

# The New England Enclaves

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THERE HAVE BEEN FOUR "ENCLAVES OF ECONOMIC rent" in New England, all founded by the late Fiske Warren of Boston, all the constant beneficiaries of his financial assistance and his tireless personal efforts, and all, since his death in 1938, ceasing to exist as enclaves. In view of the continued vigorous existence of similar enclaves in Alabama, Delaware and New Jersey, it is important to examine the reasons for the failure of the New England group to survive.

The New England enclaves were organized under deeds of trust which, as in other enclaves, vested title to all the land in trustees whose duty it was to grant leases of the land, collect the economic rent, and apply it primarily to the payment of all real estate taxes, whether on land or on improvements, levied by the taxing authorities having jurisdiction over the enclave. All improvements were owned by the lessee outright.

However, to this basic form of organization a number of subsidiary features were added, designed to complete the framework of a community in which all forms of taxation, direct or indirect, would be eliminated and the distinction between the natural organic function of

the community and that of the individual in a free society would be meticulously respected.

It was, of course, impossible to put such a system into effective operation under existing state laws, but provision was made for the immediate symbolic application of the principles involved, on what might be called a token basis. For example, a formula was provided by which a minute fraction of the economic rent collected for the use of the land would be applied toward relieving the lessee from a correspondingly minute portion of various indirect taxes. Other provisions and formulae dealt with the administration of natural resources and even with such matters as proportional representation and the support of public and private education.

The Deed of Trust for each enclave provided that when the lessees had reached a specified number they should take over the administration of the enclave as a self-governing community. Until then, all powers were vested in the trustees, and, in practice, most of the administrative work was actually done by Mr. Warren and several devoted paid or unpaid assistants.

Each enclave was further aided by a substantial indirect subsidy. Through a separate entity—the “Georgian Trust”—which Mr. Warren created and endowed, large tracts of vacant land near each enclave were purchased, held at the expense of the Georgian Trust until needed by the enclave and then sold to it at moderate prices, payable in long-term rent charges.<sup>1</sup> In this way the en-

<sup>1</sup>A rent charge is an archaic but still valid form of obligation to pay a specified amount of money from the rent of property. If the promisor defaults, he is not personally liable, but the promisee can seize the property and collect the rent until the obligation is paid in full.

clave was protected against rising prices of land in its vicinity and was relieved of carrying charges on land not immediately under lease.

Actually only Tahanto grew into an organized community, and even in Tahanto only a few of the lessees understood the basic principles embodied in the enclave. A few tried to understand but gave up when confronted by the intricate technicalities of the Deed of Trust. Most of them were content merely to accept unquestioningly the advantages of a community maintained for them by a lovable but, to them, eccentric gentleman of substantial means, whose idealism and ideas they neither shared nor comprehended.

Tahanto, founded in 1909 in the Town of Harvard, Massachusetts, grew from two small lots of land to an area of 782 acres containing more than 50 parcels under lease, with an organized community of some sixty members and their families. It may be taken as typical of all the New England enclaves: Shakerton (1921) in Ayer, Massachusetts, Trapelo (1927) in Weston, Massachusetts, and Halidon (1911) in Maine. None of these three latter enclaves became as large as Tahanto, and none of them achieved the status of an organized community, but as long as Fiske Warren lived they grew substantially in area and in number of lessees, thanks to his constant attention.

It is tragic that the idealism of Fiske Warren and his lifelong efforts failed to produce the results which he anticipated. Nevertheless, to those interested in such experiments the New England enclaves offer valuable material for study. Scientific progress is made not only

through experiments which succeed but also through the vastly greater number which fail and by their failure demonstrate the necessity of further search for better methods of putting theory into practice. It appears in retrospect that there were certain elements of weakness in the New England enclaves which did not affect similar enclaves still in existence elsewhere. These weaknesses were:

1. The New England enclaves were in effect subsidized by a generous idealist with ample means and with a willingness to do so much of the administrative work that the lessees living in the enclave failed to develop an adequate sense of responsibility for carrying it on and, in fact, for the most part were content to live in it on advantageous terms without trying to understand any underlying principles.

2. In all the fundamental documents creating the New England enclaves, an attempt was made to go much farther than merely collecting the "site" or "economic" rent and applying it to the relief of improvements from taxation. There were elaborate provisions based on the assumption that the amount collected would be more than enough to take care of taxes on improvements and that the surplus could then be applied to partial relief from other taxes, including income, estate and inheritance taxes. In certain instances the "rent charges" which were given in payment of the purchase price of land were payable not in a fixed specific number of dollars but in a number of dollars which fluctuated with the changing purchasing power of money as determined by certain prescribed standards. These and other attempts to

apply Fiske Warren's personal theories on various subjects were so numerous, so technical and so difficult even for a lawyer to understand that most of the lessees merely left it to him to interpret and apply the provisions. When he died, the lessees despaired of their own ability to continue the enclaves under such complicated provisions.

3. Finally, unlike Fairhope, the Ardens and Free Acres, which still have a vigorous life of their own, the New England enclaves had certain social limitations which illustrate a basic conflict between the ideas of Fiske Warren and those of the other founders. In New England the lessees were carefully selected in advance and, for the most part, accepted the invitation to become lessees not because they wanted access to the land but because they wished to live in an attractive community among people whom they knew and liked. They had no urgent need to live in an enclave rather than somewhere else, and no powerful incentive to make the enclave a success as an essential to their own well-being.

Perhaps if Fiske Warren had lived, some or all of these weaknesses would have been corrected, but the fact remains that they were not corrected, and these enclaves withered away. It may be, however, that from the point of view of the future of enclaves, established for the purpose of demonstrating the principle that the economic rent of land is the only proper source of community revenue, the very failure of the New England groups made a valuable contribution to the development of all experimental communities of this type.