constructed, where the necessary funds could not otherwise be raised.'*[37]

The 'New Street Project', as presented to Parliament in 1812, would have been difficult to criticise on classical economic grounds. Firstly, it was not envisaged that public finance would be required, either directly or by way of guarantee; the necessary funding being provided by the Royal Exchange Assurance Company and, to a very much greater extent, by private investors and the developers. Secondly, a strongly worded case was made by the Commissioners of Woods, Forests and Land Revenues, supported by John Nash's report, which *prima facie* demonstrated an attractive return on the investment, together with unquantifiable benefits resulting from improvements in communication.

Whilst the Poor Laws have been the subject of quite extensive coverage by economic and social historians, the attempts by various eighteenth and early nineteenth-century administrations to actually create employment have received surprisingly little attention. Walter Stern has examined the series of government loans aimed at alleviating hardship,[38] and M. W. Flinn has considered the Poor Employment Act of 1817, observing that it:

> *'... acknowledged the obligation of governments to combat unemployment, and, equally important, it initiated the regular practice of making government loans for public works. The commissioners of 1817 were the progenitors of the Public Works Loan Board, and there is a continuous history of loans for public purposes from 1817 to the present day.'*[39]

The response to the Poor Employment Act was good and in the first two months applications had been received for over £1.3 million for some one hundred projects. Within six months a decision had been taken on all but eleven of these and over £750,000 had been lent.[40]

The Church Building Act of 1818 provided for £1 million to be made available for the building of new churches. In the parliamentary debate, the Chancellor, Nicholas Vansittart, made reference to the Poor Employment Act of the previous year, although he did not go so far as to attribute the same economic objectives to it. Whilst there was genuine concern on the part of parliamentarians at the apparent lack of religious interest shown by many in the inner cities, this particular initiative would have provided many semi and unskilled jobs in predominantly working class areas.

The 'New Street Project'

As early as 1797, John Fordyce had made public the government's intention of developing Marylebone Park when the existing leases expired in 1811. He was well aware that the development would be some distance from the fashionable quarters of town, and, to appeal to wealthy investors and potential residents, it would be necessary to improve communications to Westminster and the West End. As he succinctly noted, *'distance is best computed by time.'*[41] A fundamental decision which the Commissioners of Woods, Forests and Land Revenues needed to take at the outset was whether to acquire already built-up property which could be demolished and then let for building leases to form the New Street or whether to redevelop the existing estate.

Planning the New Street

In 1808, Fordyce instructed the department's surveyors, Thomas Leverton and Thomas Chawner, to survey a route for a new street which would link Charing Cross to Marylebone Park. As a long-serving surveyor to the Office of Land Revenues, Thomas Leverton would have had a very good knowledge of Crown property in the West End[42]. Not only had he collaborated with John Marquand in drawing up the first ever detailed plan, but he had also surveyed and valued many of the properties when the leases became due for renewal[43]. His assistant, Thomas Chawner, also knew the estate well having been employed by the Office of Land Revenues for some thirteen years.[44]

Their report, addressed to John Fordyce, states that *'in obedience to your directions, we have surveyed certain Ground and Buildings situate between the Northern end of the Haymarket and the South side of Oxford Street ...'*[45] This form of wording implies that the decision on the line had been Fordyce's, but, given the high regard in which Leverton was held by Fordyce, it is probable that the two men discussed and agreed on the route to be surveyed. The line went north from Haymarket in the approximate line of Great Windmill Street, Windmill Street, Cambridge Street and Poland Street, and joined Oxford Street slightly to the east of the Pantheon.

Leverton and Chawner noted that *'most of the Buildings ... are of very inferior class ... and that there is no public Edifice, or very extensive Building employed in Trade that would be intercepted, except it be Starkey and Jennings's Brewery, which is altogether very old, and, with some few Houses contiguous, belongs to the Crown.'*[46]

The surveyors calculated the cost of purchasing the requisite land and buildings at £290,000, and they estimated that the sale of materials and *'the fee-simple of the Ground, when vacant, for building upon'*, would produce £236,000, leaving a deficit of £54,000.[47] The policy, which presumably would have been approved by the Treasury, appears to have been to establish the cheapest appropriate route, and after demolishing the buildings and marking out the plots, to sell the land, treating the resulting loss as one of the development costs of Marylebone Park. On this basis, assuming a twenty year purchase multiple, if the ground rents of Marylebone Park could be

increased by a minimum of £2,700, then the project could be justified commercially, and London would also benefit from the greatly improved communications between Whitehall and Oxford Street.

The line surveyed only extended to Oxford Street, and it is probable that Fordyce intended to cut a short extension north of Oxford Street to join Great Titchfield Street, using this and Upper Titchfield Street as the route to Marylebone Park.[48] This scheme would have achieved Fordyce's objective at a fraction of the cost of Nash's first plan, and it would have left untouched the whole of the Crown's West End estate.

The policy change reflected in John Nash's August 1811 report

When Nash came to write his report in August 1811, the Commissioners and the Treasury had formulated an entirely new approach to the redevelopment of the West End estate. I have found no 'policy papers' at the Public Record Office in either the files of the Commissioners of Woods, Forests and Land Revenues or those of the Treasury, but, given the close attention which the Commissioners and the joint secretaries exercised over the department, it is inconceivable that Nash would have been allowed, or indeed would have himself undertaken, to prepare a report of some 15,000 words, plus four detailed appendices and supporting plans, without being appraised of the policies on property acquisition and retention, on redevelopment of existing properties and of the financial criteria to be taken into account.

Nash's proposal was to drive the New Street north from Carlton House, through St James's Market, and then from Piccadilly to Oxford Street, along a line slightly to the west of Swallow Street. From Oxford Street to the New Road, the route lay primarily over Portland Estate land, joining the southern end of Portland Place. In contrast to Leverton and Chawner's 1808 route, Nash's plan would result in the redevelopment of a large amount of Crown property, and would also occasion the payment of substantial compensation to lessees and residents.

As a result of the Marquand and Leverton survey of 1804, a considerable amount of information was available to the Commissioners and to their architects and surveyors. Rental terms and lease expiry dates, for example, were all well documented, and this information would have been considered by the Commissioners in an attempt to assess likely compensation costs, since, in normal circumstances, the longer the unexpired period, the greater the compensation. Unfortunately I have found no documentation in the CRES or Treasury papers in the Public Record Office which throws any light on how or why the decision was taken to redevelop the estate in the manner approved by the New Street Act of 1813, and it is therefore necessary to speculate on the Commissioners' motives.

There are, in fact, a number of difficult to explain anomalies in connection with the decision to develop this particular line south of Oxford Street. The cost of purchasing land and houses, of buying-out leases and tenants and paying compensation for goodwill would be a key factor in assessing the commercial viability of the project; yet Nash's estimate of July 1811 appears not to have been subjected to any form of independent review up to the time when Treasury approval was given in October 1811. The apparent rationale for preferring Nash's approach was that whilst Leverton and Chawner's proposal resulted in a net deficit of £54,000, Nash's estimate of the total cost of £399,803, and related rental income of £28,734, would be sufficient to provide *'a sum which would defray the Interest of the original Expenditure, and supply a sinking-fund for the liquidation of the Capital.'*[49] In fact, the projected rental would have paid off the entire capital sum plus interest over exactly 25 years; furthermore, as the Commissioners noted, *'Mr Nash has represented to us, that he has reason to believe that some of the Insurance Companies would undertake to advance the whole of the Sum necessary for executing this Street ...'*[50] The scheme, as proposed by Nash, was, therefore, entirely self-financing, would enable borrowings to be fully liquidated over 25 years, and required no public funding. It is difficult to imagine what even the most critical of opposition MPs could have found to censure!

The Commissioners also threw their weight behind Nash's proposal, and the wording of their covering memorandum to the Treasury (which was published in the 1812 report) is misleadingly biased towards Nash's proposals, as the following example illustrates:

> *'Your Lordships will observe, that this Plan of Mr. Nash applies to the whole intervening space between Marybone Park and Pall Mall (while that of Messrs. Leverton & Chawner ... only extends from Piccadilly to Oxford-street), and proposes to substitute, as one of the principal Entrances to the Capital, and that which leads to it from the most distant parts of the Island, instead of an approach almost proverbially mean and disagreeable, one of perhaps unexampled beauty and magnificence.'* [51]

It is, perhaps, hardly surprising that Leverton and Chawner were not instructed to review Nash's estimates until after the publication of the 1812 Report, thus ensuring that their highly critical analysis would not enter the public domain until 1816, after the acquisition programme was well underway. They revised Nash's estimate of £343,000 upwards to £948,000.[52] This calculation, made in early 1813, compares with the final, actual cost of acquiring freehold and leasehold interests of £1,038,000.[53] Although Leverton and Chawner's report was published in full, as so often with the Commissioners' published reports, one is left with the uneasy feeling that a future problem has been buried under a mountain of reprinted minutes, reports and memoranda annexed as innumerable appendices to a document that is already replete with statistical minutiae.

The economic and financial implications of the New Street Project

If the 'New Street Project' was intended to create employment and stimulate the economy in the immediate post-war years, then the larger its size, the greater would be its impact. The scheme which was approved was approximately twice the length of Leverton and Chawner's 1808 line, and it was also on a commercially more attractive route since it was to be flanked on the west by the fashionable streets and squares of the West End. Furthermore, the demolition of St James's Market and St Albans Street would make available arguably the choicest building land in London. A further incentive to developers was that the Commissioners were prepared to grant 99 year building leases rather than selling the freehold sites, thus reducing the financial investment.[54]

The Commissioners and the Treasury had thus assembled a hugely attractive property development package. They had selected a prime route for the New Street, obtained all the necessary Parliamentary approvals, provided the finance required to buy up all of the property on its line, agreed to pay for the construction of a new sewer and for the paving and lighting. They were also prepared, in certain instances, to guarantee a price for improved ground rents,[55] and, to commute used materials sold to developers into ground rents,[56] thus providing a considerable cash flow benefit when the completed property was sold on completion.

Nearly 700 separate property interests were acquired along the route of the New Street,[57] and just over 400 leases were entered into covering some 600 new or substantially repaired messuages. The administration required to co-ordinate and control this volume of activity was considerable, but it could easily have degenerated into chaos had the Commissioners not entrusted the greater part of the project to three established developers, James Burton, Samuel Baxter and their own architect, John Nash. Between them, these three men controlled over three quarters of the building leases, either as builders or through the sub-division of blocks of building leases which they had initially entered into.[58]

In general terms, Baxter was mainly active on Portland estate land, although he took four plots in the Quadrant on Nash's nomination.[59] Burton dominated the area from Carlton House to Piccadilly, and he also took a number of plots in Swallow Street, whilst Nash concentrated his development activities on the Quadrant.

This concentration of control by three main developers appears to have been official policy. In giving evidence to the Select Committee on Crown Leases in June 1829, Alexander Milne stated that there were only two cases where the letting of building plots was subject to competitive tender.[60] Questioned at some length by the Committee on this point, he conceded that when Crown property was sold, it was generally by public auction or sealed tender, but he drew a distinction between a sale and letting on a building lease, giving as his personal opinion that:

> *'... I think it might be found inconvenient in practice to resort to competition, as bringing a class of persons into such competition, not very likely to get through their engagements.'*[61]

Since this problem could have been overcome by restricting tendering to approved developers or by requiring a performance bond from the successful bidders, it is more likely that the Commissioners considered the advantages of restricting participation outweighed any potential financial gains. In return for being given a choice of plots, the three lead developers would probably have been expected to use their financial contacts to introduce investors to whom the improved ground rents and houses could be marketed. There may also have been some tacit understanding that if some of the less attractive plots proved hard to place, a lead developer would take responsibility.

This article has posited that the development of Regent's Park and the building of Regent Street formed an important element in the government's post-war economic strategy, and that a principal objective of the overall scheme was the alleviation of unemployment and poverty through job creation. An important point to consider, therefore, is whether this strategy was successful, and, as an extension, whether the project could be justified in economic terms.

The benefits in terms of employment and Government revenue, arising from duties on materials, were considered by the Select Committee on the Improvements of Westminster which reported in 1832. Detailed tables were included in the report showing that the labour cost in erecting a first-rate house, the cost price of which was estimated at some £2,500, was £1,030, including brick making wages. The duty on materials, such as bricks, timber, paper and glass, was calculated at £242.[62]

I have estimated that the total cost of erecting villas, houses and other buildings on the line of the New Street, in Regent's Park and in the associated market area was £3,750,000, which is equivalent to 1,500 first rate houses.[63] Using the Select Committee figure for average weekly wages, this one project could have been expected to employ some 3,000 men continuously for ten years. In addition to this, there was the labour involved in road making and paving, in constructing the new sewer, in excavating the Ornamental Water and in laying out the interior of the Park and in digging the Regent's Canal and the Commercial Cut.

As well as primary and secondary employment, the project would have had a knock-on effect in a number of areas; much of the timber would have needed to be imported, traditionally from the Baltic, thus employing seamen and dock-workers; brick-making used household refuse, in the form of ash for binding and general rubbish for fuel, increasing the number of scavengers employed; and the new streets all required lighting, cleaning and watching. Once the houses had been built and occupied, there would have been a requirement for servants and for shops and markets to service the new streets, all employing additional people. Regent Street, which had been intended from the outset to be an upper class shopping street, would also have provided a large number of jobs, both directly in the shops and in the related supply and servicing areas.

The beneficial impact, however, would have been considerably greater because of the 'multiplier' effect; the wages of the craftsmen and labourers would have been spent on clothing, food and subsistence, and the recipients would in turn have spent their incomes on further consumer products, and so on. Although the exact working of the 'multiplier' had not been formulated at the time, the process of wealth being spread through society had long been appreciated by economists. Given that a fairly high percentage of expenditure would have been spent on consumable items, the total costs of the 'New Street Project' could have been multiplied by as much as factor of four. In round sums, this could have resulted in a boost to the economy of as much as £20 million over the period of the project.[64]

Summary and conclusions

That governments have a responsibility for social planning and economic management is now taken for granted, but that development is frequently thought to have begun in the second half of the nineteenth century, as a concomitant of the growing power of local government and of the reforms of the 1830s and 1840s. In reality, British governments have long been interventionist in economic affairs, although before the nineteenth century this tended to be more through the legislative support of activities perceived as generally beneficial, such as maritime regulation, agricultural enclosure and transport infrastructure development.

The 'long eighteenth century', from the Glorious Revolution of 1688 to the final defeat of Napoleon in 1815, witnessed the relentless growth of state power, aimed to a considerable extent at financing the cycle of wars which consolidated the British empire. The 'long eighteenth century' also saw unprecedented population growth, a much faster rate of urbanization than was experienced in the rest of Europe, the move from a predominantly rural economy to an industrial and commercial one, and the creation of a huge national debt.

Set against this scenario, the 'New Street Project' may appear to be somewhat insignificant. What it does demonstrate, however, is a remarkable economic and financial sophistication on the part of early nineteenth-century politicians and their advisors. The effects of war on the economy were well appreciated by politicians and businessmen; speaking in 1817, William Huskisson made it clear that he understood the effect of war on the economy:

> *'It had always happened to this country, on a transition from a state of war to a state of peace - whether the war was calamitous, as the American war had been, or fortunate in its issue, like the last - that the active classes were placed by the peace in a state of great embarrassment, that trade was in a most depressed condition, and that the industry of the country was paralysed.'*[65]

In the long term, the solution might lie with the development of international free trade, and as the leader of the victorious allies, Britain was in a strong position to champion this policy. In the immediate aftermath of the long years of war, however, the economies of many European states were seriously weakened, and their governments would hardly have welcomed an influx of cheap British manufactured goods at the expense of their own producers. In the short term, therefore, the over-riding consideration for the British government was to effect the change from a war-economy to a peace-economy with the minimum of civil unrest and relying as far as possible on the workings of the free market. In this they were remarkably successful and the most serious incident, Peterloo, in which eleven people were killed, could well have been avoided had Magistrate Hulton not panicked.

Having decided on a course of action, the government pursued it with commendable vigour. Fordyce's early plans for Marylebone Park were recast and the Crown's hugely valuable West End properties were used to attract both developers and financial backers. Despite great political pressure to reduce government expenditure,[66] the administration pressed on with the task of acquiring properties on the line of the New Street, knowing full well that the project would eventually require a substantial amount of public finance.[67]

Lord Liverpool's administration has been criticised for the repressive laws which were enacted in the aftermath of the French Wars, but, in themselves, these would have been of little use in the event of serious civil unrest. A policy of 'prevention' rather than 'suppression' was the government's approach, with the creation of productive jobs at the heart of its economic agenda, and when the economy was slow to respond in the immediate aftermath of the war, the government instituted its own public works programme to bridge the gap. That the extensive project considered in this article was completed in a little over ten years is a tribute to the efficiency of the Office of Woods, Forests and Land Revenues, but Lord Liverpool and William Huskisson must be credited with having had the political courage to fully support the 'New Street Project'. Because of their commitment to such an intelligent and economically enlightened policy, it is perhaps time that the somewhat negative judgements on certain aspects of Lord Liverpool's record are balanced by the very positive aspects of job creation.

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43. P. R. O. MPZ 10.

44. See Colvin, *B. D. B. A*, p. 245. Thomas Chawner (1774-1851), a pupil of John Soane, joined the Office of Land Revenues in 1793 and remained in government employment throughout his career, retiring as joint architect and surveyor at the Office of Woods and Works.
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